

DNB

# Risk and capital management

2025



# CRO's summary of the year

The geopolitical landscape has become increasingly demanding. Geopolitics and global power dynamics encompass a wide range of issues that may affect Norwegian society and financial institutions such as DNB in different ways. Examples include trade relations, technology and access to commodities. Disruptions in value chains can generate both direct and indirect effects. We monitor developments closely and assess on an ongoing basis which measures are required to mitigate risk. DNB maintained a solid financial position throughout 2025, supported by strong capitalisation, robust earnings and a low cost base. This leaves the bank well placed to absorb unexpected losses, a position also confirmed by the EBA stress test published in August, where DNB ranked as one of the most resilient banks in Europe.

DNB was well capitalised at year-end 2025, with a Common Equity Tier 1 (CET1) ratio of 17.9 per cent, 1.6 percentage points above the supervisory expectation. Strong profitability across the Group has contributed to the bank's high level of solvency. Analyses and stress tests conducted during the year, both for selected portfolios and for the Group as a whole, demonstrate that DNB is able to withstand losses significantly above those implied by our expected loss.

The financial sector experienced substantial regulatory change in 2025. The updated Capital Requirements Regulation (CRR3) entered into force in Norway on 1 April with a neutral effect on DNBs CET1 capital ratio. In addition, the Norwegian Ministry of

Finance increased the minimum average risk weight for mortgages from 20 to 25 per cent with effect from 1 July, which reduced the CET1 capital ratio by around 60 basis points.

The EU Regulation on Digital Operational Resilience (DORA) was incorporated into Norwegian law in January, imposing stricter requirements on the bank's digital resilience and third-party risk management. DNB has implemented the necessary measures and adjustments to comply with the revised regulatory standards.

With the acquisition of Carnegie, DNB is positioned as the leading investment bank and asset manager in the Nordics, with a strong foundation for further

accelerating growth in our Nordic operations. Risk management is embedded in the merged company according to the Group's governance model.

The corporate and household lending portfolios in DNB are of high quality, and developments in 2025 were generally stable. The volume of non-performing loans remains low and declined further during the year. Total credit losses amounted to NOK 2.8 billion in 2025, below normalised losses.

The first half of 2025 continued the trend observed in 2024, with a somewhat higher number of bankruptcies in Norway than in previous

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years. The construction industry remained the most affected sector, alongside car dealerships and certain retail segments. Geopolitical uncertainty affected several credit portfolios during the year, including renewable energy in the United States, although losses have been limited. DNB's lending portfolio for commercial real estate remains stable and sound. Most of our customers in this sector have strong financial positions, and vacancy rates are low to normal.

DNB maintained good control of operational risk in 2025. There were some serious incidents, all of which were handled in a satisfactory manner. We experienced a sharp increase in attempted fraud, affecting both the bank and our customers. Combating financial crime is therefore a key priority. Effective cooperation with authorities and other banks is essential to disrupt the criminal networks behind these activities.

DNB contributes to financing the sustainable transition in close collaboration with the customers. Sustainability is integrated into risk management across all risk types and is part of the risk assessments. In 2025, we further developed tools for scenario analysis of climate risk, with emphasis on transition risk in vulnerable sectors and energy efficiency in commercial real estate. Work has been ongoing throughout the year to establish clear and measurable

risk appetite statements for sustainability risk to be incorporated into the Group's risk appetite from 2026. Data gaps, uncertainties in assumptions and scenario limitations mean that integration of sustainability risk into risk management will remain an important area of development in the coming years.

At DNB, we are committed to understanding the opportunities and risks associated with artificial intelligence. This field is evolving rapidly and may generate improved products and services, more efficient operations and enhanced risk insight. At the same time, it introduces heightened risks related to financial crime, more sophisticated cyber attacks, data misuse and personal data breaches. We conduct continuous and thorough assessments of emerging and evolving risks that the bank must address. The greatest challenge is that we may be deceived by convincing artificial intelligence or underestimate the complexity of such systems. Even with perfectly tailored governance, this can distort the results of risk assessments.

DNB was the only bank outside the EU to participate in the EBA EU-wide stress test in 2025. DNB ranked as one of the strongest banks in the stress test, which covered 64 major European banks. This is further supported by DNB's position as the Nordic commercial bank with the highest credit rating from Moody's and S&P, and one of the highest-rated banks globally.

Strong earnings and a solid capital position are important during uncertain times. Together with good risk management, this constitutes the foundation of a sound bank. It enables us to deliver on our financial targets – at the same time that we maintain our ability to finance housing dreams, entrepreneurs with good ideas, growth and the transition of the Norwegian business sector.



*Eline Skramstad*

Eline Skramstad  
Chief Risk Officer  
Group Risk Management

# Risk statement from the Board of Directors

The Board is kept continuously informed of the Group's risk developments through regular reporting and established notification procedures. Risk appetite and other overall risk limits are reviewed by the Board at least annually. The Board considers the Group's risk management to be adequate and well aligned with its risk appetite and business strategy.

At year-end 2025, DNB was the second-largest listed company on Oslo Børs (the Oslo Stock Exchange) and the largest financial Group in Norway, with a market capitalisation of NOK 411 billion. The Group offers a full range of financial services, including lending, savings, advisory services, and insurance and pension products for personal and corporate customers. At the end of 2025, DNB had 2.4 million personal customers and 240 000 corporate customers.

The Group's common equity tier 1 (CET1) ratio was 17.9 per cent at year-end, 1.6 percentage points above the supervisory expectation. DNB aims to maintain a management buffer in addition to the supervisory expectation for CET1. This buffer is designed to reflect expected future capital needs, including anticipated regulatory changes and market-driven movements in capital ratios. The total capital adequacy ratio was 22.4 per cent at the end of 2025.

**Credit risk** is managed in accordance with the Group policy for risk management and the Group instructions for credit activities. The governing documents are elaborated in a detailed set of rules for credit activity, and is available to all employees in DNB. The Board sets the overall limits for credit quality, credit growth and risk concentrations through the risk appetite. The Board is kept informed of the risk level measured against the risk appetite limits. If a limit is breached, the Board is notified and receives an analysis of the causes and an action plan to restore the risk level. The Board is also informed of breaches of limits set in the business areas' credit strategies.

Geopolitical uncertainty contributed to another year of challenges for companies in certain sectors. Despite this, credit portfolio quality remained generally stable. Household lending portfolios continue to exhibit very low levels of non-performance. The volume of net non-performing loans was lower at year-end 2025 than at the previous year-end. Impairments for the year

amounted to NOK 2.8 billion, somewhat higher than in 2024 but below normalised losses.

**Market risk** is managed in accordance with the Group policy for risk management and the Market Risk Management Framework. The Board has set the overall limits for market risk in the risk appetite. The Board has also established limits for all material market risk exposures, including interest rate risk, foreign exchange risk, equity price risk, commodity risk and basis swap risk. Limit utilisation and any breaches are reported to the Board at least quarterly.

Market risk levels remained relatively stable throughout 2025. Economic capital for market risk was slightly higher at year-end 2025 than at year-end 2024, but remained well within the risk appetite limit of 10 per cent of total economic capital, excluding strategic holdings. Utilisation of the Board-approved risk limits was moderate.

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**Liquidity risk** is managed in accordance with the Group policy for risk management and the Group instructions for the management, reporting and control of liquidity risk. Through the risk appetite, the Board has set internal limits for the liquidity buffer (Liquidity Coverage Ratio, LCR), stable funding (Net Stable Funding Ratio, NSFR), deposit coverage and the minimum requirement for own funds and eligible liabilities (MREL). In line with the bank's risk appetite and risk strategy, liquidity risk must be low and support the bank's financial strength. DNB seeks a balance sheet composition that reflects the liquidity risk profile of an international bank with a long-term credit rating at the AA level.

DNB had good access to funding in 2025 and issued more than NOK 115 billion in long-term market funding. Deposit coverage remained high, and liquidity (LCR) and stable funding (NSFR) indicators were at satisfactory levels.

DNB holds long-term credit ratings of AA- and Aa2 from S&P Global and Moody's, respectively. In addition, DNB has the highest short-term ratings of A-1+ from S&P Global and P-1 from Moody's. Both agencies affirmed DNB's ratings in December 2025.

**Reputational risk** is monitored through media surveillance, reputation assessments and customer satisfaction metrics. The Group's risk appetite

principles state that DNB must work to maintain a strong reputation and meet the expectations of society and stakeholders. DNB's reputation score on Traction improved during 2025. There were some negative media cases related to persistently high interest rates, isolated incidents and sector-specific issues, but relatively few challenging cases overall.

**Sustainability risk** is managed in accordance with the Group policy for risk management, the Group policy for sustainability and the frameworks and instructions for managing the various risk types. Sustainability risk must be incorporated into all risk assessments. In accordance with the Group instructions for sustainability in credit activities, sustainability risk must be assessed on an equal footing with other risk factors. This assessment is an integral part of DNB's credit decision process for all corporate customers with credit exposure above NOK 8 million.

Work to strengthen the collection, structuring and analysis of sustainability data continued in 2025. Several projects are underway to assess potential effects of climate risk. Scenario analyses are used to identify vulnerable sectors or portfolios. The transition plan outlining how the Group will achieve its overarching ambition of net zero emissions by 2050, and how DNB can best fulfil its role as a driver of sustainable transition is available at

[dnb.no/sustainability-reports](https://dnb.no/sustainability-reports) and the progress toward the targets are presented in the annual report on [ir.dnb.no](https://ir.dnb.no).

**Operational risk** is managed in accordance with the Group policy for risk management and the Group instructions for operational risk. The Board has set risk appetite limits for the level of operational risk DNB is willing to accept. The Board is notified if material incidents occur. Through the quarterly risk report, the Board receives updates on operational risk across the Group.

Total operational losses in 2025 amounted to NOK 305 million, which is an average level. Cyber attacks remain among the most significant operational risks, characterised by persistently high threat levels and the potential for severe consequences. DNB maintains a strong cyber defence, and cybersecurity is a high priority and is monitored through the risk appetite. IT operations were generally stable during the year, although a technical error resulting in multiple duplicate payments constituted the largest operational loss in 2025. IT risk is also monitored separately within the risk appetite.

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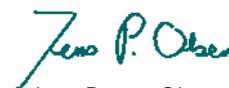
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Oslo, 10 March 2026  
Board of Directors of DNB Bank ASA



Olaug Svarva  
(Chair of the Board)



Jens Petter Olsen  
(Vice Chair of the Board)



Gro Bakstad



Berit Behring



Petter-Børre Furberg



Lillian Hattrem



Vivian Lund



Haakon Christopher Sandven



Eli Solhaug



Kim Wahl



Kjerstin R. Braathen  
(Group Chief Executive Officer, CEO)



Eline Skramstad  
(Group Chief Risk Officer, CRO)

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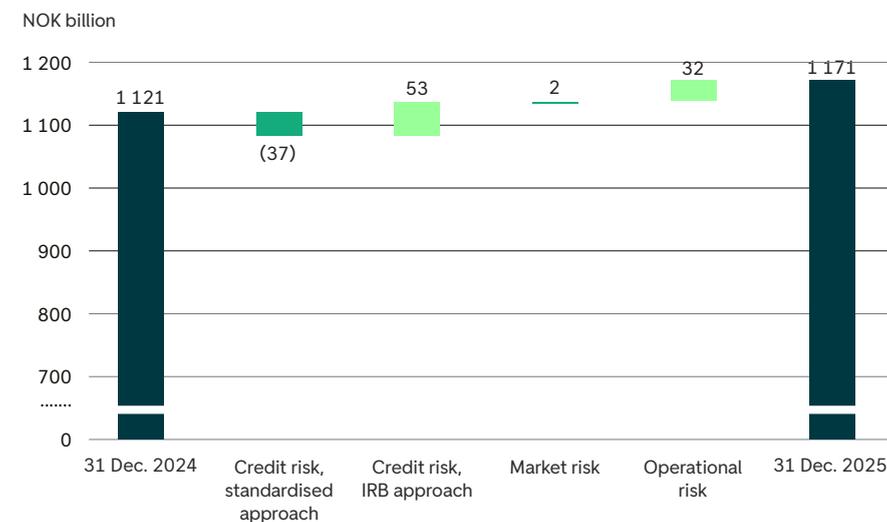
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**Key figures**

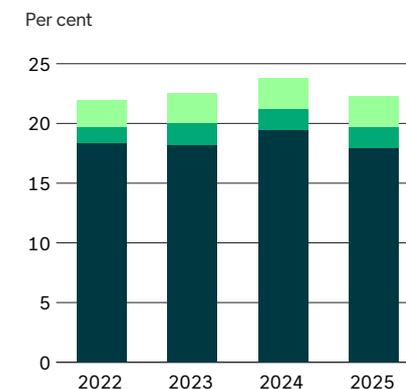
Capital	31 Dec. 2025	31 Dec. 2024
Risk exposure amount (NOK billion)	1 171	1 121
Own funds (NOK billion)	262	267
CET1 capital ratio (per cent)	17.9	19.4
Capital adequacy (per cent)	22.4	23.8
Leverage ratio (per cent)	6.6	6.9
<b>Liquidity</b>		
LCR, significant currencies (per cent)	130	134
NSFR, significant currencies (per cent)	113	113
<b>Credit and counterparty credit risk</b>		
Credit risk, EAD (NOK billion) <sup>1</sup>	2 559	2 522
- of which counterparty credit risk, EAD (NOK billion)	50.2	61.5
Impairment of financial instruments (NOK billion)	(2.8)	(1.2)
Risk exposure amount, credit and counterparty credit risk (NOK billion)	1 005	990
<b>Market risk</b>		
Market risk as a share of economic capital (per cent) <sup>2</sup>	8.0	10.5
Risk exposure amount, market risk (NOK billion)	11.3	10.0
<b>Operational risk</b>		
Operational losses (NOK million)	305	276
Risk exposure amount, operational risk (NOK billion)	172	140
Reputational risk, Traction (points)	61	57

1 Excluding institutions, government, central banks, equity positions and exposure in associated companies. Counterparty risk has been included.  
 2 Including strategic ownership.

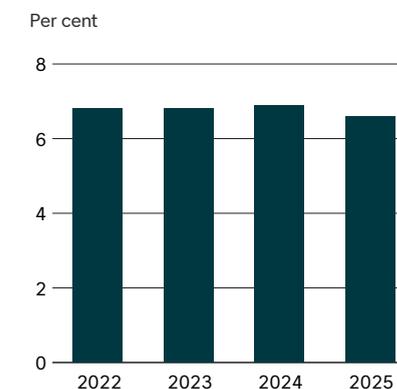
**Development in risk exposure amount (REA)**



**Capital adequacy ratio**



**Leverage ratio**



● Common equity Tier 1 capital  
 ● Additional Tier 1 capital  
 ● Tier 2 capital

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# About this report

The Pillar 3 report provides information about DNB's risk management, risk measurement and capital adequacy, and supplements the information provided in DNB's annual report, quarterly interim reports and fact books.

## Regulatory framework

This report, with the additional Excel disclosures, has been prepared in accordance with the Capital Requirements Regulation and Directive (CRR and CRD). Regulation (EU) 2024/1623, CRR3, was adopted in the EU in May 2024 and implemented in Norway on 1 April 2025. Articles 431–455 specify the reporting requirements.

This report, together with DNB's annual report and the Excel disclosure 'Risk and capital management – Pillar 3, attachment (Excel)', provides the consolidated disclosure of DNB as required in these regulations and the guidelines given by the European Banking Authority.

The capital requirements regulation consists of three pillars:

- **Pillar 1** covers the regulatory requirements for banks' capital and descriptions of the calculation methods for risk exposure amounts and own funds.
- **Pillar 2** sets out requirements for the Internal Capital Adequacy Assessment Process (ICAAP) and the bank's responsibility for assessing risks other than those captured under Pillar 1.
- **Pillar 3** covers public disclosure requirements and allows the market to assess financial institutions' capital and risk management.

There are different methods used to calculate capital requirements for various risk categories. DNB reports credit risk according to the advanced IRB approach (A-IRB), using internal risk models to calculate the capital requirement. Large corporates with consolidated annual sales of more than EUR 500 million are reported according to the IRB Foundation (FIRB) method. Some credit portfolios are temporarily or permanently exempt from IRB reporting and are reported according to the standardised approach. Market risk is measured using the standardised approach.

The Board of Directors of DNB Bank ASA approves the guidelines and procedures for Pillar 3 reporting and reviews the report prior to publication. The Pillar 3 report is not subject to external audit.

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## Legal structure and consolidation rules

This report complements DNB's annual report with additional information and is intended to be read in conjunction with the annual report, in particular the section on Corporate Governance and the disclosures relating to remuneration. Together with the annual report, this report provides information on DNB's material risks and includes details on the Group's risk profile which form the basis for the calculation of capital requirements.

The Pillar 3 report is based on the Group's consolidated situation as at 31 December 2025. The DNB Group consists of several legal entities, where subsidiaries are defined as companies where DNB has direct or indirect control. DNB Bank ASA is the parent company in the DNB Group and has several subsidiaries, including DNB Livsforsikring AS, DNB Asset Management Holding AS and DNB Carnegie Holding AB, each having underlying subsidiaries. The CRR/CRD regulations do not apply to insurance companies, therefore DNB Livsforsikring AS will publish its own Pillar 3 report, 'Solvency and Financial Condition Report', on 8 April 2026. When this report refers to 'DNB', 'the Group' or 'the bank', it normally relates to the activities in DNB that are regulated by CRR/CRD.

DNB prepares its consolidated financial statements in accordance with the international accounting standards IFRS. A description of the accounting principles is presented in the Group's annual report. When the consolidated financial statements are prepared, intra-Group transactions and balances, as well as unrealised gains or losses on these transactions between Group entities, are eliminated. The consolidation rules under the capital requirements regulations for banks and investment firms (CRR/CRD) deviate from the consolidation of the annual financial statements for the DNB Group, and the differences between the accounting and regulatory scopes of consolidation are shown in Tables EU CC2 and EU LI1 in the appendix to this report. In accordance with the capital requirements regulations, only companies in the financial sector and companies providing ancillary services are included in the consolidated capital adequacy. Associated companies are proportionally consolidated (pro rata up to 50 per cent) based on DNB's ownership interest.

For 2025, this applies to the following companies:

- **Luminor Group AB** (ownership interest of about 20 per cent).
- **Vipps AS** (ownership interest of about 47 per cent).

At year-end 2025, DNB's share of the risk exposure amounts for credit and market risk in Luminor amounted to NOK 16.6 billion. Risk exposure amounts in Vipps were insignificant. The companies are also included in the basis for calculating capital requirements for operational risk. Consolidation of capital adequacy is based on the valuation principles used in the operating companies' financial statements. The valuation principles that form the basis for solvency calculations in the respective companies at the national level are applied to shareholdings in the foreign companies that are being consolidated. The solvency report for the consolidated Group (cross-sectoral reporting) includes the subsidiary DNB Livsforsikring AS and the pro rata consolidation of Fremtind AS, where DNB has around 28 per cent ownership interest at the end of 2025.

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## Significant subsidiaries

DNB Boligkreditt AS is a wholly owned subsidiary of DNB Bank ASA and provides loans secured by residential property for up to 75 per cent of the value of the property. Based on developments in international capital markets, DNB Boligkreditt has been given a key role in ensuring the DNB Group long-term and solid financing. This is done through the issuance of covered bonds. DNB Boligkreditt is defined as a large institution pursuant to Article 4.1 (146) and must comply with the reporting requirement in Article 13 of the CRR. The relevant tables for DNB Boligkreditt (Articles 437, 438, 440, 442, 449a<sup>1</sup>, 449b, 450, 451, 451a and 453) are shown in the Excel disclosure. The figures and information in these attachments should be viewed in the context of DNB Boligkreditt's annual report.

<sup>1</sup> Following the statement from EBA and its no-action letter, and the support from Finanstilsynet (the Financial Supervisory Authority of Norway), the reporting requirements in Article 449a for DNB Boligkreditt AS are waived until the amended regulation enters into force.

For an overview of the Group's legal structure, see: <https://content.dnb.no/docs/8566769/juridisk-organisering-dnb-konsernet-legal-structure-the-dnb-group.pdf>

Information in accordance with Pillar 3 requirements is published quarterly in separate Excel files, see: <https://www.ir.dnb.no/press-and-reports/financial-reports>

For more information on DNB's Corporate Governance, see DNB's annual report: <https://www.ir.dnb.no/press-and-reports/financial-reports>

For more information on DNB's remuneration scheme, see DNB's annual report: <https://www.ir.dnb.no/press-and-reports/financial-reports>

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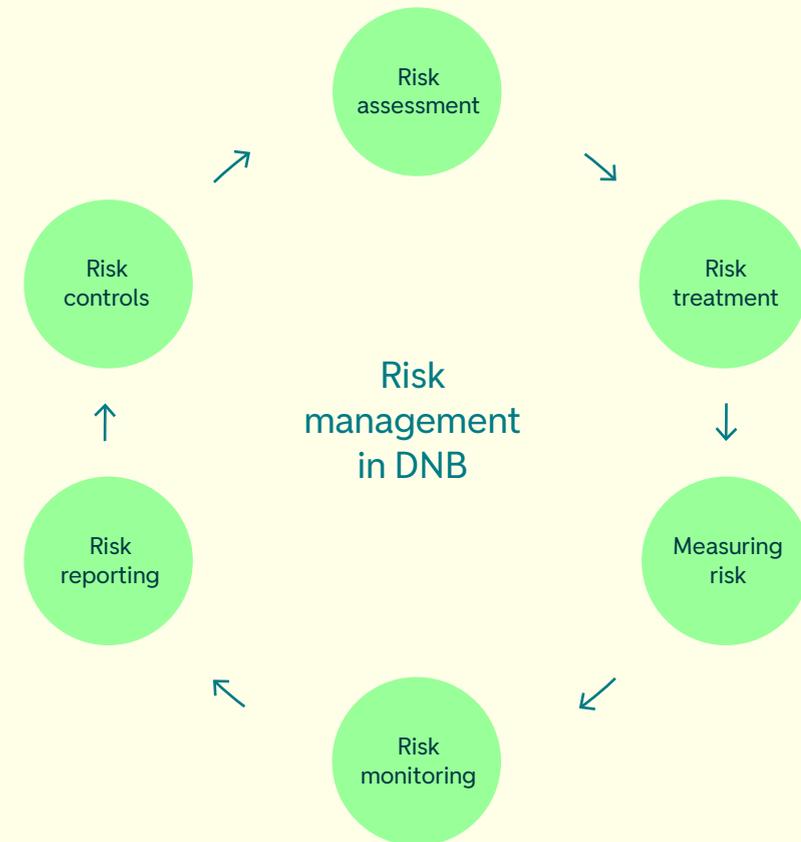
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# 1. Risk management and control

The Group must at all times be able to identify, assess, manage, measure, monitor, report and control relevant risks. Risk management should support a healthy risk culture and good business practice.

## Risk culture

DNB's risk culture is defined by a strong sense of individual accountability, along with transparent methodologies and processes that underpin effective risk management. DNB will engage only in risks that are fully understood and can be appropriately managed. It is the responsibility of all managers to ensure that employees comprehend risk thoroughly and maintain an active awareness of the relationship between risk and return.



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## Principles for risk management

As a financial institution, DNB must adhere to stringent standards for risk management and internal control. To meet external requirements and guidelines, DNB has implemented internal governing documents and processes.

The highest level of governing documents is DNB's Governance principles, which include principles relating to:

- strategy, mission and values
- ethics (Code of Conduct)
- attracting, retaining and developing employees
- risk management, internal control and compliance
- risk appetite

Outlined below are DNB's main principles for risk management, which set broad expectations for managing and controlling risk across the organisation. The governance principles are elaborated in the Group policy for Risk Management.

Risk management includes activities, processes and actions that ensure that risks are assessed, managed, monitored, controlled and reported in a satisfactory way and in line with DNB's guidelines and requirements.

DNB's risk management must address all types of financial and non-financial risk, including emerging risks, that could affect DNB's target attainment. Risk management must be forward-looking and include assessments of how DNB can best adapt to changes in internal and external factors. Risk management is integrated into processes across all units and levels of the Group. Risk should be an integral part of the governance and remuneration system through indicators that operationalise risk appetite, strategies and limits, and that are followed up by managers individually.

Risk is reported periodically, and there must be capacity to report ad-hoc when necessary. Managers are responsible for ensuring appropriate risk reporting within their respective areas. All levels of the organisation must have access to relevant and necessary risk information.

The assessments are carried out at fixed intervals in accordance with governing documents for the risk type, and no less than annually. Risk assessments are also included in the decision-making basis for all significant changes. Risk assessments include the identification, analysis and evaluation of risk and are a key part of internal control.

## Additional general principles for managing risk

The Board determines the long-term risk profile through DNB's risk appetite, which is assessed and renewed at least once a year. The targets and limits set out in risk appetite are reflected in other parts of risk management, including authorisations and business limits. [Risk appetite](#) is described in more detail later in this chapter.

The capitalisation assessment (Internal Capital Adequacy Assessment Process, ICAAP) is integrated into governance processes through the risk appetite framework and general monitoring of risk trends. ICAAP is described in more detail in the chapter [Capital management](#).

The recovery plan is intended to ensure that DNB can recover from a very serious stress situation, without involvement or support from the authorities. The plan is renewed annually and is an integral part of DNB's risk and capital management. [The recovery plan](#) is described in more detail later in this chapter.

DNB has plans for business continuity and crisis management in the event of serious business and operational disruptions. This includes plans for transition to back-up solutions for information technology, for outsourced operations, for recovery from financial stress and for the continuation of critical functions in a crisis management situation.

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For a more detailed description of DNB's corporate governance, see the annual report and the corporate governance report at [ir.dnb.no](http://ir.dnb.no).

**Governing bodies of DNB Bank ASA**

Roles and responsibilities related to risk management, internal control and compliance are distributed according to a corporate governance model with three lines of defence.

→ **The first line of defence** covers all of DNB's operational functions (business areas and Group units). Operational management is responsible for establishing, managing and following up internal control, including risk management and compliance, within its own area of responsibility. All risk is owned by the first line. Risk is to be owned at the lowest possible organisational level. Roles, responsibilities and distribution of risk between business areas and Group units within the first line are set out in the Group's governance model and are specified in the units' governing documents. Employees are responsible for maintaining good internal control in their daily work tasks.

As at 31 December 2025.



→ **The second line of defence** consists of the risk management function and the compliance function. Risk management and compliance are independent control functions that report to the CEO, while also reporting independently to the Board of Directors. These functions prepare the governing documents for risk management, internal control and compliance, and assist in evaluating risks related to new strategies, organisational changes or other major business developments.

→ **The third line of defence** is internal audit (Group Audit) and assists the Board in ensuring that all material elements of the Group's risk management, internal control and compliance are of satisfactory quality. Group Audit must also assess whether management processes and control measures are effective and contribute to the Group's target attainment.

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## Roles and responsibilities

### Board of Directors and Board Committees

DNB's Board of Directors has overall responsibility for the company's activities and establishes, among other things, the Group's strategy and overall goals, and ensures satisfactory reporting. The Board also sets limits for risk appetite and sets limits for how much risk DNB is willing to accept in order to achieve set goals and ambitions.

The Board is responsible for ensuring that the Group is adequately capitalised relative to the risk and scope of the business, in addition to ensuring compliance with capital requirements. The Board carries out an ongoing assessment of the capital situation. See further discussion of ICAAP (Internal Capital Adequacy Assessment Process) in the chapter [Capital management](#).

Each year, the Board of Directors reviews the CEO's report on the status of internal control. The review documents the quality of the work on internal control, and it is intended to identify any weaknesses and needs for improvement. The report also includes an assessment of the principal non-financial risk areas in the Group.

The Board has three sub-committees: the Risk Management Committee, the Audit Committee and the Compensation and Organisation Committee.

### Risk Management Committee

The Risk Management Committee monitors the systems for risk management, internal control and internal auditing, and ensures that they function effectively. The committee considers changes to systems and procedures that are submitted to the Board for approval. In addition, the committee advises the Board on risk profile, including risk appetite, and the committee prepares the Board's follow-up of risk development and risk management. Advice to the Board also includes strategies for capital and liquidity management, and strategies and limits for all relevant risk types. The committee consists of up to five Board members who are elected for two years at a time. It is also a requirement that at least one of the committee's members has extensive experience in identifying, assessing and managing risk in large and complex companies. The organisation of DNB's Risk Management Committee, and the quarterly reporting of risk management to the Board of Directors, is considered to cover the relevant requirements in the countries in which DNB operates, including the US CFR Section 252.144.<sup>1</sup>

<sup>1</sup> CFR Section 252.144 – 'Risk management and committee requirements for foreign banking organizations with \$100 billion or more in total consolidated assets but less than \$100 billion in total U.S. assets'

### Audit Committee

The Audit Committee ensures that the DNB Group has independent, effective and objective external and internal audit procedures, as well as satisfactory financial and sustainability reporting, in accordance with laws and regulations. The Audit Committee reviews the financial and sustainability reporting process and ensures that the Group's risk management, internal control and internal audit function effectively. The Committee has the authority to investigate all matters relating to the Group that the Committee finds relevant for performing its tasks. The Audit Committee is answerable to the Board in connection with the implementation of its tasks.

The Board elects up to five members to the Audit Committee from among the Board's external members and appoints the Chair of the Committee. Members are elected for terms of up to two years. The members of the Committee must collectively hold the competence necessary to perform the Committee's tasks. At least one of the members of the Committee must be independent of the company's operations and have qualifications within accounting and/or auditing.

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### Compensation and Organisation Committee

The Compensation and Organisation Committee is responsible for preparing guidelines, frameworks and matters related to remuneration to be decided by the Board, including variable remuneration for employees in all parts of the Group and other material personnel-related matters for senior executives. The committee is also the Board's preparatory body for selected matters relating to culture, management and succession planning.

### Chief Executive Officer (CEO) and Group Management Meeting

The CEO is responsible for implementing risk management that contributes to meeting the business targets set by the Board, including effective management systems and internal control. The Group Management Meeting is the CEO's collegium for senior management. All significant decisions relating to risk and capital management are generally made in consultation with the Group Management team. The Group Executive Vice Presidents of the business areas and Group units are part of the Group Management Meeting.

### Group Committees

Committees have been established to assist Group Executive Vice Presidents with decision-making, monitoring and control in various specialist areas:

- **The Asset and Liability Committee (ALCO)** is an advisory body to the Chief Financial Officer (CFO). The ALCO monitors the Group's capital expenditures and asset allocation. In addition, the ALCO monitors risk exposures within market and liquidity risk. The committee is a meeting place for information sharing and coordination between entities that operationally manage market and liquidity risk and Group Risk Management as an independent risk control function.
- **The Group Credit Committee (GCC)** is chaired by the Chief Risk Officer (CRO). The GCC handles large or complex credit cases and credit cases with a particularly high risk of money laundering or sustainability risk. The committee also considers administrative matters, including industry reports, credit regulations, risk reports, stress testing, model changes and credit strategies. The GCC handles and endorses credit cases based on personal authorisations. The Group Executive Vice President for the business area that has the case is the extender and CRO is the endorser. The Group Chief Compliance Officer is a permanent member of the committee.
- **The Financial Markets Risk Committee (FMRC)** is chaired by the Group Executive Vice President for Market and Liquidity Risk Management and consists of members from Group Risk Management, DNB Carnegie and Group Treasury. The FMRC is responsible for approving and supervising principles and processes for activities involving market risk in DNB. This includes recommending market risk limits and approving and following up guidelines, methodology and control for market risk and counterparty risk.
- **The Non-Financial Risk Committee (NFRC)** is chaired by the Chief Risk Officer (CRO) and serves as an advisory body for DNB's first line, business areas and Group units. The committee's scope of activity is non-financial risk, including operational risk, compliance risk and reputational risk. Through specialist groups, the committee will follow up the implementation and compliance with requirements and expectations within the respective specialist areas. Overall, the NFRC oversees and evaluates the Group's non-financial risk and helps foster a strong risk culture across the organisation.

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## Group Risk Management

Group Risk Management (GRM) is the independent risk management function in DNB. This function is responsible for advising the first line of defence on risk management issues and must have the competence and capacity to contribute proactively to sound risk management in all parts of the Group. In addition, GRM monitors, controls and reports on the risk situation independently of the units that own and manage the risks.

GRM is led by the Chief Risk Officer (CRO). The CRO reports directly to the CEO and the Board of Directors on DNB's risk situation and risk development. The CRO cannot be dismissed without the approval of the Board.

GRM is involved in assessments that have a material impact on DNB's overall risk exposure and ensures that risks are adequately assessed, managed, measured, monitored, reported and controlled by the relevant business areas and Group units.

In addition to the second-line risk management function, Group Risk Management handles several Group functions that need specialist expertise or a coordinated approach across the Group. In some cases authorities require these functions to be managed by the second line.

GRM's areas of responsibility include:

- determining the Group's risk appetite and ensuring that the risk appetite functions effectively;
- carrying out independent assessments and controls of the risk level and reporting on risk to the Group Management team and the Board;
- endorsing decisions on risk-taking in the areas of credit, market and liquidity risk;
- preparing frameworks and instructions for the management of the different risk types;
- owning and managing models and measurement methods for financial risk;
- having the overall responsibility for the independent validation of models;
- having the overall responsibility for stress testing and for recommending measures based on the conclusions of the stress tests;
- preparing the Group's recovery plan and following up Finanstilsynet (the Financial Supervisory Authority of Norway) Resolution Plan for DNB;
- having responsibility for the management of risk data and climate data.

For more on management and control see also the descriptions on management and control in the chapters Liquidity risk and asset and liability management, Credit risk, Counterparty credit risk, Market risk, Operational risk and Sustainability risk.

## The compliance function

The Group Chief Compliance Officer (CCO) leads the compliance function. The CCO reports directly to the CEO and the Board of Directors on the compliance situation and compliance risk in the Group.

The compliance function is the independent compliance control function in DNB. The compliance function takes a risk-based approach, mainly related to regulations that set requirements for the exercise of DNB's licensed activities. The mandate covers financial regulatory regulations, competition and privacy regulations, and regulations aimed at counteracting money laundering, corruption and breaches of sanctions. Furthermore, the compliance function checks that the Group has policies and procedures in place to identify compliance risks and measures and procedures to limit compliance risk, assesses whether the aforementioned guidelines, procedures and measures are sufficiently effective and assesses any measures implemented to remedy non-compliance with the regulations. The compliance function advises on compliance and compliance risk and helps assess this when introducing new strategies, organisational changes and other changes in the business. The compliance function develops the Group's framework for managing compliance risk in collaboration with Group Risk Management.

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### Group Audit

Group Audit (DNB's internal audit) assists the Board of Directors and the CEO in examining whether adequate and effective risk management and internal control have been established and implemented in the Group. Group Audit has its instructions from the Board of Directors, which also approves the audit's annual plans and budgets. For a more detailed description see the annual report and corporate governance report at [ir.dnb.no](http://ir.dnb.no).

### Authorisations

There must be authorisations for all credit approvals and position and trading limits in all significant financial areas. Authorisations and overall limits are decided by the Board and delegated further in the organisation. Any delegation must be approved and followed up by the immediate superior. All authorisations in DNB are personal. Authorisations are based on an assessment of the relevant individual's competence and experience, as well as the business need. When granted, information is provided about the conditions and restrictions in the authorisation. All authorisations granted in DNB are documented and monitored. For more information on authorisations for credit, liquidity and market risk, see the chapters for the respective forms of risk.

### Monitoring and reporting

The CEO keeps the Board informed of matters of material importance to the Group's operations.

Risk reporting in DNB is periodic, with frequency adapted to the various types of risk. The frequency can be increased when conditions warrant it, and there must be capacity to carry out ad hoc reporting when necessary.

All levels of the organisation should have access to risk information that is accurate, reliable, complete and up-to-date so that decision-makers can have full confidence in the information. Risk levels should be reported in detail and aggregate form across all risk types. Aggregation methods must be documented.

All DNB employees are responsible for reporting and handling significant incidents or deviations. Operational incidents and compliance breaches must be recorded in a loss and incident database. Actions taken must be registered for all serious incidents and compliance breaches, and the status reported to Group Management and the Board of Directors.

The internal control system helps ensure operational efficiency, accurate reporting and regulatory compliance. Each year, all parts of the Group assess and attest to their area's internal controls.

Group Risk Management and the CRO report on DNB's risk situation at least quarterly to the CEO and the Board of Directors. The compliance function and the CCO report accordingly on the compliance situation and compliance risk to the CEO and to the Board of Directors. See the table on the next page for an overview of the reporting.

Local risk management and compliance functions report regularly to the head of the relevant area and to the CRO or CCO.

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**Risk reporting from the second line of defence to the Board of Directors of DNB**

The table to the right shows the regular reports from Group Risk Management and Group Compliance to the Board. In addition, the Board is informed at the first subsequent meeting if there is a breach of risk appetite limits, breaches of threshold values in the recovery plan or other significant events or changes in the risk situation.

Frequency → Quarterly Report	
<p><b>CRO's Risk Report</b> The risk report provides a broad review of the risk situation, with analyses and comments. The report is a second line of defence assessment of the risk outlook. Important elements include risk level measured according to the limits set out in risk appetite, the status of the indicators set out in the recovery plan, an assessment of the Group's capitalisation and the results of stress testing and scenario analyses.</p>	<p><b>CCO Compliance Report</b> The compliance report is CCO's independent assessment and is intended to provide a clear overall picture of compliance risk in the Group. The compliance function prepares a short status on the development of the compliance situation quarterly. After the second and fourth quarters, half yearly reports are prepared that provide a risk based overview of the compliance situation and compliance risk.</p>
Frequency → Annually Report	
<p><b>Recovery Plan</b> The recovery plan, which is part of the Bank Recovery and Resolution Directive (BRRD), is an integral part of DNB's risk and capital management. An important part of the recovery plan is a description of various identified measures that can improve DNB's capital adequacy and liquidity situation in a crisis. The plan is revised annually. The status of defined recovery indicators is reported to the Board of Directors on a quarterly basis.</p>	<p><b>Validation Report</b> The accuracy of the bank's internal models (IRB and IMM), which are used for capital requirements calculations, are assessed annually by the bank's independent validation unit. The results are presented to the Board of Directors.</p>

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## Stress testing

Stress tests are an integral part of the bank's capital and risk management. The stress tests must be forward-looking and cover all relevant risk types. They cover a range of scenarios with varying degrees of severity, including scenarios that reflect severe downturns. The stress tests include assessments of the impact on the Group's solvency and other financial targets. The results from stress tests are used in the development and follow-up of risk appetite.

Group Risk Management is responsible for conducting regulatory stress tests and for conducting stress tests and scenario analyses at Group level that capture the largest risk factors at any given time.

Important stress tests that are carried out at least annually in DNB:

- Stress testing of capitalisation and liquidity is carried out quarterly and presented to Group Management and the Board of Directors as part of the CRO's risk report.
- Stress testing is carried out as part of the annual ICAAP reporting to Finanstilsynet, see the chapter on capital management.
- Liquidity stress testing forms part of the annual ILAAP reporting to Finanstilsynet, see the chapter on liquidity risk.
- Crisis scenarios are developed and tested as part of the yearly update of DNB Group's recovery plan and crisis management plan.
- Stress tests of specific credit portfolios are carried out on an ongoing basis, normally quarterly. Climate risk is part of the stress testing of the credit portfolios.
- The solvency of DNB Boligkreditt AS is stress tested annually in connection with the ICAAP reporting. In addition, the resilience in the event of a fall in housing prices are stress tested on a quarterly basis.
- Counterparty risk is stress tested monthly to reveal undesirable outcomes of the overall counterparty risk exposure.
- Stress tests are performed for market risk semi-annually to measure potential losses based on changes in market prices.

## Risk appetite

Risk appetite is defined as the risk the Group is willing to accept to achieve its goals. The Board determines DNB's long-term risk profile by setting the Group's risk appetite. The risk appetite renewal process is carried out independently of strategic and financial planning processes. By setting limits for risk taking, risk appetite helps optimise the risk/earnings ratio and ensure sustainable value creation over time.

All employees must be aware of the risk associated with the activities and tasks they perform and not make choices that impose unwanted risk on the Group. The intention of the principles for risk appetite is to create a shared understanding of what constitutes acceptable risk in DNB and what happens if the risk appetite limits are exceeded. Together with DNB's Code of Conduct and DNB's Governance principles, the principles for risk appetite are intended to help contribute to creating a risk culture that covers DNB's shared norms, attitudes and behaviour relating to the management and control of risk at all levels.

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The risk level is measured against the risk appetite limits each month, which provides an overall summary of the risk situation in the DNB Group. Risk appetite includes 16 dimensions of risk, across risk types and business areas. The table to the right shows an overview of risk types in risk appetite and associated dimensions of risk that were applicable at year-end 2025. Sustainability risk assessments must be included in risk assessments for all risk types.

### Risk types and associated dimensions in the risk appetite framework

Risk indicators at a lower organisational level support the limits in risk appetite. Risk indicators can be expressed as limits for quantifiable risk or as qualitative assessments of the level of risk. They need not be expressed through the measures used at Group level but must relate to the same risk types and track the same development. Follow-up of the risk indicators is adapted to the individual business areas and is intended to ensure that the risk is kept within the stipulated level of risk appetite.

### Risk types and associated dimensions in the risk appetite framework

Risk types	Dimensions of risk
Profitability and loss-absorbing ability	→ Risk-adjusted return
Capital adequacy	→ Common Equity Tier 1 (CET1) ratio → Solvency Capital Requirements, DNB Livsforsikring AS, without transition rules → Minimum Requirements for own funds and Eligible Liabilities (MREL)
Market risk	→ Market risk, measured as a proportion of economic capital
Credit risk	→ Concentration risk, within industries and counterparties → Credit quality (expected credit loss), total and per customer segment → Credit growth, total credit portfolio and per customer segment
Liquidity risk	→ Liquidity Coverage Ratio (LCR) → Net Stable Funding Ratio (NSFR) → Deposit-to-loan ratio
Operational risk	→ IT risk – operational performance (forward-looking assessment) → IT risk – operational performance (backward-looking assessment) → Past loss events → Cyber resilience
Reputational risk	→ Overall risk assessment and reputation score

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## Measurement and monitoring

Through continuous follow-up of risk appetite, DNB ensures that the risks identified as the most significant at an overarching level are subject to follow-up and discussion in the organisation's operational units. Managers are responsible for operating the business in accordance with established principles for risk appetite, including ensuring adequate internal control.

Risk appetite is monitored monthly. In situations of financial stress, DNB must have the capacity to monitor risk exposures more frequently, and implement necessary measures.

The status of the risk appetite statements is reported in the form of a green, yellow, orange or red status light. A red status light represents a breach of DNB's risk appetite for the risk appetite statement in question. The status light is set based on the set thresholds and limits for risk appetite. Any status light other than green triggers the need for clearly defined measures.

In case of a breach of limit or threshold values, DNB has the following defined action rules:

- Yellow status light can be dealt with by the Group Management team.
- Orange status light can be dealt with by the Group Management team, but the Board must be informed.
- Red status light must be reported to the Board as part of the agenda at the next Board meeting. Specific proposals for measures to manage the risk must be submitted.

## Governance principles for risk appetite

The Governance Principles for Risk Appetite describe procedures and responsibilities for the entire Group.

- **Ownership:** The principles for risk appetite are owned by the Board of Directors. All changes to the governance principles, risk appetite statements or risk appetite limits must be approved by the Board.
- **Responsibility:** Each risk appetite statement has a coordinator in Group Risk Management who is responsible for following up and preparing any action plans if the risk levels are exceeded. The coordinator is also responsible for assessing whether the measurement adequately captures risk trends.
- **Annual review:** The risk appetite statements and limits must be reviewed at least once a year, independently of the strategic and financial planning process.
- **Reporting:** The Board must be briefed at least quarterly on the status and development of risk exposures in relation to the set limits in risk appetite. The status and development must be available to Group Management and the Asset and Liability Committee (ALCO) at least monthly.

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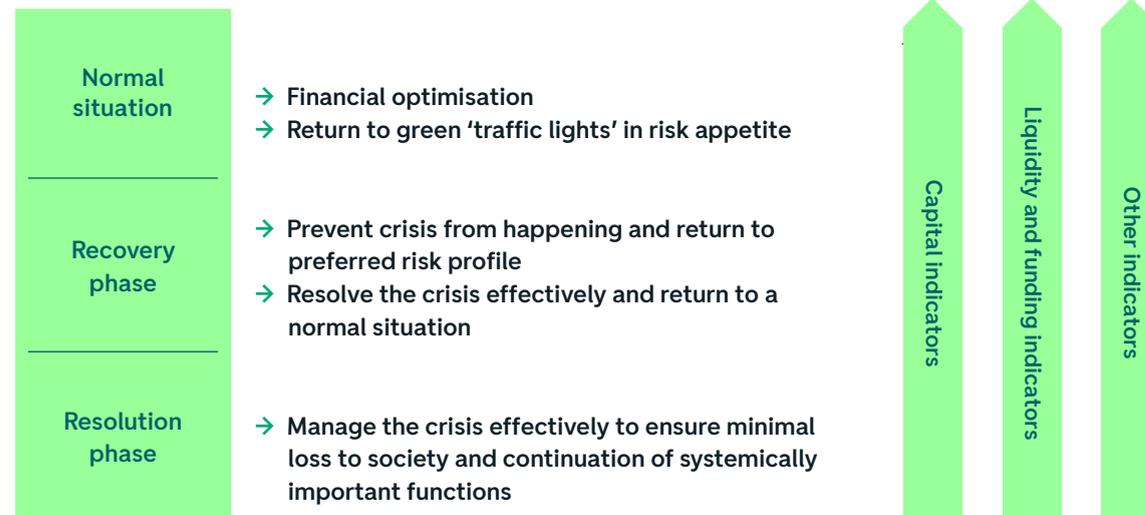
**Recovery plan and Resolution**

DNB has prepared a recovery plan in accordance with the EU's Bank Recovery and Resolution Directive (BRRD). The recovery plan is drawn up as an integral part of the Group's risk and capital management framework and takes effect in the event of a breach of predefined indicators. The indicators cover all significant risk areas, and breaches of the indicators trigger a thorough assessment of the situation and whether measures should be implemented. In addition to recovery indicators, the recovery plan defines a set of metrics to be monitored, including developments in sustainability risk. There is an overlap between some of the warning indicators in the recovery plan and the statements in risk appetite, so risk appetite can function as an early warning system. The indicators are followed up monthly and reported at least quarterly to the Board.

The recovery plan is designed to ensure that the Group can recover from a very serious stress situation, without involvement or support from the authorities. DNB has also submitted a liquidation plan, called a Living Will, to the US authorities regarding operations in the US.

A contingency plan for liquidity has also been drawn up, which describes, among other things, how the bank should handle a liquidity crisis that applies either only to the bank or to the industry as a whole. Depending

**Connection between risk appetite, different preparedness measures within the Group and the recovery plan**



on the type of crisis affecting the bank's liquidity situation, and the assessments made by the ALCO and the Group Management team, Group Treasury sets up an action plan for remedying liquidity shortfall. The plan contains trigger points and timeframes within each measure to be implemented, as well as priority of funding sources and costs for alternative solutions, as well as any impact on the bank's capital adequacy. Possible measures could be the issuance of covered bonds using available reserves in the collateral pool in

DNB Boligkreditt AS, change of terms on deposits and limitation of lending, as well as exploiting the market for repurchase agreements (the repo market) and central bank facilities through pledging of securities holdings.

DNB has a hierarchy of contingency measures, illustrated in the figure above. The risk appetite should function as an early warning system, and there are therefore several overlaps between the indicators in risk appetite and the recovery plan.

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The recovery plan includes:

- strategic analysis of the DNB Group and socially critical functions performed by DNB;
- operational and legal dependencies, externally and internally within the Group;
- governance processes in recovery planning and in implementing the plan;
- crisis scenarios that could trigger a recovery situation;
- recovery measures that could improve the Group's capital adequacy and liquidity situation;
- preparatory measures to ensure the implementation of the recovery measures;
- communication plan in a crisis.

The recovery plan is updated annually and then assessed by Finanstilsynet and the supervisory college.<sup>2</sup> The supervisory authorities may propose improvements but may also issue direct orders for changes. The indicators in the recovery plan are followed up monthly in the risk reporting to the ALCO and quarterly to the Board of Directors.

<sup>2</sup> DNB's supervisory college is composed of the supervisory authorities in the countries in the EU/EEA area where DNB has subsidiaries.

If the bank's recovery were to be unsuccessful, the bank would be subject to resolution, carried out under the auspices of public authorities. Finanstilsynet, in consultation with the resolution college<sup>3</sup> for DNB, prepares an annual resolution plan for DNB. The plan describes how Finanstilsynet would handle a crisis in DNB if the bank is not restored after implementing measures from the recovery plan.

<sup>3</sup> DNB's resolution college is composed of the crisis management authorities in the countries in the EU/EEA area where DNB has subsidiaries.

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# 2. Capital management

Capital management is an ongoing process that includes periodic capitalisation assessments, updating financial goals and updating risk appetite.

## CET1 capital ratio

Per cent

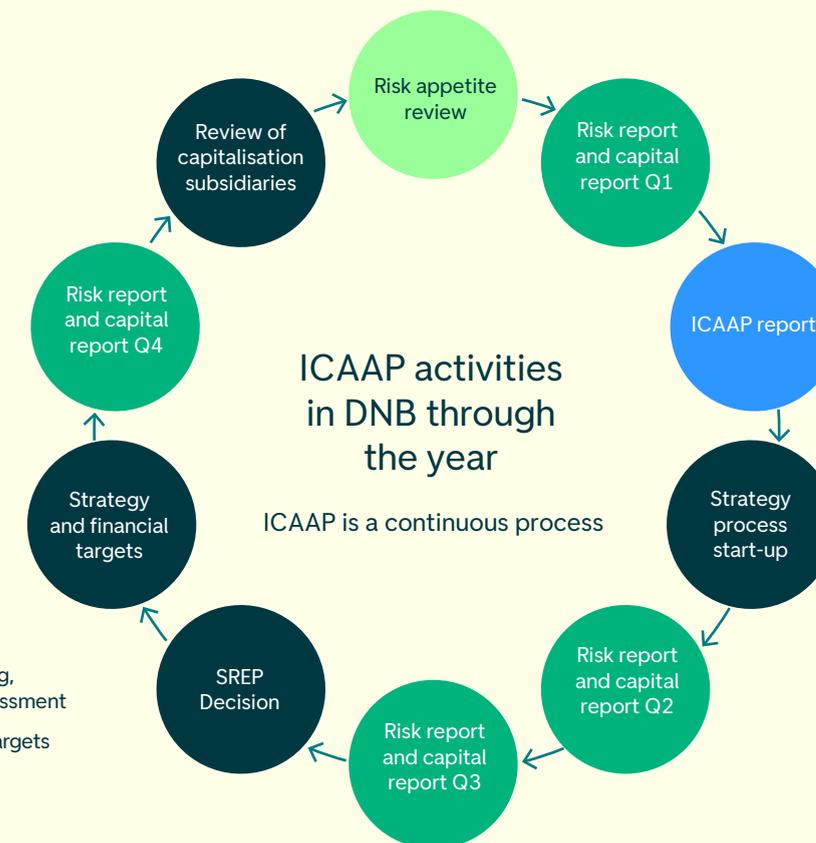
**17.9** (19.4)

## Capital ratio

Per cent

**22.4** (23.8)

(2024 figures)



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### Capital adequacy and regulatory requirements

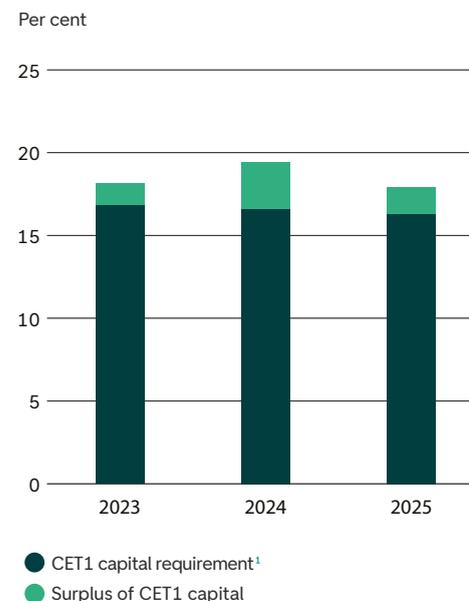
At the end of 2025, the Common Equity Tier 1 (CET1) capital ratio for the DNB Group was 17.9 per cent, which was 1.6 percentage points above the supervisory authorities' expectation, including the Pillar 2 Guidance.

#### Capital adequacy

Capital adequacy is measured in accordance with the EU Capital Requirements Regulation for banks and investment firms. CRR3 was implemented in Norway on 1 April 2025.

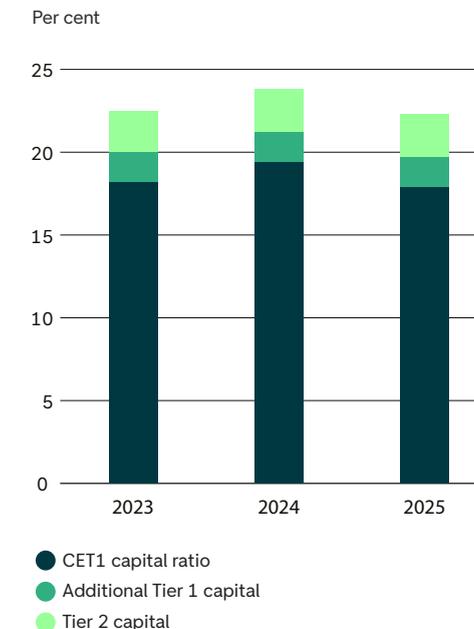
The table on the next page shows the various elements that comprise the capital adequacy requirements for DNB. In addition to the regulatory capital requirement, Finanstilsynet (the Financial Supervisory Authority of Norway) expects DNB to maintain a margin in the form of CET1 capital that is 1.0 percentage points above the overall capital requirement (Pillar 2 Guidance). At year-end 2025, the CET1 capital requirement was 15.3 per cent, while the expectation from the supervisory authorities, including the Pillar 2 Guidance, was 16.3 per cent. This requirement will vary due to the countercyclical buffer and systemic risk buffer, which are determined based on DNB's total exposure in each country.

#### CET1 capital ratio



1 Included Pillar 2 Guidance 1.0 per cent

#### Capital ratio



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## Composition of different capital requirements

<i>Per cent</i>	31 Dec. 2025	31 Dec. 2024	31 Dec. 2023
Minimum Common equity Tier 1 capital requirement	4.5	4.5	4.5
Systemic risk buffer	3.2	3.2	3.2
Buffer for other systemically important institutions (O-SII)	2.0	2.0	2.0
Countercyclical buffer	2.2	2.2	2.2
Capital conservation buffer	2.5	2.5	2.5
Pillar 2 capital requirement that can be made up of CET1 capital	1.0	1.0	1.1
<b>Common equity Tier 1 (CET1) capital requirement*</b>	<b>15.3</b>	<b>15.3</b>	<b>15.6</b>
Minimum capital requirement that can be made up of Additional Tier 1 capital	1.5	1.5	1.5
Pillar 2 capital requirement that can be made up of Additional Tier 1 capital	0.3	0.3	0.4
<b>Tier 1 capital requirement*</b>	<b>17.1</b>	<b>17.1</b>	<b>17.4</b>
Minimum capital requirement that can be made up of Tier 2 capital	2.0	2.0	2.0
Pillar 2 capital requirement that can be made up of Tier 2 capital	0.4	0.4	0.5
<b>Own funds requirement*</b>	<b>19.6</b>	<b>19.6</b>	<b>19.9</b>

\* Pillar 2 Guidance 1.0 per cent

CRR3 is subject to a gradual phase in, including an extended transitional period for the output floor until the end of 2032. The output floor limits the benefit from internal models by ensuring that risk exposure amounts do not fall below 72.5 per cent of the corresponding amounts calculated under the standardised approach. The floor is being phased in from 50 per cent in 2025 to 72.5 per cent in 2030.

The entry into force of the Fundamental Review of the Trading Book (FRTB) has been postponed, with the earliest application date now set to 1 January 2027. Furthermore, the Norwegian Ministry of Finance's decision to raise the risk weight floor for residential mortgages from 20 to 25 per cent took effect on 1 July 2025.

DNB's capital position remained strong and was well above the regulatory expectations and requirements throughout 2025. The common equity Tier 1 (CET1) capital ratio was 17.9 per cent at the end of 2025, down from 19.4 per cent at the end of 2024.

The Group's CET1 capital decreased by NOK 7.6 billion from the end of 2024 to NOK 209.7 billion at year end 2025, compared to the end of 2024. Retained earnings contributed positively by NOK 13.4 billion, and dividends from DNB Livsforsikring increased the CET1 capital by NOK 3.0 billion. The acquisition of Carnegie reduced the CET1 capital by NOK 10.9 billion, while three share buy back programmes totalling 2.5 per cent contributed further to the reduction in CET1 capital.

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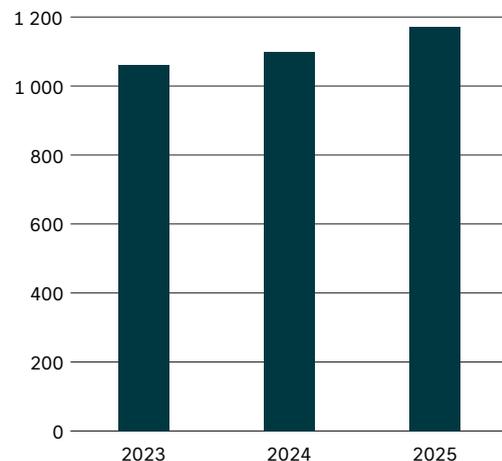
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Risk exposure amount

NOK billion



Risk exposure amount

Risk Exposure Amount (REA) is a regulatory measure of the Group's exposure to various types of risk, including credit risk, counterparty risk, market risk and operational risk. This calculation is used to determine the capital requirements that DNB must meet. REA is also used for the calculation of the capital conservation buffer, systemic risk buffer,

Development in risk exposure amount

NOK billion



buffer for systemically important institutions (O-SII) and countercyclical capital buffer.

The risk exposure amount (REA) increased by NOK 50 billion from the end of 2024 to NOK 1 171 billion at year end 2025. Of this, NOK 32 billion was in operational risk, driven by the increase in the Group's total income in recent years, including the effects of

the Carnegie acquisition. Total REA for credit risk increased by NOK 16 billion, or 1.7 per cent, from 2024, driven by underlying growth and the increased risk weight floor for mortgages.

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## Capital requirements

According to the capital adequacy regulations, DNB must meet minimum requirements and combined buffer requirements under Pillar 1 and the Pillar 2 requirements.

### Minimum requirement under Pillar 1

The minimum requirement for capital adequacy under Pillar 1 is that own funds must constitute at least 8 per cent of the bank's REA. The requirement must be fulfilled by at least 4.5 per cent Common Equity Tier 1 (CET1) capital and at least 6 per cent by Tier 1 capital, including Additional Tier 1 capital (AT1 capital). The remaining 2 per cent can be fulfilled by Tier 2 capital.

### SREP and Pillar 2 requirements

Finanstilsynet decides whether there is a need for additional capital to cover risk elements that are not adequately covered by the capital requirements under Pillar 1. These are referred to as Pillar 2 requirements and is normally determined on an annual basis, based on an overall assessment of the risk and capital situation through the Supervisory Review and Evaluation Process (SREP). The main conclusion of Finanstilsynet's assessment in the 2025 SREP process was that the DNB Group was adequately capitalised as at 31 December 2024. The Pillar 2 requirement for the DNB Group is 1.7 per cent of REA and must be met with a minimum of 56.25 per cent CET1 capital and a minimum of 75 per cent Tier 1 capital.

### Buffer requirements under Pillar 1

The combined buffer requirement is the sum of the capital conservation buffer, the systemic risk buffer, the buffer for systemically important institutions (Other Systemically Important Institutions, O-SII) and the countercyclical buffer. These buffer requirements must all be met by CET1 capital.

The institution-specific countercyclical buffer requirement for the DNB Group amounted to 2.2 per cent at year-end 2025. This requirement is set as a weighted average of the prevailing countercyclical buffer requirements in the countries in which the bank operates. The countercyclical buffer requirement in Norway was 2.5 per cent as at 31 December 2025.

The institution-specific systemic risk buffer for DNB was 3.2 per cent at year-end 2025 and is a weighted average of the systemic buffer rates applicable for the bank's exposures. Since 2020, the systemic risk buffer rate for DNB has been 4.5 per cent for Norwegian exposures.

The Norwegian capital buffer requirement for systemically important banks is 1.0 per cent or 2.0 per cent, depending on the size of the bank, and applies to the entire REA. For DNB, the requirement is 2.0 per cent.

The total CET1 capital requirement for DNB was 15.3 per cent at the end of 2025, and the supervisory expectation for the CET1 ratio was 16.3 per cent.<sup>1</sup>

The table on the next page shows DNB's compliance with the minimum and buffer requirements under Pillar 1 and the Pillar 2 requirements. At year-end 2025, CET1 capital exceeded the corresponding requirement by NOK 30.3 billion.

<sup>1</sup> Including Finanstilsynet's expectation of a margin of 1.0 per cent in relation to the requirements (Pillar 2 Guidance)

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## Leverage ratio

Following the global financial crisis, leverage ratio was introduced as a supplement to the risk-weighted capital requirements. When CRR2/CRD5 were implemented in Norway in 2022, the Norwegian buffer requirements for the leverage ratio were removed.

The capital base for the leverage ratio measurement is Tier 1 capital, which comprises AT1 capital in addition to CET1 capital. The exposure amount consists of both balance sheet items and off-balance sheet items. The latter is calculated using the conversion factors from the standardised approach for the capital adequacy calculation. In addition, some adjustments are made for derivatives and repo transactions. The definitions of leverage ratio and the calculation methodology are in accordance with CRR.

Through CRR2, the EU adopted a minimum requirement for a leverage ratio of 3 per cent, where only globally systemically important banks are subject to a buffer requirement on top of the minimum requirement. Any institution-specific risk of 'excessive leverage' must be addressed by Pillar 2 requirements. DNB's leverage ratio requirement as at 31 December 2025 was 3.0 per cent.

## Total capital requirements, 31 December 2025

<i>NOK million</i>	Rate	DNB Group
Risk exposure amount (REA)		1 171 022
Minimum Common equity Tier 1 capital requirements	4.5%	52 696
Minimum Tier 1 capital requirement	6.0%	70 261
Minimum Total own funds requirement	8.0%	93 682
Pillar 2 capital requirement	1.7%	19 907
of which to be made up of Tier 1 capital	0.319%	3 733
of which to be made up of Common equity Tier 1 capital	0.956%	11 198
<b>Common equity Tier 1 buffer requirements:</b>		
Capital conservation buffer	2.5%	29 276
Systemic risk buffer	3.2%	37 154
Buffer for other systemically important institutions (O-SII)	2.0%	23 420
Counter-cyclical buffer	2.2%	25 538
Combined buffer requirement	9.9%	115 388
<b>Allocation of capital to cover capital requirements:</b>		
Total capital		261 875
Total capital requirement		229 045
Surplus of Total capital		32 830
Tier 1 capital		231 293
Tier 1 capital requirement		189 450
Surplus of Tier 1 capital		41 843
Common equity Tier 1 capital		209 673
Common equity Tier 1 capital requirement		179 350
Surplus of Common equity Tier 1 capital		30 323

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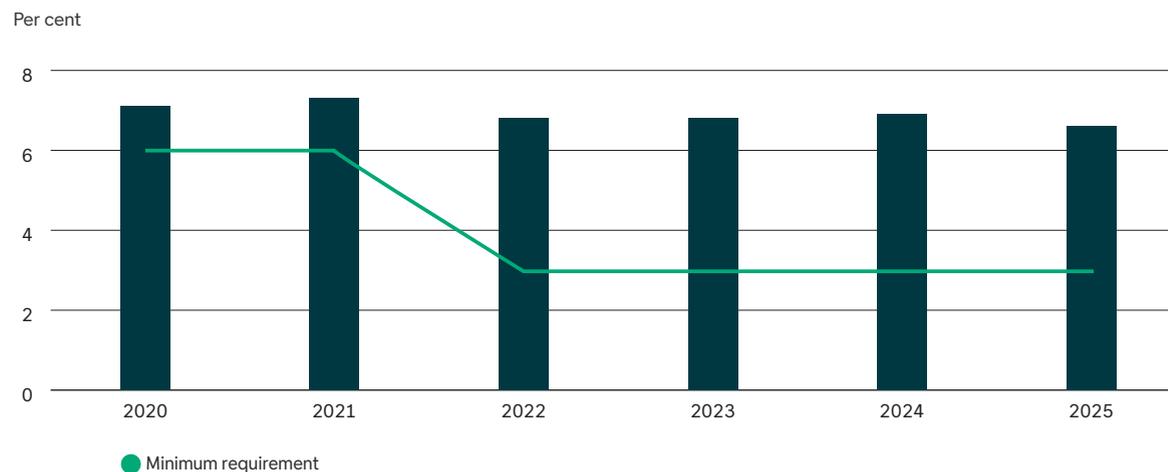
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### Leverage ratio



At year-end 2025, DNB's leverage ratio was 6.6 per cent. The leverage ratio adjusted for claims on central banks, was 6.8 per cent at year-end 2025. DNB meets the minimum requirement of 3 per cent by a good margin.

### Capital management and ICAAP

#### Targets and principles for capital management

The Chief Financial Officer (CFO) is responsible for capital management, and the principles for capital management are laid down in Group instructions. Capital management balances several considerations, and DNB has a process for assessing capital adequacy that entails that the Group:

- meets regulatory requirements with a margin that corresponds to the Group's risk profile and risk tolerance,

- achieves competitive terms in funding markets,
- achieves a competitive return on equity,
- can fulfil the Group's dividend policy,
- has flexibility to take advantage of growth opportunities in the market.

### Capital assessment process

The process for assessing capital adequacy (Internal Capital Adequacy Process, ICAAP) must ensure that DNB's capitalisation is adapted to the risk level. The process must be in line with Finanstilsynet's requirements for the ICAAP and is based on the following:

- Assessments of risk, regulatory requirements and capital needs are forward-looking and are based on DNB's business strategies and financial plans. The capital assessment process includes risks that are not covered by the requirements under Pillar 1. Risk is quantified and assessed based on calculations of economic capital and stress tests, in addition to the regulatory risk exposure amount.
- Risks and capital are assessed on an ongoing basis, and this forms an integral part of DNB's framework for risk and financial management. Financials and risk assessments are reported monthly (see also discussion in the chapter Risk management and control). Assessments of risk, capital needs and capitalisation are submitted to the Board of Directors on a quarterly basis.

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→ The Group's capitalisation, liquidity and funding are subject to periodic stress tests and in the event of major changes, including the ICAAP stress test (see section on stress testing capital).

→ Financial plans for the coming years, prepared in the Group's annual financial plan, are an integral part of the ICAAP. In the financial planning process, the target for the Group's return on equity is converted to a required return on allocated capital. A key principle of DNB's governance model is that the Group's capital requirements are to be fully allocated to the business areas.

→ The capital assessment process is documented at least annually through a separate ICAAP report for the Group and its most important subsidiaries and is approved by the respective Boards of Directors. The Group's self-assessment of funding and liquidity needs (ILAAP) is included in the report. Several of DNB's subsidiaries prepare their own ICAAP documentation, which is included in the Group's ICAAP. The supervisory authorities (DNB College of Supervisors<sup>2</sup>) perform annual assessments of the ICAAP and ILAAP processes as part of the Supervisory Review and Evaluation Process (SREP).

<sup>2</sup> The Supervisory College (DNB College) is the supervisory forum led by Finanstilsynet for DNB and includes relevant foreign supervisory authorities to ensure coordinated crossborder supervision.

→ To facilitate efficient capital allocation and risk management in the Group, own funds may be reallocated to various legal entities within the Group. DNB may to reallocate own funds within the Group to the extent permitted by relevant laws and regulations where DNB's legal entities are domiciled.

→ DNB's quarterly and annual reports describe the composition of own funds, terms applying to the different capital instruments included in own funds and regulatory deductions from own funds.

### Internal assessments of capital adequacy Margin to regulatory capital requirements

Under normal market conditions, DNB will operate with a headroom to Finanstilsynet's expectation for CET1 ratio (including Pillar 2 Guidance). This headroom is intended to cover unexpected volatility in REA and in the capital base, underpin strategic flexibility and provide confidence in DNB's ability to pay dividends according to dividend policy and coupons on Additional Tier 1 capital. DNB will use other regulatory capital instruments than CET1 capital to ensure that capital requirements are fulfilled cost effectively. The leverage ratio will, under normal market conditions, meet regulatory requirements by a reasonable margin.

Capitalisation of subsidiaries must be in compliance with relevant Norwegian, other national and international rules on transfer pricing. The capitalisation of subsidiaries

must otherwise reflect that capital resources are kept as high in the corporate structure as possible. Profits in subsidiaries are channelled to DNB Bank ASA through dividends and Group contributions. DNB Boligkreditt must operate with a headroom to regulatory requirements to cover for volatility in earnings and capital caused by the mark-to-market valuation of derivative contracts related to its funding. DNB Livsforsikring must fulfil the solvency requirements with a reasonable margin, see the 'Solvency and Financial Condition Report', to be published on 8 April 2026.

Capitalisation of international subsidiaries is based on fulfilment of applicable local regulatory requirements with a reasonable margin and a specific and comprehensive assessment of borrowing capacity, reflecting the risk profile and creditworthiness of the subsidiary, local peer group references and the size and tenor of funding from DNB Bank ASA.

### Comparison of economic capital and regulatory minimum requirements

DNB calculates economic capital for all main risk categories. Economic capital should cover 99.9 per cent of unexpected losses within a horizon of one year, in other words economic capital should cover a 'one-in-a-thousand-year loss'. DNB employs a simulation model that calculates unexpected losses for the different types of risks and for the Group as a whole. The quantification is based on historical data.

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A diversification effect arises when risks are assessed together, as it is unlikely that all loss events occur at the same time. Due to the diversification effects between different risk categories and business areas, the Group's economic capital needs are lower than they would have been if all the business areas had been independent companies.

The figure on the next page shows a comparison of economic capital and the regulatory minimum capital requirements in Pillar 1 of 8 per cent of the risk exposure amount (REA). Economic capital and the regulatory minimum requirements are based on the same level of confidence: 99.9 per cent of unexpected losses.

At the end of 2025, economic capital was lower than the regulatory minimum requirement under Pillar 1. The difference is primarily attributable to the measurement of credit risk. The main reason being that a portion of the credit portfolio is measured according to the standardised approach in the regulatory capital adequacy requirement. At the end of 2025, 28 per cent of the risk exposure amount for credit was measured according to the standardised approach, which assigns higher risk weights than the IRB method. Internal classification models are used for calculating economic capital for all portfolios, regardless of whether the models have IRB approval. The credit portfolio is considered well diversified with respect to industries and there is therefore no addition in

## Economic capital

<i>NOK million</i>	31 Dec. 2025	31 Dec. 2024
Credit risk	41 573	39 784
Market risk	7 445	8 702
Life insurance risk <sup>3</sup>	15 189	15 761
Operational risk	12 630	10 195
Business risk	16 521	8 793
<b>Gross economic capital</b>	<b>93 358</b>	<b>83 235</b>
Diversification effect	(23 807)	(19 487)
<b>Net economic capital</b>	<b>69 551</b>	<b>63 749</b>
Diversification effect in per cent of gross economic capital	26	23

<sup>3</sup> Economic capital related to DNB Livsforsikring AS is included in the table, even though it is outside the regulatory scope (CRD-group), because it has a significant impact on the Group's total economic capital.

economic capital for sector concentration risks. There is, however, a small addition for concentration risk for individual customers.

Economic capital for market risk is higher than the regulatory minimum capital adequacy requirement under Pillar 1. The main difference is that equity investments in the banking book are treated as credit risk in the capital adequacy calculations under Pillar 1, with a risk weighting of 100 per cent and a corresponding minimum capital adequacy requirement of 8 per cent. Economic capital for the

same investments is approximately 40 per cent of the exposure. The internal market risk measurement also includes elements that are not covered by the regulatory Pillar 1 requirements. These are risk aspects that are covered by Pillar 2 requirements in the regulatory capital requirement.

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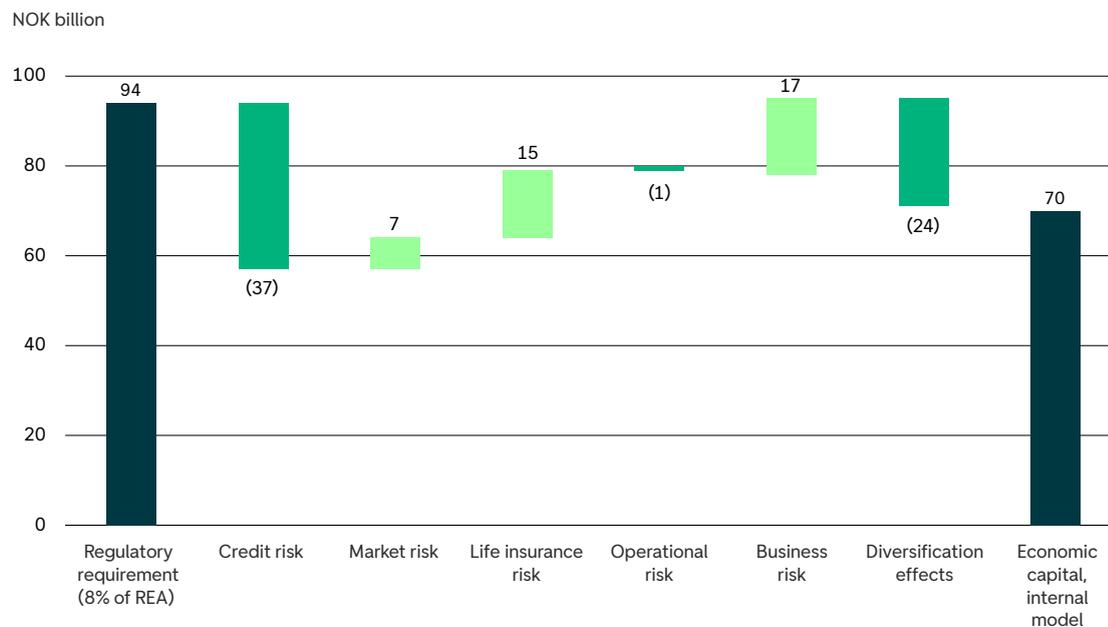
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Comparison of capital requirements and economic capital



The methodology for calculating economic capital for insurance risk is based on DNB Livsforsikring's capital requirements under the Solvency II regulations, adjusted to a 99.9 per cent confidence level. In the regulatory Pillar 1 capital requirements, significant investments in insurance companies above a threshold allowance are deducted from regulatory capital.

Business risk is not covered by the Pillar 1 requirements. In the calculation of economic capital, business risk is treated as a residual risk and reflects the risk of losses that cannot be linked to the other quantified risk categories. The model for calculating business risk was reviewed and updated during 2025.

Stress testing of capital

ICAAP stress test

The ICAAP stress test, together with the Group's strategy and financial plan for the next three years, is an important part of the basis for assessing whether the Group's capitalisation is sufficient. The stress test is included in DNB Group's annual ICAAP report and is reviewed by Group Management and the Board before it is submitted to the Supervisory College.<sup>3</sup>

The stress test assumes a severe deterioration in macroeconomic conditions and shows how this could affect the Group's risks, profits and capitalisation. As a starting point for the annual stress test, the stress scenario is prepared based on relevant risk factors. The macroeconomic scenario for the stress test is reviewed by the bank's ALCO committee and approved by the Chief Risk Officer. In the stress test, loan losses are estimated by the model for calculating expected credit losses in the credit portfolio with supplementary sensitivity analyses. The Group's model for calculating economic capital is used to estimate losses related to market risk, operational risk and business risk.

<sup>3</sup> The Supervisory College (DNB College) is the supervisory forum led by Finanstilsynet for DNB and includes relevant foreign supervisory authorities to ensure coordinated cross-border supervision.

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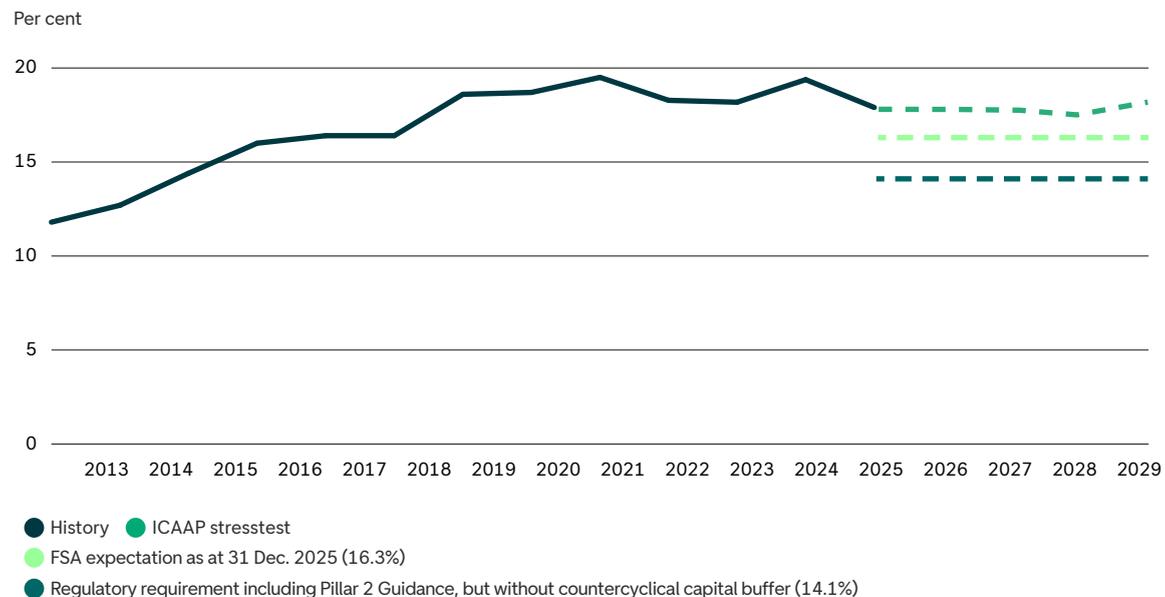
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Some key features of the macroeconomic scenario used in the ICAAP stress test:

- The policy rate is assumed to rise to 5.7 per cent in 2026 in response to expectations of sustained high inflation, before the rate is gradually reduced to 3.8 per cent in 2029. Higher money market premiums will keep 3-month NIBOR between 6.7 and 4.1 per cent throughout the stress test period.
- Norwegian mainland GDP falls by 2.7 and 2.0 per cent in 2026 and 2027, respectively.
- The registered unemployment rate rises to 6.5 per cent, somewhat above the level from the Norwegian banking crisis in the early 1990s.
- House prices nominally drop around 40 per cent. Households respond to falling house prices, declining real wage growth and an uncertain labour market by reducing their spending.
- Global GDP growth falls by 3.0 per cent in 2026. Norwegian exports of traditional goods and services are weakened substantially despite a weaker NOK.

In the stress test, results are weakened due to reduced interest income and increased losses related to credit risk, operational risk, business risk and market risk. At the same time, the risk-weighted exposure increases.

CET1 capital ratio according to the ICAAP stress test



Due to strong earnings, there is a surplus throughout the entire stress test period, and the CET1 ratio is reduced from 17.9 per cent in 2025 to 17.6 per cent in 2028, before it rises to 18.2 per cent in 2029.

DNB conducts periodic stress tests of all or parts of the Group. The results are included in the CRO's risk report to the Board. In addition to DNB's own

stress testing, Finanstilsynet carries out an annual stress test of DNB. US regulatory requirements for stress testing are fulfilled according to CFR Section 252.146.<sup>4</sup>

<sup>4</sup> CFR Section 252.146 - 'Capital stress testing requirements for foreign banking organizations with total consolidated assets of \$100 billion or more and combined U.S. assets of less than \$100 billion.'

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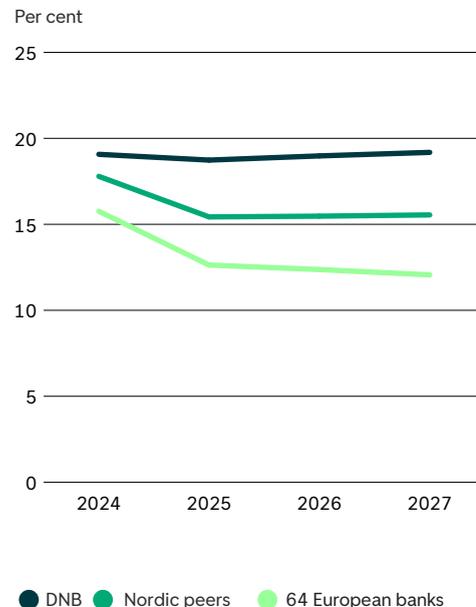
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**EBA's stress test**

In 2025, together with 64 other banks from the EU/ EEA, DNB participated in the EBA's 'EU wide stress test', which is conducted every two years. In 2025, the stress test, in addition to a base scenario and an adverse stress scenario, included analyses of how the introduction of CRR3 would affect banks' capital adequacy.

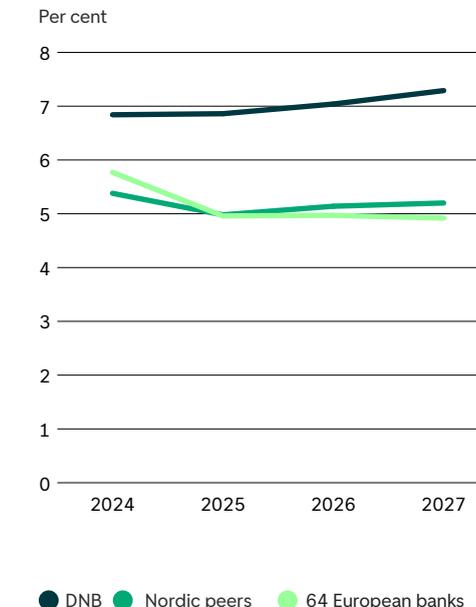
Improved profitability and capital adequacy mean that the ability of European banks to cope with stress has generally strengthened since the previous stress test two years ago. The stress test showed that DNB is among the most solid banks in Europe. In the severe scenario, DNB experienced a drop in the CET1 capital ratio of 0.4 percentage points from 19.1 per cent at the end of 2024 (measured according to CRR3 rules) to 18.7 per cent at the end of 2025, see figure to the right. The slight drop in the capital adequacy is attributable to the combination of reduced interest income, loan losses and losses related to market risk and operational risk, as well as an increase in risk-weighted assets. The leverage ratio will remain approximately unchanged at 6.8 per cent in 2025 and then increase to 7.3 per cent in 2027.

**CET1 ratio according to the EBA stress test**



The Group's CET1 capital ratio is 19.2 per cent at the end of the scenario in 2027, which is 7.1 percentage points higher than the average for the banks that participated in the stress test. Measured by CET1 capital ratios in the last year of the stress test, DNB

**Leverage ratio according to the EBA stress test**



placed fourth out of the 64 banks. DNB ended up as the fourth most solid bank thanks to high capitalisation at the start of the stress test, as well as solid earnings and low costs relative to the other banks.

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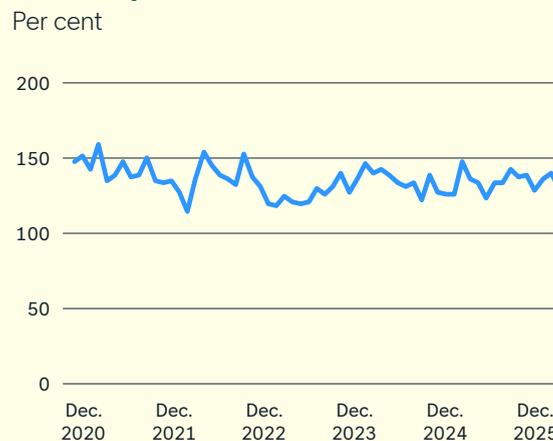
# 3. Liquidity risk and asset and liability management

The objective of DNB’s liquidity management is to ensure that the Group is always able to meet its payment obligations. DNB aims to maintain well-diversified funding, which includes a broad deposit and funding base from both personal and corporate customers, in addition to market funding. The Norwegian market is not large enough to fund all the bank’s lending in Norwegian kroner (NOK), and DNB therefore relies on funding in foreign currencies. In 2025, DNB had ample access to funding. The ratio of deposits to net loans remained at a high level and the liquidity situation was satisfactory.

## Definition

Liquidity risk is the risk that the Group will be unable to meet its payment obligations when they fall due or will be unable to meet its liquidity obligations without a substantial rise in associated costs. Liquidity is vital for financial operations, but as a rule this risk does not materialise until other events give rise to concern about DNB’s ability to meet its financial obligations.

## Development in total LCR



## Liquid assets

NOK billion

**719 (854)**

## Average LCR in 2025

Per cent

**135 (134)**

(2024 figures)

## Long-term debt securities

NOK billion

**542 (533)**

## NSFR

Per cent

**113 (113)**

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## Developments in liquidity risk in 2025

DNB had ample access to both long-term and short-term market funding throughout the year, and a satisfactory liquidity situation at year-end. The ratio of deposits to net loans remained relatively stable at high levels throughout the year. DNB raised a total of NOK 110 billion in long-term market funding in 2025, where 42 billion was issued in unsecured bonds and 67 billion was issued in covered bonds.

Funding levels decreased somewhat during 2025. In terms of volume, most long-term market funding was issued in euros (EUR), followed by Swedish kronor (SEK) and US dollars (USD), followed by Norwegian kroner (NOK). In the past couple of years, the Group has increased its issuance of covered bonds after the implementation of MREL<sup>1</sup>-qualifying debt was completed in 2023.

The EU Capital Requirements Regulation (CRR) stipulates that institutions must at all times have a liquidity reserve (Liquidity Coverage Ratio, LCR) of at least 100 per cent for all currencies combined. This means that an institution's holdings of liquid assets must correspond to at least 30 days' net liquidity outflow in a stress situation in the financial market. The LCR stayed well above the minimum requirement.

<sup>1</sup> Minimum Requirements for own funds and Eligible Liabilities

At the end of 2025, the Group's LCR was 130 per cent, compared with 148 per cent the previous year.

On 1 January 2025, the part of the CRR/CRD regulation that sets LCR requirements in significant currencies was repealed. This requirement is now set as a pillar 2 requirement based on Finanstilsynet (the Financial Supervisory Authority of Norway) SREP assessment (Supervisory Review and Evaluation Process). DNB Bank ASA has on a consolidated and non-consolidated basis, a LCR requirement for significant foreign currencies of at least 100 per cent (EUR and USD). In addition, DNB has a minimum requirement for LCR in Norwegian kroner (NOK) of at least 50 per cent.

The Net Stable Funding Ratio (NSFR) specifies a minimum requirement for long-term stable funding of assets. In accordance with the CRR, the available long-term stable funding must be at least the same as the necessary stable funding. In other words, the requirement for the NSFR indicator is at least 100 per cent. DNB's NSFR was 113 per cent at the end of 2025, the same as in 2024.

The table below shows the LCR and NSFR in DNB's main currencies and in total at year-end 2024 and 2025.

### LCR development, significant currencies

Per cent	EUR	USD	NOK	Total
31 December 2025	304	413	64	130
31 December 2024	155	356	68	148

### NSFR development, significant currencies

Per cent	EUR	USD	NOK	Total
31 December 2025	374	126	90	113
31 December 2024	357	147	90	113

### Outstanding senior debt and covered bonds

NOK billion	Senior debt		Covered bonds	
	NOK	Currencies	NOK	Currencies
31 December 2025	4.3	201.0	51.5	285.4
31 December 2024	4.4	207.8	65.9	255.2

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## Composition and drivers of LCR

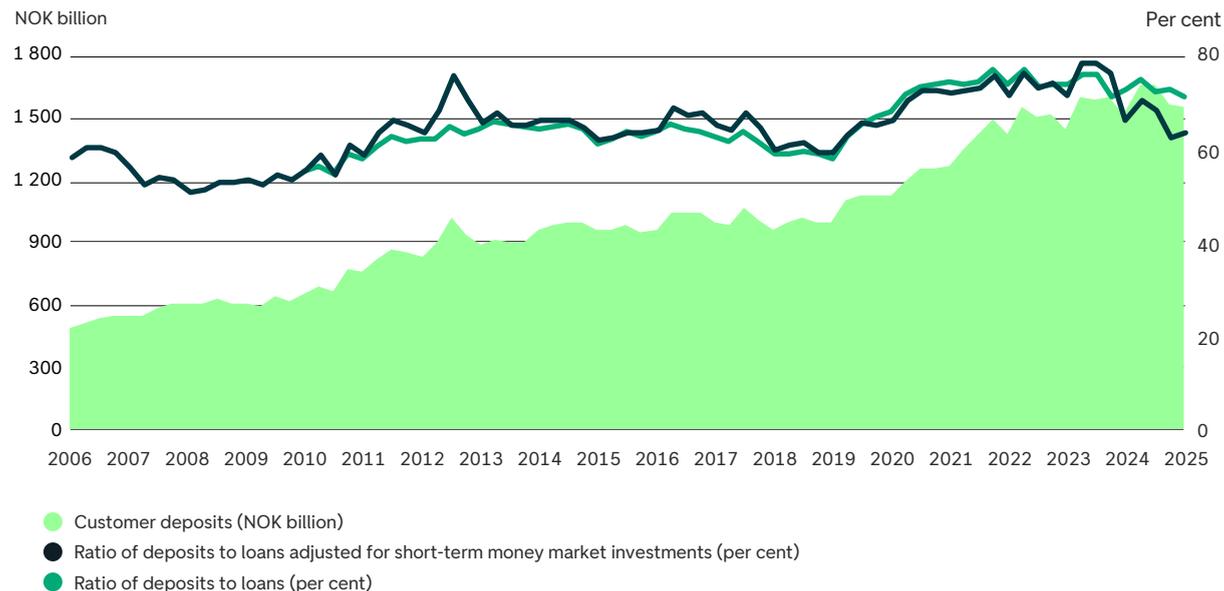
The LCR level depends on the composition of daily inflows and outflows, and the LCR indicator is thus volatile by nature. The numerator of DNB's LCR mainly consists of level 1 assets in the form of central bank deposits, government-issued bonds, SSAs and covered bonds. The outflows in the denominator mainly consist of estimated deposit outflows and funding falling due in the coming 30-day period. The inflows in the denominator are mainly lending that falls due in the 30-day period. Another important contributor to the denominator of the LCR is derivatives. Cashflows related to derivatives include contractual inflows and outflows, as well as collateral outflows from the impact of an adverse market scenario calculated using the Historical Look Back Approach (HLBA). The DNB Group is subject to minimum requirements for LCR in NOK, EUR and USD, as well as a requirement for all currencies combined. With ample access to both EUR and USD, the LCR indicators for these currencies are consistently at a higher level than the NOK indicator, which is lower as a result of relatively little access to liquid securities with low credit risk. Changes in the LCR in 2025 can mainly be explained by changes in the composition of the deposit balance and variations in the maturity profile of the market funding.

## Funding

DNB is funded mainly through customer deposits, long-term debt securities and short-term wholesale funding.

The ratio of deposits to net loans is measured as customer deposits in per cent of net lending to customers, adjusted for short-term money market positions. Deposits to net loans remained at a high level throughout the year and the ratio reached 70.1 per cent at the end of 2025, a reduction of 1.9 percentage points from the previous year.

Customer deposits and ratio of deposits to loans



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Long-term debt securities issued by the Group amounted to NOK 542 billion at year-end 2025, compared with NOK 533 billion the previous year, and consist of covered bonds and senior bonds. For covered bonds, issuance is conducted under a European Covered Bond (Premium) programme. Senior preferred bonds and senior non-preferred bonds are mainly issued through the European Medium-Term Note (EMTN) programme. In addition, there is a programme in US dollars for senior bonds (US MTN).

Covered bonds are an important instrument for long-term funding in DNB and are issued by the subsidiary DNB Boligkreditt AS. Investors have a preferential claim over a pool of mortgages in DNB Boligkreditt AS. In turbulent times, covered bonds have proved to be a more robust funding instrument with smaller price fluctuations than senior preferred bonds. DNB's covered bond programme is approved as a European Covered Bond Premium Programme in accordance with the EU Covered Bond Directive.<sup>2</sup>

In addition to covered bonds, senior preferred bonds are an important source of funding. European banks are required to have a minimum amount of own funds and eligible liabilities (MREL) that can be written down or converted in connection with crisis management.

<sup>2</sup> Directive (EU) 2019/2162

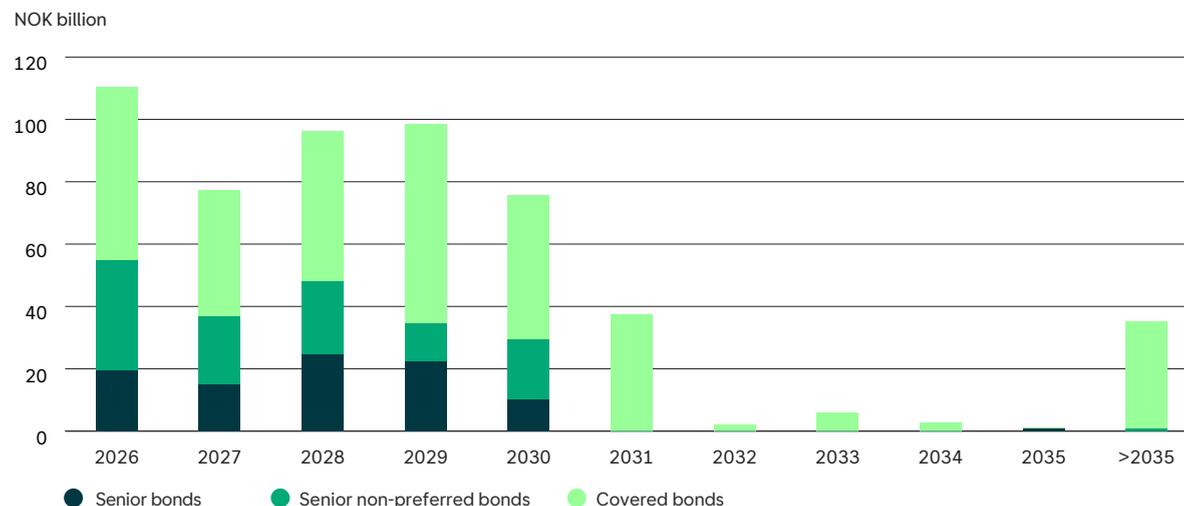
Therefore, the Group has a significant volume outstanding in senior preferred bonds and senior non-preferred bonds.

DNB has established a framework for issuing green covered bonds and green unsecured funding (senior preferred bonds and senior non-preferred bonds). The funds raised through the programme will be used to finance green residential buildings, renewable energy, green transport and green commercial properties. The framework is partially aligned with

criteria's in the EU Taxonomy. More information about our green finance framework and our ambitions for sustainable value creation is available at [ir.dnb.no/funding-and-rating/green-bond-framework](https://ir.dnb.no/funding-and-rating/green-bond-framework) and [dnb.no/en/about-us/sustainability](https://dnb.no/en/about-us/sustainability).

The figure below shows the maturity profile for long-term funding at year-end 2025, broken down by covered bonds, senior preferred bonds and senior non-preferred bonds.

**Long-term funding, maturity profile**



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Average term to maturity for long-term funding, senior unsecured bonds, senior non-preferred bonds and covered bonds



At the end of 2025, the average residual maturity for long-term funding was 3.4 years, a bit lower than in 2024. The figure above shows the development in average term to maturity for long-term funding.

Short-term wholesale funding is provided using various commercial paper programmes. These programmes give DNB ample access to short-term funding. Using multiple funding channels contributes to greater robustness for the funding. DNB is a bank with a good credit rating in a strong economy and attracts substantial funds from other banks, central banks and money market funds. Together with commercial paper funding, these funds constitute a short-term liquidity buffer.

Asset encumbrance

Encumbered assets are assets that have been pledged or otherwise used as collateral for a transaction, thereby limiting their transferability and free use. At year-end 2025, encumbered assets accounted for NOK 497 billion, which is about 13 per cent of the balance sheet, compared with NOK 474 billion and 13 per cent, respectively, the previous year. The main portion of this amount is related to mortgages that have been pledged as security for issued covered bonds. The current level of encumbered assets in DNB is comfortable, considering the Group's balance sheet composition, capitalisation and liquidity.

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### Liquidity reserve

To support its ongoing liquidity management, DNB holds a reserve of high-quality liquid assets (HQLA). The liquidity reserve is mainly held in the form of liquid bonds and central bank deposits. Among other things, DNB uses these bonds as collateral for short-term loans from central banks, and they form part of the liquidity buffers for compliance with the regulatory liquidity requirements. Total liquid assets (HQLA) at the end of 2025 amounted to NOK 719 billion, compared with NOK 854 billion in 2024.

DNB has a dedicated bond portfolio where the primary purpose is to serve as a liquidity buffer for the bank. The portfolio consists of high-quality liquid assets that can be sold or pledged at any time and contributes to the Group meeting regulatory liquidity requirements. At year-end 2025, the total bond portfolio amounted to NOK 311 billion, of which the NOK portfolio totalled NOK 98 billion and the international portfolio in foreign currencies totalled NOK 213 billion. The high credit quality of

the bond portfolio reflects its function as an HQLA. At the end of 2025, 92 per cent of the portfolio had a credit rating category of AA or better, and no bonds in the portfolio were rated lower than A+. The weighted average credit duration for the bonds was 1.9 years at year-end 2025. With reference to which securities qualify as liquid assets in the LCR calculation, the bond portfolio at year-end 2025 consisted primarily of Level

1 assets. All the bonds held in the bank's liquidity reserve are eligible for collateralisation in central banks and are thus available for intraday liquidity needs and as collateral for liquidity facilities.

In addition to the bond portfolio, DNB had NOK 408 billion of other liquid assets that qualify as HQLA at the end of 2025.

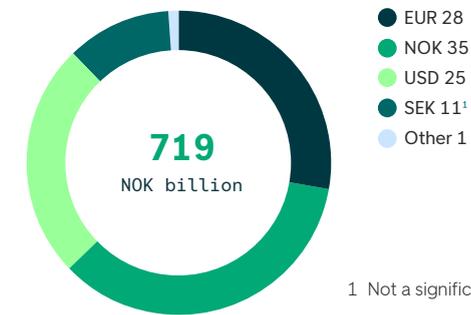
Liquid assets, 31 December 2025

Per cent



Liquid assets by currency, 31 December 2025

Per cent



1 Not a significant currency

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## Liquidity risk management and control

The liquidity risk management in DNB is based on an authorisation and reporting structure that is in conformance with regulatory requirements. The Board of Directors sets the risk appetite, risk limits, strategy and overall guidelines for liquidity management, and regularly reviews the Group's liquidity risk. The liquidity limits are adopted every year, or more often if needed. Group Finance is responsible for calculating and reporting risk exposure, while Group Risk Management monitors the risk development against set risk limits, in addition to performing independent assessments and controls of risk levels.

The Group's risk appetite defines the limits for liquidity management in DNB. Internal risk appetite limits are set for the LCR, NSFR, the ratio of deposits to net loans and the Group's MREL. Risk appetite is operationalised through DNB's liquidity strategy and the adoption of liquidity limits. The Group's risk appetite and limits are reviewed annually, or more often if needed.

In line with the Group's risk appetite and liquidity risk strategy, liquidity risk should be low and bolster DNB's financial strength. This means, among other things, that the DNB should seek to have a balance sheet composition that reflects the liquidity risk profile of an international bank with a long-term AA credit rating from respected rating agencies. The object

of liquidity limits is to reduce DNB's dependence on short-term funding from domestic and international money and capital markets. To avoid increasing pressure on long-term funding, the liquidity risk profile must have a healthy ratio of deposits to net loans. The requirements set out in the Group Risk management policy are elaborated on in the Group instructions for the management, reporting and control of liquidity risk, which describe requirements relating to organisation, division of responsibilities and reporting. Group Treasury is responsible for ongoing operational balance and liquidity management, including obtaining wholesale funding and managing the liquidity reserves, as well as ensuring that the Group is always within the applicable liquidity limits.

The DNB Group's liquidity risk management is centralised in and delegated to Group Treasury. The liquidity risk in branch offices and subsidiaries is consolidated in the Group's balance sheet and included in the basis for the Group's liquidity management. Within the Group, liquidity is managed both on a consolidated and an individual level. As a general rule, the parent company DNB Bank ASA distributes funding to the other entities in the DNB Group. Since covered bonds are considered one of the most important funding sources, a separate contract has been established between DNB Bank ASA and DNB Boligkreditt AS, which regulates the funding and liquidity operations between the two entities.

The subsidiaries DNB Livsforsikring AS and DNB Asset Management AS manage customer assets. This management is covered by internal liquidity rules in the respective companies.

Liquidity risk is managed and controlled primarily through the LCR and NSFR indicators. In addition, DNB has limits for internal indicators that supplement the regulatory indicators. The objective of the liquidity risk limits is to reduce the Group's dependence on short-term funding and secure stable and long-term funding. This is because short-term funding is generally more sensitive to credit and market conditions than ordinary deposits, especially deposits covered by a deposit guarantee scheme. This is why DNB also operates with internal limits and ambitions for the proportion of the funding that is to be covered by deposits from customers.

The liquidity risk and the utilisation of liquidity risk limits are monitored on an intraday basis. The LCR and other liquidity risk indicators for each significant currency are reported daily to Group Treasury and Group Risk Management. The NSFR and its limits are also monitored closely. LCR and NSFR are reported to the Asset and Liability Committee (ALCO) and Group Management monthly. According to the principles of risk appetite, both the LCR and NSFR are reported to the Board at least on a quarterly basis as part of the Group's risk report. In the event of deviations from

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the liquidity limits, established escalation procedures will be implemented for reporting to relevant parties and committees. Deviations from the LCR and NSFR limits must be immediately reported to Group Treasury, Group Risk Management and the Chief Financial Officer (CFO). All deviations from risk limits are to be reported to and considered at the same decision-making or authorisation level as that at which they were approved. Any deviations from risk limits that have been adopted by the Board must be reported to and considered by the Board.

The credit ratings of the underlying securities in the bond portfolio are continuously monitored and reported. The chapter [Market risk](#) contains a description of how market risk in the liquidity portfolio is monitored.

DNB has prepared a contingency plan for liquidity, which is briefly discussed in the chapter [Risk management and control](#).

## Stress testing liquidity risk

DNB regularly conducts stress testing to ensure that the Group has sufficient liquid assets to cope with liquidity stress. The underlying assumptions that are applied to the stress tests are reviewed at least once a year. This includes an assessment of DNB's liquid assets and the extent to which these can be used as collateral in Norges Bank or other central banks.

Liquidity stress tests are an integral part of DNB's liquidity risk management and control, and the results from these form part of the decision-making basis when preparing risk targets and risk limits for liquidity. The stress testing is also used in assessing the contingency plans for funding.

The stress tests are run on a quarterly basis and comprise four scenarios. A market stress scenario, a bank-specific stress scenario, a combined systemic and bank-specific stress scenario and a regulatory LCR scenario. The results are reported to the ALCO and the Board. The stress factors used in each scenario are based on both historical and hypothetical events, as well as the LCR methodology. A significant fall in housing prices is used in the market-based and combined scenarios. A fall in housing prices would reduce the issuance capacity for covered bonds and could in severe cases require the transfer of liquid assets to DNB Boligkreditt AS to secure necessary

overcollateralisation within the cover pool. In the LCR scenario, the stress factors correspond to the requirements in the LCR delegated regulation. This scenario includes a prognosis of how many days of net outflows it takes for the LCR indicator to breach 100 per cent. All scenarios cover a time horizon of up to 12 months.

A reverse liquidity stress test is also carried out to assess which circumstances would lead to DNB's liquidity reserves being depleted within defined time horizons. The reverse stress test is based on the combined scenario. In addition to the assumptions in the combined scenario, there are various stressed additional incidents, like an inability to refinance covered bonds and an increase in withdrawals from customer deposits. These incidents are adapted to provoke situations where the liquidity buffer is exhausted at different time horizons, ranging from 30 to 180 days.

The stress test described above also includes stress to assess liquidity needs related to collateral requirements. This includes any need to strengthen DNB Boligkreditt AS' cover pool in the event of a steep drop in housing prices, as well as collateral outflows related to changes in the value of derivative contracts due to changes in underlying prices, rates and currency exchange rates. Read more in the chapter [Counterparty credit risk](#).

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DNB's liquidity stress tests are deemed to cover all requirements relating to liquidity risk in all countries in which DNB operates. This includes the principles and requirements of the Basel Committee and the US CFR Section 252.145.<sup>3</sup>

<sup>3</sup> CFR Section 252.145 – Liquidity risk-management requirements for foreign banking organisations with total consolidated assets of USD 250 billion or more and combined US assets of less than USD 100 billion.

## Rating

Credit ratings are forward looking and describe the issuer's creditworthiness. The credit rating represents the rating agencies' assessment of the issuer's capacity and willingness to meet financial obligations in full and on time. High credit ratings from recognised rating agencies are thus important for ensuring predictable and flexible access to funding.

The short-term credit rating is an expression of the probability of an issuer failing to meet its financial obligations in the current year, and of the expected financial loss resulting from non-fulfilment of the obligations. A long-term credit rating is an expression of the same but over a period of one year or more.

DNB Bank ASA has a long-term credit rating for senior preferred debt of AA- from S&P Global and Aa2 from Moody's. DNB Bank ASA also has a short-term credit rating of A-1+ from S&P Global and P-1 from Moody's, both of which are the highest levels. DNB Boligkreditt AS has a credit rating of AAA from S&P and Aaa from Moody's. For more information, see [ir.dnb.no/funding-and-rating/rating](https://ir.dnb.no/funding-and-rating/rating).

### Rating DNB Bank ASA

Rating agency	Rating	Latest rating report	Latest rating action
S&P	Resolution Counterparty Rating: AA- (LT) Senior Preferred Rating (LT): AA- Outlook: Stable Senior Non-Preferred: A Tier 2 (LT): A- AT1 (LT): BBB Short term: A-1+	<a href="#">S&amp;P rating report - December 2025</a>	22 January 2019
Moody's	Counterparty Risk Rating (LT): Aa1 Outlook: Stable Senior Preferred Rating (LT): Aa2 Outlook: Stable Senior Non-Preferred Rating (LT): A2 Tier 2 (LT): A3 AT1 (LT): Baa2 Short term: P-1	<a href="#">Moody's rating report - December 2025</a>	10 December 2025

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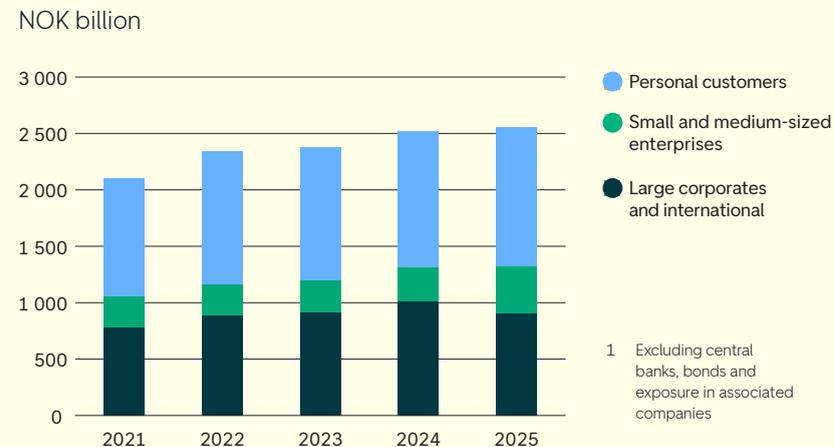
# 4. Credit risk

DNB has a robust credit portfolio, with loans to private individuals and small and medium-sized enterprises in Norway accounting for about 63 per cent. Credit quality was generally stable through 2025. Some industries have faced challenges over the past year, including residential construction, but this still accounts for a smaller part of the total portfolio. There has been a slight increase in losses in 2025, after a reduction in 2024. The increase is impairments related to a legacy portfolio in Poland, an adjustment of impairments within the retail segment and impairments related to specific customers in various industries in the corporate segment.

## Definition

Credit risk is the risk of financial losses due to failure by the Group's customers to meet their payment obligations to DNB. Credit risk refers to all claims against customers, mainly loans, but also commitments in the form of other extended credit, guarantees, interest-bearing securities, unutilised credit lines, derivative trading and interbank deposits. Credit risk also includes concentration risk, which is risk associated with large exposures to a single customer or concentration within geographical areas or industries, as well as risks related to homogeneous customer groups.

## Development in total credit portfolio<sup>1</sup>, EAD



## Risk exposure amount

NOK billion

**986** (970)

## Economic capital

NOK billion

**41.6** (39.8)

## Impairments

NOK billion

**(2.8)** (1.2)

(2024 figures)

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## Terms used in the discussion of credit risk

Nominal exposure is the aggregate credit exposure prior to impairments, collateral and conversion factors. It is the sum of the amount deducted and off-balance-sheet items such as unused lines of credit and guarantees. The term 'net exposures' reflects the corresponding amount adjusted for impairments.

Exposure at default (EAD) indicates how much of the allocated exposure is expected to be deducted in the event of a future default. EAD is the sum of the amount deducted and off-balance-sheet items multiplied by a conversion factor (CCF). The calculation of CCF assumes a downturn in the market and must be equal to or more conservative than the long-term average. EAD is reported as exposure before impairments.

Probability of default (PD) is the calculated probability that a customer will not be able to service their credit within the next 12 months. PD is calculated using statistical models on the basis of a combination of financial and non-financial factors. The PD forms the basis for DNB's risk classification of customers. Defaulted exposures are automatically assigned a PD of 100 per cent.

Loss given default (LGD) indicates how much the Group expects to lose if the customer defaults on their obligations, at the same time as there is a major downturn. The LGD calculation used in the IRB reporting must always be more conservative than the long-term average. The models consider the collateral associated with the exposure, future cash flow and other relevant factors.

Expected loss (EL) indicates the average annual expected losses over a business cycle, taking into account in the bank's IRB models. EL is calculated as  $PD \times LGD \times EAD$ . Under normal circumstances, this figure should be higher than the actual losses.

Expected Credit Loss (ECL) is calculated according to the IFRS9 financial reporting standard. ECL is calculated as  $PD \times LGD \times EAD$ , where both PD and LGD should correspond to the actual observed level, and projected values depend on the bank's view of future macroeconomic development. DNB's model for calculating expected credit losses is based on the IRB models. Conservative buffers and adjustments for cyclicity are removed so that the estimates are point-in-time.

In DNB's internal monitoring of credit risk, credit exposures are grouped based on calculated PD.

The breakdown is defined as follows:

- Low risk: PD 0.01 – 0.75 per cent.
- Medium risk: PD 0.75 – 3 per cent.
- High risk: PD over 3 per cent, including defaulted exposures where PD=100 per cent.

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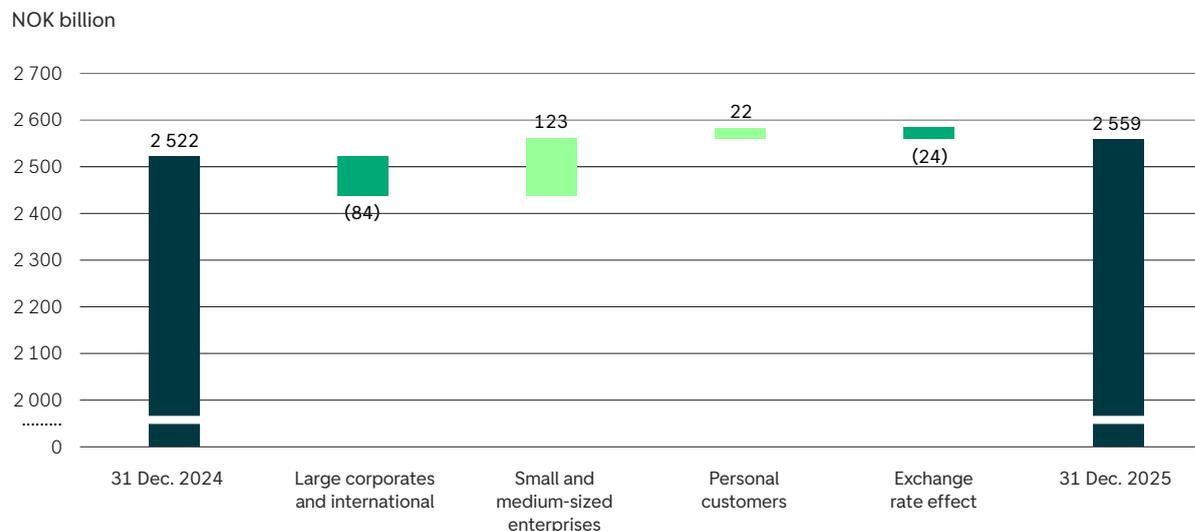
### Developments in credit risk in 2025

DNB's portfolio of loans and credit to customers amounted to NOK 2 559 billion, measured in EAD, at the end of 2025. Counterparty credit risk is included in these figures. The portfolio was almost evenly distributed between loans and credit to corporates and private individuals.

Credit quality was generally good, but there were still challenges for developers of residential and commercial real estate. This has particularly affected small and medium-sized corporates in housing construction, and a low sales rate has increased the risk for some players. Credit quality in the commercial real estate portfolio is stable and good. The credit quality of the portfolio of loans to private individuals was good and unchanged compared with 2024.

Total impairments for the year ended at NOK 2.8 billion, which is an increase from the previous year, but still lower than normalised losses. The accumulated write-downs in stage 3 (non-performing loans) amounted to NOK 5.8 billion at year-end, unchanged since the previous year-end.

### Development in credit portfolio<sup>1</sup>, EAD



1 Excluding central banks, bonds and exposure in associated companies

The figure shows developments in the credit portfolio measured in EAD. The bank's credit portfolio increased by NOK 37 billion in 2025. The split in customer segments were affected by the implementation of CRR3.

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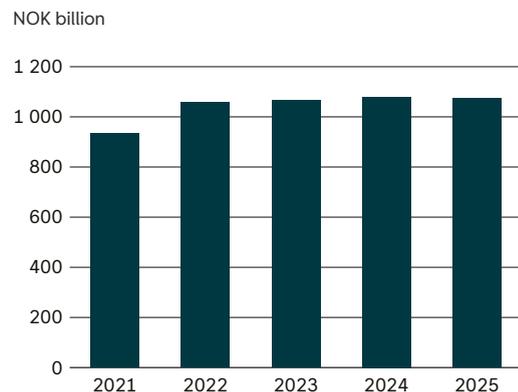
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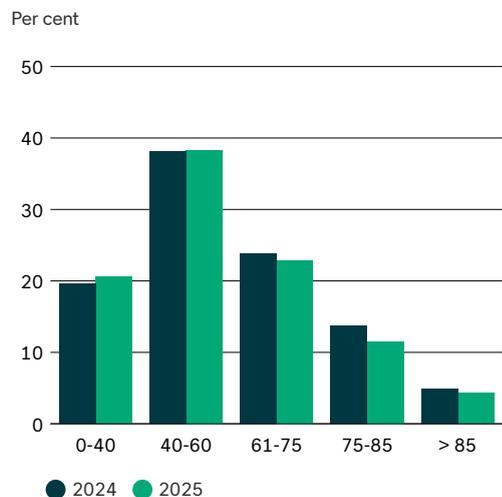
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Development in mortgages<sup>2</sup>, EAD



2 Norwegian mortgage portfolio

Loan-to-value mortgages, granted volume



Loans to private individuals

Loans to private individuals consist mainly of mortgages. DNB has low activity in the areas of credit card and consumer finance and places emphasis on responsibility and sustainability in its lending practices. The portfolio of car financing to private individuals is described under loans to corporates.

Norway has a very high proportion of privately owned dwellings. Almost 80 per cent of the population owns their own dwelling, and dwellings are primarily financed by floating-rate mortgages. The housing market in Norway has experienced a sharp rise in prices in recent years. In 2025, housing prices in Norway increased by 5 per cent.

At the end of 2025, DNB's mortgage portfolio amounted to NOK 1 074 billion, measured in EAD, and mainly consists of mortgages and certificates of financing for homes in Norway. 98 per cent of the portfolio is reported using the IRB method. A new PD model for mortgages was implemented in 2025, and from the second quarter of 2025, the Sbanken portfolio has been reported according to the IRB approach. For the time being, certificates of financing are reported according to the standard method in addition to some smaller mortgage portfolios in Poland and Luxembourg, and the mortgage portfolio in Luminor, which is reported pro rata. The comments below relate to the Norwegian mortgage portfolio.

DNB's mortgage portfolio is of high quality. The proportion of defaulted mortgages was 0.3 per cent at the end of 2025, and 97 per cent of the loans were classified as low or medium risk, based on the bank's own PD calculations. The proportion of mortgages with interest-only periods and a loan-to-value ratio above 60 per cent was 5.2 per cent at the end of 2025, down from 6.2 per cent at the end of 2024.

78 per cent of the bank's mortgage portfolio is accounted for in DNB Boligkreditt and forms the basis for issuing covered bonds.

For the mortgage portfolio, the loan-to-value (LTV) ratio is calculated as the loan's share of the property's market value. Short-term intermediate financing is not included in the calculation. The market value of all mortgaged homes is updated every quarter. The loan-to-value ratio for DNB's Norwegian mortgage portfolio, was 56.3 per cent at the end of 2025 compared with 58.8 per cent at the previous year-end. The chart on the left-hand side shows the mortgage portfolio broken down by object-oriented loan-to-value ratio.

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The Norwegian Lending Regulations (Utlånsforskriften) apply to loans to consumers secured by residential property, unsecured loans to consumers and loans to consumers secured by assets other than residential property, such as loans secured by cars or boats. Financial institutions may grant mortgages and loans to consumers secured by assets other than residential property that do not satisfy all the conditions in the regulations for up to 10 per cent of the value of total loans granted. For mortgage secured by residential property in Oslo, the limit for deviations is set at a maximum of 8 per cent. For unsecured loans, the deviation limit is set at 5 per cent. DNB monitors lending practices closely to ensure compliance with the regulations in all parts of the bank.

Loans to corporates in Norway and internationally

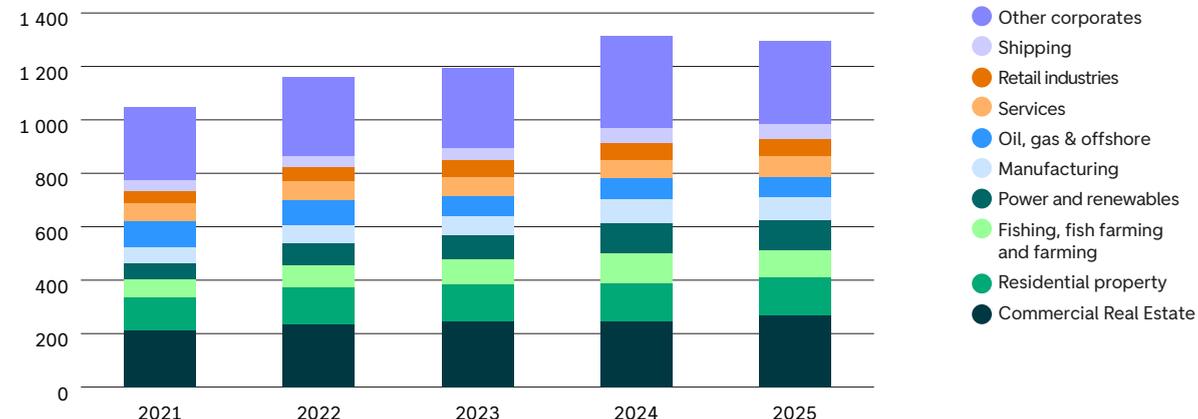
DNB's corporate loans amounted to NOK 1 326 billion at the end of the year, measured in EAD and including counterparty credit risk. Of this, loans to Norwegian and Norwegian-owned companies amounted to NOK 777 billion, with NOK 549 billion in loans to international customers.

Commercial real estate

DNB's portfolio of loans to the real estate sector accounts for about 31 per cent of all corporate credit. The majority of the portfolio is income-generating properties, i.e. completed real estate projects where

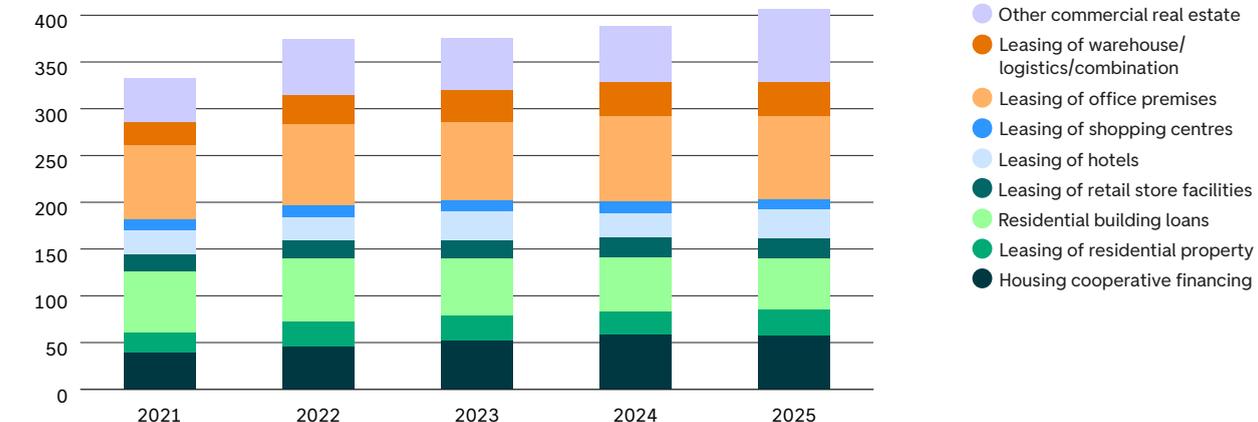
Development in loans to corporates, EAD

NOK billion



Development in loans to the real estate sector, EAD

NOK billion



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the loan is serviced by rental income. The residential property portfolio mainly involves short-term loans for housing development projects, with a high degree of pre-sales, in addition to debt to joint property ownerships. The portfolio of commercial real estate loans is predominantly comprised of Norwegian customers. The credit quality of the portfolio of loans to office properties was stable throughout the year. The price level of the most attractive office properties in Oslo and other large Norwegian cities has been rising for many years but fell through 2022 and 2023 as a result of rising interest rates and thus higher yield requirements. Due to expectations of a levelling off or decline in interest rates and the yield requirements, the market values have shown stable development through 2024 and 2025. Relatively low vacancy rates and a small supply of new properties have contributed to this, especially in Oslo. The number of bankruptcies in the construction and entrepreneur segment increased in 2025 compared with 2024. The increase was driven by low newbuild activity both in commercial real estate and in the housing sectors. This has in particular hit the small and medium sized real estate developing companies, who often work in more limited segments and geographies. Within commercial real estate used for retail trade purposes, the shopping centre segment is still showing positive development. Commercial real estate used for bulk retail ('big-box') have a somewhat higher risk as a result of being exposed to vulnerable industries

that are still struggling, such as furniture and building materials. The bank's risk exposure to commercial real estate used for retail trade purposes is limited and developments are being monitored closely.

### Seafood

At year-end, the seafood portfolio accounted for 7.5 per cent of the total corporate credit, measured in EAD. Fish farming accounts for 82 per cent of the portfolio. Most salmon farmers have reported lower profitability in 2025 compared with last year, due to falling salmon prices. The main reason for the price decrease is increased harvest volume on the back of reduced mortality and higher overall quality of the product. The portfolio quality is good, with 95 per cent of the clients classified as low and medium risk

### Power and renewables

At year-end, power and renewables accounted for approximately 8.2 per cent of total corporate credit, measured in EAD. The portfolio consists mainly of Nordic power production and distribution grids, as well as renewable power production in North and South America. High gas prices as a result of sanctions against Russia and the decommissioning of nuclear power in Sweden and Germany have led to very high and volatile electricity prices in the Nordic region also in 2025. The power industry experienced high margins also in 2025. In the US market, political risk has increased, particularly within offshore wind.

This exposure is largely secured through guarantees and regulatory frameworks that mitigate the risk of losses in the event of delays or cancellations.

Total exposure to renewable energy in the US amounts to NOK 29 billion, of which solar power accounts for approximately 50 per cent, with onshore renewable energy accounting for approximately 30 per cent. Onshore renewable energy is considered less exposed to political risk. At year-end, 97 per cent of loans to the sector were classified as low or moderate risk.

### Oil, gas and offshore

The portfolio related to oil, gas and offshore accounted for 5.7 per cent of the total corporate portfolio at the end of the year. The credit quality has developed positively because of high oil and gas prices. The combination of increased attention to energy security and rising earnings through 2025 provided a more positive outlook than there has been for several years. At the end of 2025, 99.2 per cent of the oil and gas portfolio was classified as low or medium risk, as measured in EAD. For the offshore portfolio, the share of low and medium risk was 93 per cent.

### Retail trade

At the end of the year, the bank's exposure to retail trade amounted to approximately 4.7 per cent of the total exposure to corporate customers, measured in EAD. Overall, retail trade improved in 2025 compared

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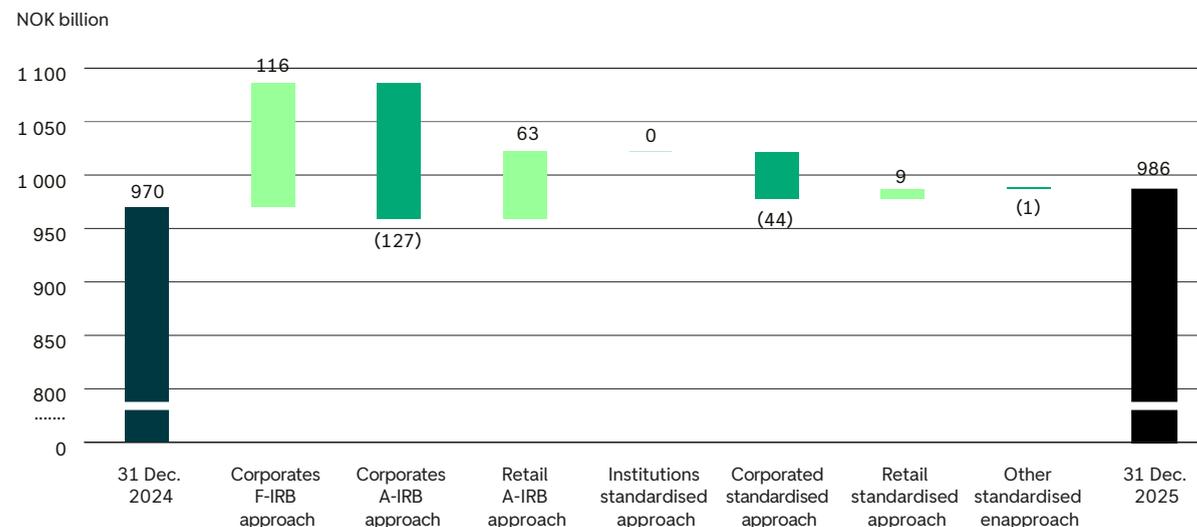
**Risk and capital management**

with 2024 but has experienced continuous pressure on margins. Electronics and sporting goods have improved significantly whereas building materials is still struggling. Digitalisation, cost efficiency and sustainability requirements are prime risk factors going forward. The bank monitors the portfolio closely with primary focus on the SME segment. At year-end, 84 per cent of the loans to the sector were classified as low and medium risk.

**Car financing**

DNB's portfolio of loans for passenger cars (for both businesses and private individuals) amounted to NOK 121 billion of which NOK 78 billion to private individuals, measured in EAD, at the end of the year. Sales volumes for new cars improved in 2025 for all Nordic countries, except Finland, where a decline is expected and the car market remains demanding. Despite increased new car sales, sales are characterised by campaigns and changed VAT rules for electrical vehicles in 2026. A stable sale of used cars to the retail market, together with service and parts sales, has contributed positively to the industry. At the end of 2025, 86 per cent of the portfolio was classified as low or medium risk.

**Development in risk exposure amount (REA) for credit risk**



**Capital requirements for credit risk**

The total risk exposure amount (REA) for credit risk, including counterparty credit risk, was NOK 986 billion for the DNB Group at the end of 2025, NOK 16 billion higher than the year before. The table on the next page shows the specification of REA for credit risk.

The figure above shows changes in REA for the credit portfolio distributed among the most substantial portfolios. The development is affected by the implementation of CRR3 in 2025. See a more detailed analysis of development in the IRB portfolio in the sub-chapter Internal measurement methods (IRB).

## Specification of risk exposure amounts (REA) for credit risk

<i>NOK million</i>	EAD	Risk exposure amount	Risk weights (per cent)	Capital requirement
<b>F-IRB approach</b>				
Corporates – Purchased receivables without own estimates of LGD or conversion factors	1 955	517	26%	41
Corporates – Other without own estimates of LGD or conversion factors	259 748	115 921	45%	9 274
<b>Total without own estimates of LGD or conversion factors</b>	<b>261 703</b>	<b>116 438</b>	<b>44%</b>	<b>9 315</b>
<b>A-IRB approach</b>				
Corporates – Specialised Lending with own estimates of LGD or conversion factors	99 862	39 590	40%	3 167
Corporates – Purchased receivables with own estimates of LGD or conversion factors	166	112	67%	9
Corporates – Other with own estimates of LGD or conversion factors	635 366	264 550	42%	21 164
Retail exposures – Secured by residential real estate – with own estimates of LGD or conversion factors	1 056 354	256 923	24%	20 554
Retail exposures – Other – with own estimates of LGD or conversion factors	130 191	37 308	29%	2 985
<b>Total with own estimates of LGD and/or conversion factors</b>	<b>1 921 939</b>	<b>598 483</b>	<b>31%</b>	<b>47 879</b>
<b>Total IRB</b>	<b>2 183 642</b>	<b>714 920</b>	<b>33%</b>	<b>57 194</b>
<b>Standardised approach</b>				
Exposures to central governments or central banks	183 039	471	0.3%	38
Exposures to regional governments or local authorities	51 982	892	2%	71
Exposures to public sector entities	109 786	518	0.5%	41
Exposures to multilateral development banks	66 724			
Exposures to international organisations	2 949			
Exposures to institutions without a short-term credit assessment	80 410	16 130	20%	1 290
Exposures to corporates without a short-term credit assessment – other than specialised lending	112 409	54 267	48%	4 341
Exposures to corporates without a short-term credit assessment – specialised lending	70	73	103%	6
Retail exposures	88 528	62 303	70%	4 984
Exposures secured by mortgages on immovable property and ADC	110 747	51 402	46%	4 112
Exposures in default	3 313	4 535	137%	363
Exposures to subordinated debt	75	113	150%	9
Exposures in the form of covered bonds	55 684	5 568	10%	445
Exposures in the form of units or shares in CIUs	1 867	585	31%	47
Equity exposures	25 567	57 942	227%	4 635
Other items	39 331	16 056	41%	1 284
<b>Total credit risk, standardised approach</b>	<b>932 481</b>	<b>270 854</b>	<b>29%</b>	<b>21 668</b>
<b>Total credit risk</b>	<b>3 116 124</b>	<b>985 774</b>	<b>32%</b>	<b>78 862</b>

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## Definition of default

DNB's definition of default is in line with the updated EBA guidelines. The definition of default under IFRS 9 is fully in line with the regulatory definition of default. The application of the definition of default is different for corporate and personal customers.

### Corporate customers

There is qualified payment default if an engagement exceeding NOK 2 000 and more than 1 per cent of the borrower's total exposure with DNB has lapsed by more than 90 days.

Expected default on payment exists if it is unlikely that the borrower will pay what they owe DNB without having to implement measures, such as the realisation of collateral, to finance the payment. Whether there is an expected default on payment depends on an assessment of the probability of future payment default. There is a wide range of circumstances that may be relevant to consider. Expected defaults can be caused by indicators that are absolute, such as:

- bankruptcy proceedings
- sale of loans with a discount of more than 5 per cent related to credit risk
- forced restructuring where debt is expected to be reduced by more than 1 per cent

Furthermore, several indicators should be considered when determining whether expected defaults have occurred. These indicators are not absolute. Examples of this include:

- expected failure to service all financial obligations, including refinancing risks
- violation of financial clauses
- deterioration in the ratio of loan to income
- sale of collateral that weakens the bank's creditor position

If a default occurs, all obligations that the customer has in DNB will be deemed to be in default. Contagion can also occur between financially dependent borrowers where one customer's financing or payment difficulties are also likely to lead to payment difficulties for one or more other customers.

If specific criteria are met, a customer can exit default status and return to being a healthy borrower after a 3- or 12-month return-to-non-default period. The 12-month return-to-non-default period is for customers who exit default after the loan terms have been changed as a result of the customer having financial difficulties.

### Personal customers

For personal customers, a qualified payment default exists if a commitment exceeding NOK 1 000 and more than 1 per cent of the of the borrower's total exposure to DNB is overdue by more than 90 days.

The absolute requirements for expected defaults for personal customers are similar to those for corporate customers. Other indicators of expected default include a reduction in the customer's income, for example due to unemployment, a significant increase in LTV ratio, or a situation where the guarantor or co-borrower is in a bankruptcy or debt settlement process.

For personal customers, defaults apply at the agreement level. Therefore, in principle, there will be no contagion between agreements belonging to the same borrower. An important exception to this rule is contagion between instruments within the same product category, for example between two mortgages to the same borrower. If there is also a default related to one or more agreements totalling at least 20 per cent of the customer's total exposure with DNB, all agreements with the bank will be deemed to be in default.

If specific criteria are met, a customer can exit default status and return to being a healthy borrower after a 3- or 12-month return-to-non-default period. The 12-month return-to-non-default period is for customers who exit default after debt settlement has been completed.

### Definition of past due exposures

Past due exposures are overdue amounts on loans and overdrafts on credit, assuming a deterioration of customer solvency or unwillingness to pay.

Financial assets qualify as past due when any amount of principal, interest or fee has not been paid at the date it was due. Past due loans and overdrafts on credit lines are monitored on an ongoing basis.

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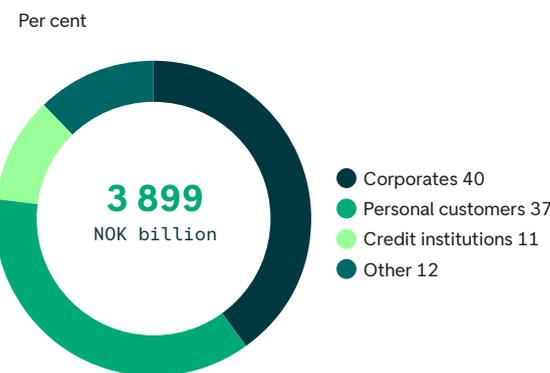
Overview of credit exposures

Exposures by segment, industry and country

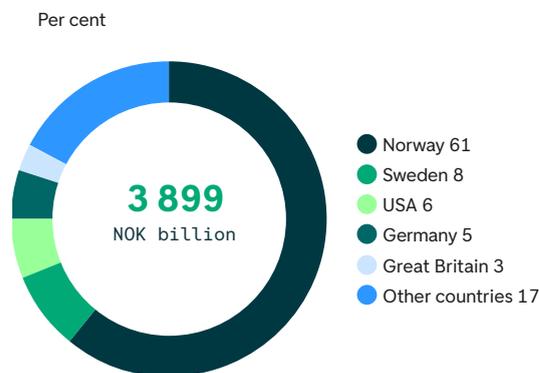
Gross carrying amount and maximum exposure amounted to NOK 3 899 billion at the end of 2025. The figures show exposure by segment and country.

Loans and credit to personal customers accounted for 37 per cent of exposure. Loans to corporate customers accounted for 40 per cent. Exposures with governments and central banks, equity positions and other assets are included in the graph as 'other'. The credit portfolio is mainly linked to Norway or Norwegian customers. The Norwegian-related portfolio accounted for 61 per cent at the end of 2025. See additional Excel disclosure 'Risk and capital management – Pillar 3, attachment (Excel)' for more information.

Gross carrying amount, split by segments, 31 December 2025



Gross carrying amount, split by country, 31 December 2025



Forborne exposures

Forborne exposures are defined as credit exposures where the loan terms have been changed as a result of the customer having had financial problems.

Forborne exposures include both defaulted and non-defaulted exposures. The objective of forbearance is to assist the customer through a financially challenging period. It is a prerequisite that customers must be expected to be able to meet their obligations at a later date.

The most common forms of forbearance are:

- changing the term of the loan
- refinancing
- debt remission, including remission of overdue interest payments
- deferment of overdue interest payments

Forbearance is an element of DNB's strategy for limiting losses. Procedures for handling these exposures have been incorporated in the credit process. DNB has operative guidelines describing how business units should identify, analyse and approve forbearance cases. Developments in the volume of forborne exposures are reported quarterly to the Board.

For more information see Note G5 Credit risk management in DNB's annual report on [ir.dnb.no](https://ir.dnb.no).

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## Impairment and default

When calculating expected credit losses, all credit exposures are divided into three groups:

- **Stage 1:** Includes exposures that have not had a significant increase in credit risk since the agreement was entered into. According to IFRS 9, an expected credit loss must be calculated for the next 12 months.
- **Stage 2:** Includes exposures with significant negative development in lifetime PD compared to lifetime PD upon entering into the agreement. In addition, it includes corporate loans with PD between 5 and 40 per cent, exposures with forbearance, and loans with payments that are between 30–60 days overdue. For these, an expected credit loss is calculated over the entire life of the agreement.
- **Stage 3:** Includes defaulted loans. Like stage 2, stage 3 will calculate the expected credit loss without any time limitation. For customers in default (stage 3), PD is set to 100 per cent.

For the exposures in stages 1 and 2, expected losses are estimated using DNB's Expected Credit Loss (ECL) model, which is based on internal models for EAD, PD, and LGD, and on forecasts for future economic developments.

The stage 3 ECL impairment is calculated as the difference between the carrying value and the present value of estimated future cash flows discounted by the original effective interest rate. The estimated future cash flows are based on developments in the customer's exposure, the value of collateral, experience with the customer, the likely outcome of negotiations and expected macroeconomic developments that will affect the customer's expected cash flow. If the exposure is collateralised, the value of the collateral is included in the estimated future cash flows regardless of whether foreclosure is probable or not.

ECL for stage 3 credit exposures for customers with exposures of more than NOK 50 million is calculated as probability-weighted ECL from considered scenarios. The scenarios should represent the actual opportunities for a customer in financial difficulty.

The rule is that three different scenarios should be considered.

- **Going concern:** What is the probability of a development where all debt is repaid without concessions in the form of debt conversion or write-offs? The ECL in this scenario is zero.
- **Restructuring:** What is the likelihood of a development where the customer must restructure its capital structure to maintain going concern, and what will ECL be for DNB in such a restructuring?

- **Liquidation:** What is the probability of a development where a company is liquidated through bankruptcy, orderly liquidation etc., and what is the ECL for DNB in this scenario?

The ECL for each scenario, and the probability of each scenario occurring, will depend on both market conditions and customer-specific factors. The sum of the scenarios must always be 100 per cent. If a scenario is highly unlikely, the probability can be set to zero.

The ECL in a restructuring scenario will depend on the discounted present value of the customer's expected future cash flows, as well as the expected level of debt that can be agreed with the stakeholders in a restructuring. The ECL in a liquidation scenario will depend on the expected realisation value of collateral on the sale of assets – for example, as part of a bankruptcy or orderly liquidation.

The ECL in stage 3 is calculated for corporate customers with loans below NOK 50 million using the bank's ECL model. The model is based on the probability that a loan will be 'recovered', expressed as Cure Rate (CR), and an estimated loss given that the loan remains in default, expressed as Loss Given Loss (LGL). Both CR and LGL take into account customer- and agreement-specific information, as well as a forward-looking component similar to the methodology for customers in stages 1 and 2.

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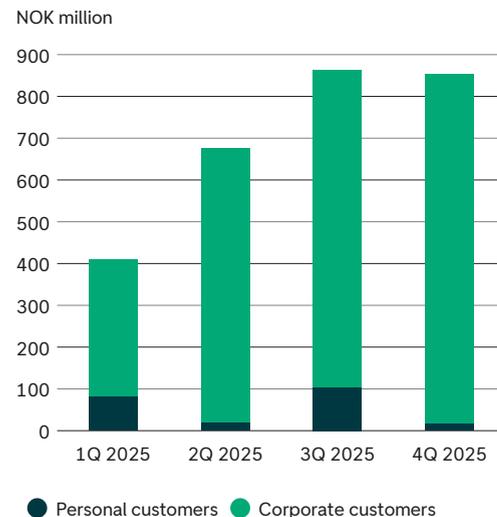
For private individuals with loans of more than NOK 5 million as defaults, an individual assessment of collateral and debt-servicing capacity is carried out to determine the ECL. For private individuals with loans of less than NOK 5 million, a portfolio approach is used to calculate ECL in stage 3. The estimate is calculated using a discounted expected collateral value that provides expected recovery rates for a representative sample of customers in default. The expected recovery rates are then applied to customers with similar characteristics to the customers in the sample. When a customer is in the 3- or 12-month return-to-non-default period, the customer will continue to be presented in stage 3, but with stage 2 lifetime ECL from the ECL model.

Impairment of loans and financial instruments

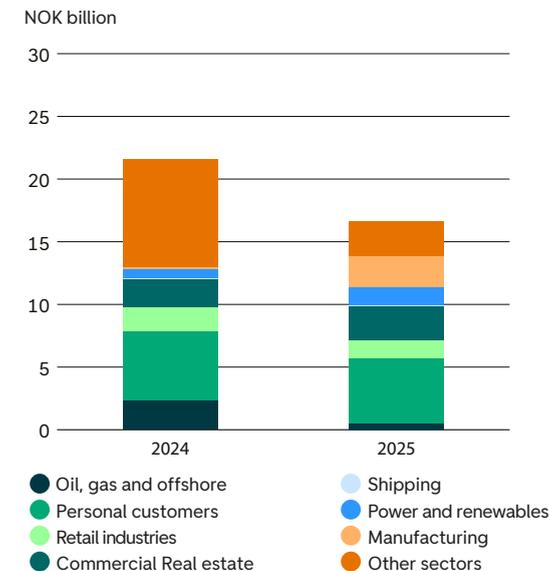
Net impairments are the sum of all impairments in the period, minus all reversals made in the same period. The figure to the right shows developments in net impairments in 2025.

The figure on the right-hand side shows developments in accumulated write-downs of loans to customers at amortised costs and financial exposures from the end of 2024 to the end of 2025. Accumulated impairments amounted to NOK 8.2 billion at year-end, an increase of NOK 100 million from 2024. The change in accumulated impairments includes provisions due to the origination of new financial instruments during the

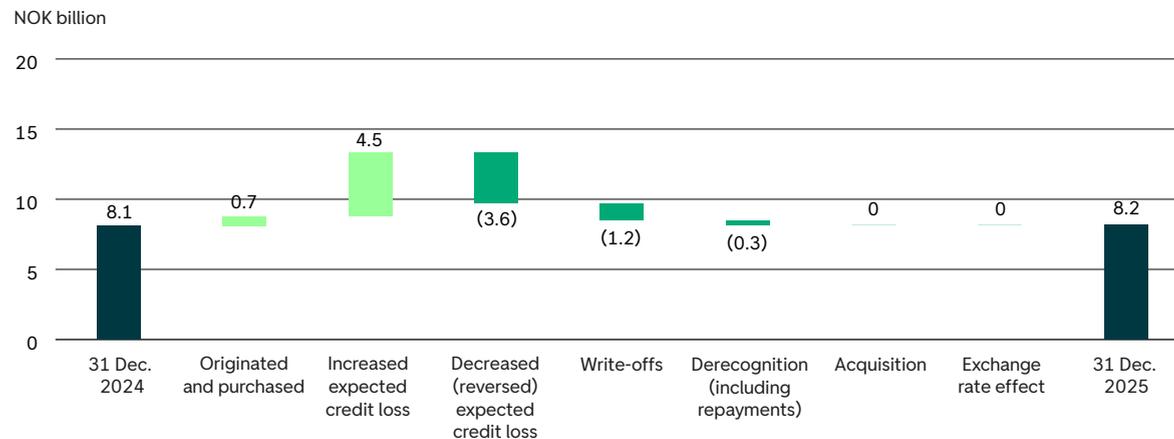
Development in net impairments



Net defaulted exposures



Development in accumulated impairment of loans and financial commitments



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period. The figure also shows increases and decreases in expected credit loss resulting from changes in input parameters and assumptions, including macro forecasts, as well as the effect of partial repayments on existing facilities and the unwinding of the time value of discounts due to the passage of time. Further, the table includes write-offs, changes in provisions due to the derecognition of financial instruments during the period and exchange rate effects.

**Non-performing exposures**

Net non-performing exposures fell by NOK 0.4 billion in 2025 and amounted to NOK 22 billion at the end of the year. 25 per cent of DNB's non-performing exposures are in the retail segment. The non-performing exposures in the retail segment was reduced by NOK 0.4 billion to NOK 5.5 billion in 2025, corresponding to 0.45 per cent of the total exposure in this segment. The positive development in credit quality is a result of higher oil and gas prices and completed restructurings.

The figure on the previous page shows the distribution of net non-performing exposures by industry. More detailed information can be found in the additional Pillar 3 disclosures 'Risk and capital management – Pillar 3 attachment (Excel)'.

**Net impairment per year, 1957–2025**



**Historical development of impairment of financial instruments**

The figure shows the net annual impairments as a proportion of lending for the period 1957–2025. From 1992, net impairments are also broken down between personal and corporate customers, excluding the public sector and credit institutions. The period from 1987 to 1993 is referred to as the Norwegian

banking crisis and stands out from other years. Other years that stand out are 2009, when the financial crisis led to increased impairments, inter alia linked to Baltic operations, 2016 when DNB recorded substantial impairment in the oil-related portfolio and the coronavirus pandemic in 2020. The years 2021 through 2025 were more normal, with low impairments.

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## Internal measurement methods (IRB)

DNB has used internal credit risk models since 1995. The calculations from models approved for measuring credit risk in the capital adequacy are integrated into the bank's internal management tools.

In the internal monitoring of credit risk, internal models are used to calculate CCF (EAD), PD and LGD for all credit exposures, regardless of whether they are approved for calculating capital requirements. The risk levels that DNB uses to measure risk in the large corporates and mortgage portfolios are different from those that have been approved for calculating capital adequacy according to the advanced IRB approach.

The approved models incorporate mechanisms that make them less risk-sensitive and more conservative. As a result, the capital requirement remains more stable over time.

DNB uses both the Advanced and Foundation IRB (A-IRB and F-IRB) approach for its corporate portfolio, depending on whether the consolidated turnover is below or above EUR 500 million respectively. Specialised lending is reported under the A-IRB approach. The personal customer portfolios are reported according to the A-IRB method. Some portfolios in subsidiaries or specific segments are exempted. The table shows the reporting methods used for the different credit portfolios in DNB, distributed among exposure classes.

## Reporting methods for credit portfolios in DNB

Exposure class	Main reporting methods
Corporates with consolidated turnover below 500 million EUR and Specialised Lending (SL)	A-IRB
Corporates with consolidated turnover above 500 million EUR	F-IRB
Retail, mortgage loans	A-IRB
Retail, other exposures	A-IRB
Government and central banks	Standardised approach
Institutions	Standardised approach
Equity positions and other assets	Standardised approach

The purpose of the IRB system is to ensure sound risk management. This calls for high quality and transparency throughout the value chain. The Board of Directors assesses the need for capital on the basis of risk measurements and an overall evaluation of operating parameters and business and strategic targets.

The models are regularly monitored by the model owner, and the independent entity responsible for model risk conducts annual validations of the IRB models. Regular controls of model use are carried out through the Credit Risk Review Institute. Furthermore, periodic theme-based self-assessments of the most important parts of the IRB value chain are carried out. Group Audit prepares an annual report with an assessment of whether the IRB system in DNB meets external requirements.

The areas of application for the IRB models are:

- capital adequacy calculations
- decision-support in the credit process
- limits in the risk appetite framework and credit strategies
- risk measurement and ongoing reporting
- pricing of credit risk
- measuring portfolio profitability
- basis for models applied in stress testing and calculation of expected credit loss

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### Models used in IRB reporting

From the first quarter of 2025, DNB has been using the new PD model for residential mortgages for capital adequacy calculations. The retail mortgage portfolio in Sbanken has been reported using the IRB approach from the second quarter of 2025.

In order to comply with the new regulation of the definition of default, effective from 1 January 2021, new calibration levels were calculated for the IRB models. Calibration levels were calculated in accordance with new EBA estimation guidelines that were also in effect from 1 January 2021. An application to use the new calibration levels was submitted to Finanstilsynet in March 2021.

DNB applied for approval of new models for object financing and unsecured credit in 2023. An application for approval of a new LGD model for object financing for personal and corporate customers in Norway and Sweden was submitted in March 2023. An application for approval of new PD and LGD models for unsecured credit for private individuals was submitted in May 2023. The models have been implemented as complementary models in internal risk management until Finanstilsynet gives its formal approval for use in capital adequacy calculations. In 2025, DNB applied for approval of new CCF for retail mortgage credit lines, as well as new PD and LGD models for the large corporates portfolio.

### DNB's credit risk classification

Risk grade	Risk classification	Probability of default (per cent)		External rating	
		As from	Up to	Moody's	S&P Global
1	Low risk	0.01	0.10	Aaa - A3	AAA - A÷
2		0.10	0.25	Baa1 - Baa2	BBB+ - BBB
3		0.25	0.50	Baa3	BBB÷
4		0.50	0.75	Ba1	BB+
5	Medium risk	0.75	1.25	Ba2	BB
6		1.25	2.00		
7		2.00	3.00	Ba3	BB÷
8	High risk	3.00	5.00	B1	B+
9		5.00	8.00	B2	B
10		8.00	Impaired*	B3, Caa/C	B÷, CCC/C

DNB's risk classification system, where 1 represents the lowest risk and 10 the highest risk.

\* PD in risk grade 10 goes to maximum 40 per cent

### Special requirements for DNB's IRB models

Certain specific requirements have been imposed on DNB's IRB models in addition to those set out in the CRR/CRD4 regulation.

**Corporates:** Finanstilsynet has stipulated that the PD level in the large corporates portfolio must be relatively stable, irrespective of economic conditions, in order to avoid large variation in the capital requirement. In

addition, a floor has been set for certain LGD models, which makes the models more conservative than warranted on a statistical basis.

### Risk classification

DNB divides the healthy credit portfolio into ten risk classes based on the exposures' probability of default, PD. See the table above. Exposures that are in default are assigned a PD of 100 per cent.

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**IRB model validation**

Independent validation is a key control function of DNB's IRB system. It is carried out by Model Risk Management, an unit that is independent of the entities in charge of the model development process and the establishment and renewal of loans.

New IRB models and material changes to existing models are subject to initial validation, while existing IRB models are validated annually. The validation results provide a basis for assessing the performance of the Group's IRB models consistently and meaningfully. Risk-mitigating actions are recommended in cases where the validation results indicate a need for improvement. The CRO decides on the actions to be taken. The results of this work are presented at least annually to DNB's Board of Directors.

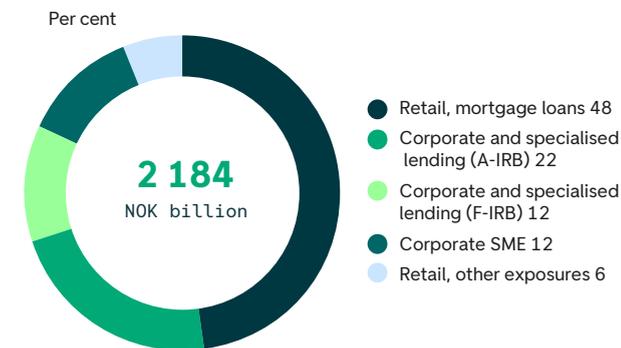
Models are assessed based on six risk elements: design and development, input data, implementation, model use, performance and governance. Each element is assessed for each model using qualitative and quantitative methods. Validation of governance is a qualitative analysis that provides an assessment of whether the governance of the models is consistent and sound throughout the model's life cycle.

The assessment of the model's performance consists largely of quantitative analyses, with a particular focus on the ranking of borrowers' creditworthiness (discriminatory power) and estimation of the level of risk parameters (calibration). A PD model with good discriminatory power can largely distinguish between customers who will default on their loan obligations and those who will not. An LGD model should be able to predict which non-performing credit exposures will result in relatively large and small losses. Validation of the calibration level provides an assessment of whether the risk parameters have been established at the appropriate level. Discrepancies between predicted and observed levels are expected. Whether the deviations are acceptable depends on the risk parameter and the part of the business cycle in which the deviations occur. Since the LGD level should correspond to the loss severity during an economic downturn, the loss level observed during a normal period should be lower than the LGD estimate. The same applies to EAD.

**Exposures in the IRB portfolios**

At the end of 2025, the proportion of DNB's credit portfolio reported under the IRB method amounted to NOK 2 184 billion, measured in EAD. The figure shows the IRB portfolio, including counterparty credit risk by exposure category. EAD increased by 2.7 per cent in 2025.

**Exposure classes in the IRB portfolio, EAD, 31 December 2025**



The credit quality was generally strong throughout the year, but especially for small and medium-sized enterprises, the risk weight increased for the performing portfolio. On the other hand, customers moving from the non-performing to the performing portfolio contribute to decreasing the risk weight in both the large corporates segment and for small and medium-sized enterprises.

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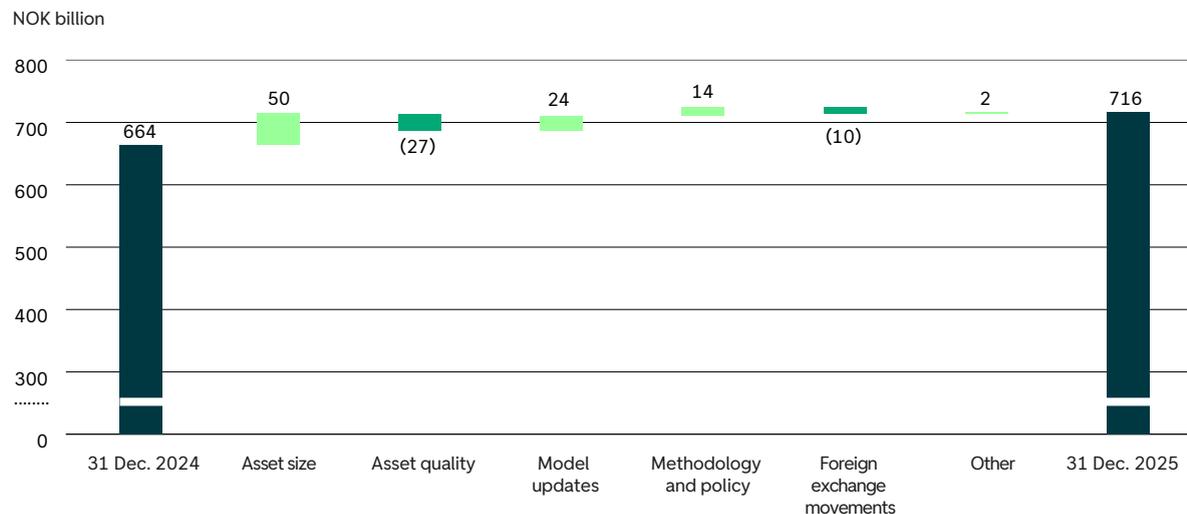
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Development in risk exposure amount for the IRB portfolio



Credit risk exposures under the standardised approach

30 per cent of the Group’s credit portfolio measured in EAD was reported according to the standardised approach at the end of 2025. Key figures for the portfolios reported according to the standardised approach are presented in the section on capital requirements for credit risk.

Finanstilsynet has granted DNB permission to use the standardised approach to calculate risk exposure amounts (REA) for governments and central banks and for equity positions. Subsidiaries in Poland and Luxembourg and associated companies calculate REA according to the standardised approach. Other portfolios that are reported according to the standardised approach are exposures to institutions and housing cooperatives in Norway.

DNB’s exposures calculated according to the standardised approach are allocated to 16 different exposure classes:

- governments and central banks
- regional governments and local authorities
- public sector entities
- multilateral development banks
- international organisations
- institutions (banks, credit institutions, investment firms)
- corporates (non-financial and financial companies, insurance companies, housing cooperatives)
- corporate as retail
- retail (private individuals)
- secured by mortgages on immovable property
- exposures in default (exposures overdue for 90 days)
- high risk
- covered bonds
- mutual funds, collective investment undertakings (exposures in the form of units or shares in CIUs)
- equity exposures (holdings of shares and other equity instruments not in the trading book)
- other exposures (prepaid expenses, cash in hand, deferred tax assets etc.).

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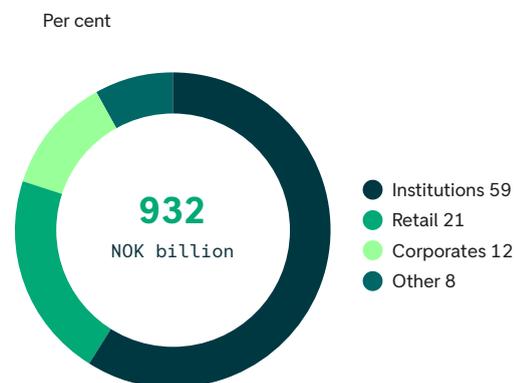
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### Exposure classes in the standardised portfolio, EAD, 31 December 2025



According to the regulation, either the rating from an export credit agency or, where not available, the country rating from eligible credit assessment agencies such as Moody's, S&P Global and Fitch can be used to determine the risk weight for exposures to central governments, central banks and institutions.

## Securitisation

Securitisation transactions support the Originate-and-Distribute (OAD) business model in DNB by unlocking regulatory capital through reducing credit risk for DNB. DNB has acted as the originator on one synthetic securitisation transaction. The securitisation transaction was structured in line with the Simple, Transparent and Standardised (STS) framework in the Securitisation Regulation. The transaction unlocks capital for green projects while transferring credit risk to a third party. DNB does not engage in re-securitisation activities or invest in securitisation transactions originated by third parties.

### Risk management and retention

DNB's exposure to risk in securitisation activities is limited to the positions retained in transactions it has originated.

- **Senior tranches:** The bank retains the senior tranche, which represents a low-risk position due to its credit enhancement.
- **Junior tranches:** The bank retains the junior tranche and a synthetic excess spread, which bears the first-loss risk.

DNB applies the CRR for calculating risk-weighted exposure amounts for its securitisation positions. The senior and junior tranches are assessed in accordance with the capital requirements for STS securitisations under the CRR framework.

DNB does not have exposure to third-party Securitisation Special Purpose Entities (SSPE) used in securitisation transactions, nor provided support to any legal entities in connection with securitisation activities, as outlined in Chapter 5, Title II, Part Three of the CRR.

No legal entities affiliated with DNB invest in securitisation positions originated by the bank or issued by the SSPE associated with the bank's securitisation activities. The securitised exposures and retained tranches are accounted for in accordance with DNB's general accounting policies. The relevant transaction is reported as a synthetic on-balance-sheet transaction and follows accounting recognition rules specific to guarantees. DNB does not engage in re-securitisation activities.

DNB does not rely on external credit ratings from External Credit Assessment Institutions (ECAIs) for its securitisation transactions. Securitisations are monitored according to DNB's relevant Group instructions. The transactions necessitate close collaboration and alignment across multiple departments within the bank. Milestones and decisions

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are reviewed and approved by the Asset and Liability Committee (ALCO), ensuring that the transaction is fully aligned with the bank's strategic objectives and meets all regulatory and risk management standards. Continuous risk monitoring and alignment with the bank's risk management framework, stress testing and performance evaluations will be carried out throughout the lifecycle of each transaction. The bank remains fully committed to overseeing the servicing, management and collection of the securitised loans, ensuring efficient oversight and maintaining robust operational control.

See more in the Excel disclosure 'Risk and capital management – Pillar 3 attachment (Excel)' on [ir.dnb.no](#).

### Management and control of credit risk

The risk appetite defines maximum limits for credit exposure. Limits have been set for annual growth, risk concentrations and credit quality. There is an upper limit for growth, measured in terms of EAD, for each customer segment. To limit concentration risk, there are limits for risk exposure related to individual customers and industry segments. The limits for credit quality are designed as limits for Expected Credit Loss (ECL) and apply to all types of credit risk. ECL is measured using internal credit risk models and forward-looking macroeconomic assumptions.

In addition to the principle of risk appetite, there are credit strategies for the individual customer segments. Risk should be an integral part of the governance and remuneration system through indicators that operationalise risk limits and strategies and are followed up by managers individually. Read more about risk appetite in the chapter [Risk Management and control](#).

### Decision-making processes and authorisations

Group Risk Management is responsible for checking and monitoring the quality of credit portfolios and the effectiveness of the credit process. Group Credit Management is part of Group Risk Management and is responsible for establishing the framework for the credit process and for credit management in all business areas.

Each business area is responsible for managing its own credit activities and portfolios within the confines of the risk appetite limits and credit strategies. To ensure effective, high-quality decisions, DNB has established multiple levels of credit approval authorisations, see the figure on the next page. The levels are based on the size, complexity of the credit, the required expertise and the risk involved.

All extension of credit is based on the 'four eyes' principle. This means that one person makes a decision

based on the recommendation of another person. In cases where the requested credit exceeds a specific level, the decision must be endorsed by a credit officer in Group Credit Management. For the smallest amounts of credit in the corporate segment, however, automated risk classification can replace one of the 'pairs of eyes'.

In the personal banking market, credit applications should, as a rule, be processed using automated measurement and decision-support systems. Applications from low-risk personal customers with good debt-servicing capacity and a moderate debt/asset ratio are approved digitally. The process automatically collects data on income, debt and assets, as well as updated information about the value of the collateral in connection with refinancing existing loans and issuing pre-qualification letters.

If the customer has not proven a satisfactory debt-servicing capacity, credit should normally not be granted even if the collateral is satisfactory. The customer's debt-servicing capacity is determined based on future cash flows. The main sources of these cash flows are income from business operations for corporate customers and wage income for personal customers. In addition, the extent to which realisation of the collateral will cover the bank's exposure in the event of default, and any reductions in future cash flows, are taken into account.

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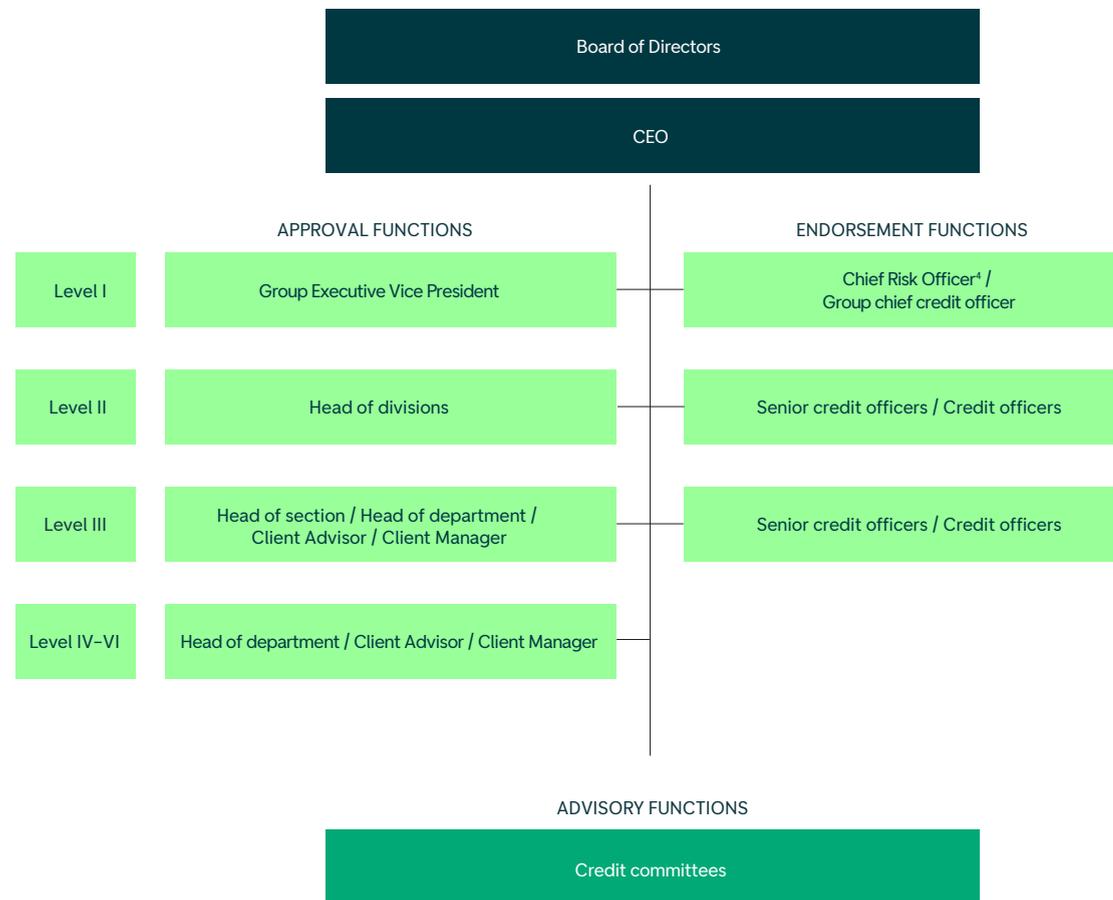
All corporate customers with credit exposures must be risk-classified for each approval of a material amount, and at least once a year. The risk classification should reflect the long-term risk related to the customer and the exposure. See the text box Watchlist.

Management of the risk classification system is organisationally independent of operational activity and is handled by Group Risk Management. The risk classification models are designed to cover portfolios of exposures. If a model is considered to provide a substantially incorrect classification for a single exposure, the model-generated classification may, in exceptional cases, be manually overridden. Overrides must be satisfactorily justified and made only after an assessment by an independent entity. Risk classifications of exposures to personal customers are never overridden. For more information, see the description of the classification system in the section on credit models and risk classification.

**Authorisations**

All credit approval and endorsement authorisations are personal. The exception is the Board of Directors, which approves credit proposals as a collegiate body. The Board decides on credit applications of an extraordinary nature. These are primarily credit applications corresponding to more than 10 per cent of the bank's Tier 1 capital.

**Credit decisions in DNB**



4 The Chief Risk Officer (CRO) is the head of the Group Credit Committee (GCC).

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The Board has delegated credit approval authorisation to the Group Chief Executive Officer (CEO). The CEO has further delegated this authorisation to the business areas and Group Risk Management. These authorisations are exercised in a decision-making system where the business area approves the application and Group Credit Management endorses decisions up to the Board level on behalf of Group Risk Management.

A credit decision must be brought before a higher decision-making body if the decision-maker is in doubt as to whether the credit is within their own authority. The same applies if the case is unusual or raises ethical or reputational issues. For new clients that present a high ESG risk, a decision must be made at the highest level below the Board level. Read more about [management and control of sustainability risk in the chapter Sustainability risk](#).

### Collateral and other risk-mitigating measures

Collateral is used to mitigate credit risk. Collateral primarily consists of physical assets such as homes, commercial properties or vessels, or in the form of securities, guarantees, cash deposits, netting agreements or credit insurance. As a rule, physical assets must be insured. In addition, the bank uses negative pledge clauses, which prohibit customers from pledging assets to other lenders. The value of collateral assets is assessed continuously during the term of

the credit and haircuts are applied to most collateral categories. For larger/complex pledged objects, specialist environments in the bank may be consulted. In the large corporates segment, the bank's relative position as a pledgee must be considered. DNB has internal guidelines and procedures for the valuation of real estate as collateral for loans, including the use of statistical models and valuations made by independent external parties or internal appraisers.

Guarantors are largely private individuals, businesses, governments, municipalities, export credit agencies and banks. The value of a guarantee depends on the guarantor's debt-servicing capacity and financial wealth and is assessed individually. In cases where the bank is given a guarantee by a company, the value of the guarantee will fluctuate along with the company's financial performance and financial strength. A guarantee provided by a private limited company could be subject to the restrictions on the pledging of collateral by a private limited company stipulated in the Norwegian Private Limited Liability Companies Act.

DNB has credit committees at multiple levels. These credit committees work in an advisory capacity, providing assistance to the extender in the relevant business area and to the endorser in the independent risk organisation. There is a hierarchy of committees, where the Group Credit Committee (GCC), headed by the Chief Risk Officer (CRO), considers cases that are of interest to more than one business area.

### Credit risk review

Through Credit Risk Review (CRR), DNB has an independent second-line function that controls compliance with Group Instructions for Credit Activities, Group Instructions for Sustainability in DNB's Credit Activities, credit strategies and DNB's Credit Manual. CRR involves performing controls in all of the group's credit areas. One of the elements of CRR is a Model Input Review (MIR), which aims to ensure the correct and consistent application of IRB models that include subjective input. CRR findings, including MIR findings, are used to implement improvement measures in daily credit work and for training purposes.

### Credit risk reporting

The economic capital required to cover credit risk is calculated for all credit agreements and forms the basis for evaluating the profitability of the agreements. The calculation is based on the risk parameters in the internal credit models and considers factors such as industry concentration, geographic concentration, particularly volatile segments and large individual exposures.

Exposure relative to the limits set in the risk appetite framework is reported to Group Management each month. If limits are exceeded, a report is sent to the Board of Directors to inform them of the cause, together with an action plan. The Group's quarterly risk report to the Board of Directors provides an extensive

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description of the risk appetite status and other developments in the credit risk situation. Group Risk Management has established an independent second-line function that conducts reporting and analysis of credit risk, including the follow-up of risk appetite. In the internal monitoring of credit risk, all portfolios are measured and reported using internal models, irrespective of whether or not the internal models have been approved for use in capital adequacy calculations.

### Stress testing

Stress testing of credit portfolios is an important tool that is actively used in the management of credit risk. Results from the stress tests are included in the quarterly reporting to the Board of Directors.

DNB's credit portfolios are subjected to a variety of stress tests, both at an overall level and for specific portfolios. The stress tests are used to gauge vulnerability to loss of income or customer defaults within a business area or a specific portfolio. Stress tests are used to identify critical drivers for credit risk. Stress testing of the total credit portfolio is part of the internal capitalisation assessment and reported to Group Management and the Board of Directors. Stress testing of the credit portfolio is included in the ICAAP report and the Group's recovery plan. Read more about [stress testing in the chapter Capital management](#).

Various methods are used to estimate credit losses in connection with stress testing. When the entire Group's credit portfolio is stress tested, a model for calculating expected credit loss is applied, which is based on the Group's ECL model for impairment calculations. Starting with a stressed macroeconomic scenario like the one described in the chapter on capital management and ICAAP, the PD, LGD and EAD for each individual borrower are calculated forward in time using the stressed scenario as input to the models. The new PD, LGD and EAD values are then applied in new estimates of expected credit loss.

DNB uses a bottom-up methodology, specially developed scenarios and custom tools for stress testing subsidiaries, business areas and specific sub-portfolios. These may consist of fewer macroeconomic variables or involve more direct changes to risk parameters in the models, depending on the needs of the specific portfolios.

Credit customers are exposed to climate risk, both physical climate risk and transition risk. DNB has initiated several initiatives to incorporate climate risk into models for measuring credit risk. Read more about [stress testing of climate risk in the chapter Sustainability risk](#).

## Watchlist

DNB continually updates lists of exposures that need to be monitored extra carefully. The objective is to identify customers who require close monitoring so as to implement the necessary improvement measures or terminate the customer relationship while the customer still has financial control, in addition to taking the necessary measures to prevent or reduce losses.

An exposure will be put on a watchlist for special monitoring in case of breach of financial covenants or when the customer has been granted grace periods on principal payments or other payment relief due to liquidity problems (forbearance). In addition, exposures with the following characteristics are considered as candidates for the watchlist:

- Customers classified as high risk.
- Customers whose financial situation has deteriorated, for instance due to a material reduction in income, the loss of important business areas, material changes to operating parameters or the loss of key personnel.

When a customer is placed on a watchlist, a new risk assessment is performed, the collateral is reviewed and an action plan is prepared for the customer relationship. If anticipated default is considered a likely option, an assessment is performed to determine whether this calls for impairment of the exposure. See the section on impairment and default earlier in this chapter. For more information about exposures with payment relief see the text box Forborne exposures.

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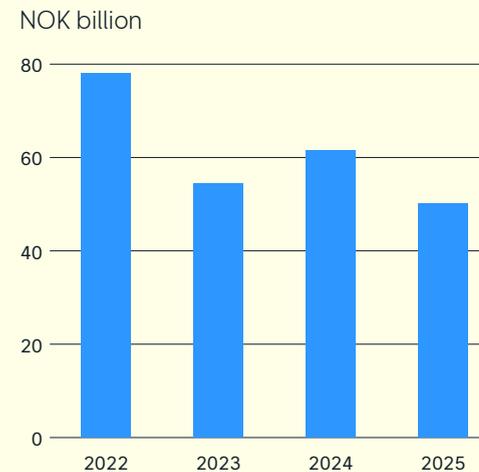
## 5. Counterparty credit risk

Counterparty credit risk is sensitive to market changes, such as fluctuations in interest and exchange rates and in the price of commodities. Counterparty credit risk in DNB, measured as Exposure at Default (EAD), was reduced in 2025 and was 18 per cent lower than the previous year. DNB enters derivative contracts on the basis of customer demand for hedging instruments and to hedge its own market positions resulting from customer activity. In addition, derivatives are used to hedge positions in the trading portfolio, for general position-taking and to hedge foreign exchange and interest rate risks that arise in connection with funding and lending.

### Definition

Counterparty credit risk is the risk of financial loss related to the counterparty's ability to meet contractual obligations. Counterparty credit risk is a form of credit risk that arises from trading in financial instruments, such as derivatives, loans secured by securities or repurchase agreements (repo). It differs from other credit risk in that exposure depends on market risk factors such as interest rates, exchange rates, commodity prices or equity prices. Derivatives are most often traded Over-the-Counter (OTC), i.e. not traded on an asset exchange but bilaterally between two counterparties.

### Counterparty credit risk, EAD



### Risk exposure amount for counterparty credit risk

NOK billion

**19.4 (20.8)**

(2024 figures)

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### Developments in counterparty credit risk in 2025

During 2025, counterparty credit risk in DNB was reduced by 18 per cent to NOK 50 billion at year-end, measured as EAD. About 73 per cent of EAD arises from derivatives and the remainder from securities financing transactions and repurchase agreements.

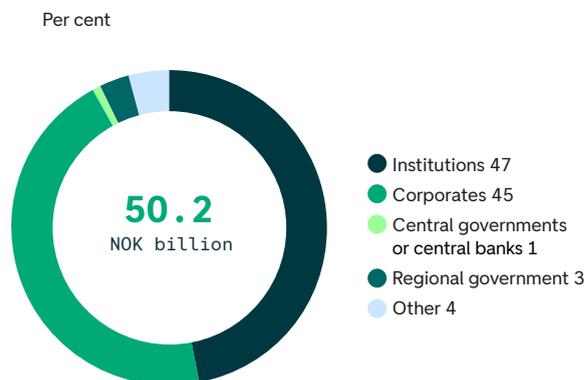
The change in EAD was a result of changes in interest and exchange rates, commodity prices and increased trading volumes.

### Capital requirements for counterparty credit risk

The Risk Exposure Amount (REA) for counterparty credit risk in DNB was NOK 19.4 billion at year-end, down from NOK 20.8 billion at year-end 2024. REA for counterparty credit risk stands for around 2 per cent of DNB's total REA.

DNB uses a combination of the standardised approach (Standardised Approach for Counterparty Credit Risk, SA-CRR) and internal models (Internal Model Method, IMM). The SA-CCR method is used to calculate exposure to commodity and equity derivatives. EAD for interest rate and cross-currency derivatives is measured using IMM. Using IMM to calculate counterparty credit risk better reflects the risk sensitivity than standardised

### Counterparty credit risk split by sector, EAD, 31 December 2025



models. DNB's IMM models are approved to use a regulatory scaling factor (alpha) of 1.4.

REA for counterparty credit risk is calculated using the credit risk method approved for the counterparty (Internal Ratings-Based Approach (IRB) or standardised method). For more information on calculating capital requirements, see [the chapter Credit risk](#). For information about capital requirements for Credit Valuation Adjustment (CVA), see [the chapter Market risk](#).

Capital requirements are calculated for exposures to central counterparties in accordance with CRR/CRD. At year-end 2025, REA related to exposures to

central counterparties amounted to NOK 725 million. Counterparty credit risk in equity derivatives, securities financing transactions and currency trading for private customers is reduced by the fact that increases and decreases in market value are settled daily.

### Risk-mitigating measures

To mitigate counterparty credit risk vis-à-vis individual counterparties, DNB enters into netting agreements with its customers. These agreements make it possible to net the positive and negative market values linked to contracts under the same netting set.

Collateral management is also an important aspect of risk mitigation. DNB enters into bilateral margin agreements (Credit Support Annex, CSA) with financial derivative counterparties, in addition to an increasing number of non-financial counterparties. Under these agreements, the market value of all derivative contracts between DNB and the counterparty is calculated daily and the variation margin is posted. The CSA agreements with the biggest financial counterparties also require initial margin. These margins largely eliminate counterparty credit risk. The collateral posted is mainly cash for variation margin and securities for initial margin.

The agreements are normally independent of the credit quality of the counterparty. A minority of the

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CSA agreements the bank has entered into state that DNB must provide additional collateral for the counterparties' exposures if DNB's credit rating falls below certain thresholds. The agreements then state that the threshold value for collecting collateral will be lowered, in order to further reduce the credit risk for the other counterparty. The number of levels depends on the rating agency, since DNB has different ratings with different agencies and because their requirements are different. At year-end 2025, a downgrade of three levels would have resulted in NOK 109 million of increased collateral.

For SFTs (securities financing transactions and repurchasing agreements), posted collateral is an integral part of the product because the counterparty can only borrow against part of the market value of the collateral. For SFTs, Global Master Repurchase Agreements (GMRA) and Global Master Securities Lending Agreements (GMSLA) are used as standard master agreements to protect the rights of the participants. Clearing and exchange of variation margins to cover changes in the value of the collateral that is leveraged is carried out on a daily basis.

Regulatory requirements under the European Market Infrastructure Regulation (EMIR) require mandatory clearing for several types of OTC derivatives through central counterparties (CCP). By clearing derivatives, counterparty credit risk is moved from several single

counterparties to one central counterparty with full netting of all agreements. Central counterparties are regulated and have procedures for mitigating risk. Among other things, the financial requirements for members include both initial margin and variation margin, as well as contributions to the default fund. They also have thorough procedures for dealing with any member default. The central counterparties hold several layers of capital to absorb losses resulting from defaults among the members. The principle is that the defaulting party must cover losses in the first instance via deposited funds. Then, part of the central counterparties (CCPs) own capital will be used before the other members' default funds.

DNB is a member of several central counterparties and clears interest rate, equity and commodity derivatives, as well as repurchase agreements. The largest exposure is with respect to London Clearing House SwapClear (LCH SwapClear) and stems from interest rate derivatives.

Clearing is the process by which a **central counterparty (CCP)** steps in between the buyer and seller in a derivative transaction and becomes the legal counterparty to both parties. This is done to reduce counterparty risk and ensure that the transaction is carried out even if one party defaults.

## Settlement risk

Settlement risk is linked to the settlement of transactions where DNB has met its obligation to deliver the agreed security or sum without knowing whether the counterparty has met its obligation to deliver the agreed security or sum. One example is a currency exchange where DNB sends the agreed amount in one currency before receiving the agreed amount in the other currency.

DNB has established various measures for mitigating and controlling settlement risk. One important measure is a balance check on the account. This means that payment to the counterparty is not made until it is established that the balance in the counterparty's account is sufficient to cover the obligation. Moreover, in connection with settlements of securities transactions, one of the conditions attached to the securities account is that securities cannot be delivered before the bank has received payment. The normal procedure in the banking market is that the main currencies are settled through Continuous Linked Settlement (CLS). CLS ensures payment versus payment, which means that the final transfer of the bank's payment is not executed until the counterparty's payment takes place. In addition, settlement risk limits have been established which entail a ceiling for a single counterparty's total settlement amounts that fall due on the same day.

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## Management and control of counterparty credit risk

DNB has elaborated on the responsibility of counterparty credit risk management in two different governing documents: Credit Risk and Market Risk. The former governs the quantification of credit quality measures as well as the processes and principles related to the assignment and control of credit limits and utilisation. The Market Risk Framework governs the risk metrics underlying the exposure element of CCR. In addition, a separate CCR Management Framework ensures that DNB has an effective management and control structure for CCR, clarifying responsibilities, promoting prudent counterparty credit risk management and ensuring compliance with relevant regulatory requirements.

The Financial Markets Risk Committee (FMRC) has a special responsibility for assessing and approving measurement methods related to internal models. The decision maker for changes to internal models is the Chief Risk Officer (CRO). If a proposed amendment requires an application for approval from Finanstilsynet (the Financial Supervisory Authority of Norway) before it can be implemented or will have a material impact on the bank's capital in accordance with the regulation or the definition of materiality in the instructions for changes to the IMM model, the CRO will submit the proposed amendment to

the Board of Directors for approval. See [the chapter Risk management](#) and control for a more detailed description of the FMRC.

The CCR models are continuously monitored and upgraded so DNB can ensure that they are always suitable for the area of application. The IMM models are subject to yearly testing and validation by the independent validation function, according to the guidelines defined in the framework for governing of model risk. Among other things, the models' predictive power is tested quarterly through automated backtesting. For more information about the validation principles, see [the chapter Credit risk](#).

In addition, Group Audit conducts an annual review of the models' compliance with CRR requirements. Both validation and audit reports are considered by the FMRC and by Group Management before being presented to the Board.

## Stress testing and wrong way risk

DNB has established a special programme for stress testing counterparty credit risk. The stress testing programme is designed to identify undesired future outcomes of the total counterparty credit risk exposure, both in isolation and together with the bank's total credit risk exposure. Central to stress tests is the design of various scenarios. Additional

stress testing related to exposures in some commodity markets are also taken into account in the credit decision.

In addition to identifying potential losses related to counterparty credit risk exposure, stress tests also identify specific and general correlation risk between credit risk and market risk factors, so-called Wrong Way Risk (WWR). WWR is an additional risk that may arise through an adverse correlation between counterparty exposures and the credit quality of the counterparties.

To define and manage WWR, DNB has drawn up specific governing documents that describe how the risk is to be identified in individual cases and at the portfolio level. WWR is reported to the management of the Group units DNB Carnegie and Group Risk Management, among others. Particularly significant instances of WWR are followed up by the FMRC.

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# 6. Market risk

Market risk in DNB was somewhat reduced and was within the risk appetite set by the Board in 2025. There are significant diversification effects within market risk in DNB. Market risk arises primarily from the bank's asset and liability management, customer activities in DNB Carnegie and equity investments.

## Definition

Market risk is the risk of financial loss due to unhedged positions in the foreign exchange, interest rate, commodity and equity markets. The risk reflects potential fluctuations in profit due to volatility in market prices or exchange rates. Market risk occurs in several segments of DNB and includes both risk arising through ordinary trading activities and risk arising through banking activities and other business operations.

## Market risk as share of economic capital



## Risk exposure amount for market risk

NOK billion

**11.3 (9.9)**

## Market value of equity and real estate investments in the banking portfolio

NOK billion

**27.0 (21.6)**

(2024 figures)

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## Developments in market risk in 2025

Economic capital is estimated using an internally developed simulation model that determines the capital requirement related to losses at the 99.9th percentile and covers all material risks in DNB. At the end of 2025, economic capital for market risk was NOK 7.4 billion, compared with NOK 8.7 billion at the end of 2024. Market risk as a share of economic capital was gradually reduced throughout 2025 and remained within the Board's risk appetite for the entire year. The main reasons for the decrease are a reduction in market risk from both banking and trading activities.

Utilisation of the market risk limits was moderate, with only small adjustments to the limits in 2025. The limits for market risk are discussed later in this chapter.

## The trading portfolio

The trading portfolio may, within defined limits, have open positions in fixed income, foreign exchange, commodity and equity instruments, as well as basis and credit spread risk held for the purpose of resale or to take advantage of price or interest rate fluctuations in the short term, as well as hedging of such positions. For example, the instruments in the trading portfolio are related to customer transactions through DNB Carnegie and include 'market making' and facilitating corporate financing. The definition of the trading portfolio is given in the CRR/CRD regulations and DNB's framework for market risk, which describes limits to the trading portfolio. The different trading portfolios each have their own strategy document that defines their scope and how they are governed, including guidelines related to risk-mitigating measures.

The main purpose of DNB's market risk positions in the trading portfolio is to support the management and mitigation of market risk both for the Group and for its customers. DNB will thus convey market risk to a greater extent between market participants and to a lesser extent take market risk on its own account.

## The banking portfolio

DNB refers to market risk that is related to positions and activities that are not included in the trading portfolio as the banking portfolio. The banking portfolio is composed of financial instruments that, among other things, come from the Group's financing activities and equity capital investments. There is market risk in the banking portfolio, which is partly due to different fixed-rate periods for debt and assets. In addition, the banking portfolio is exposed to credit spread risk, basis spread risk, currency risk, equity risk and residual value risk.

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### Capital requirements for market risk

Capital requirements are calculated according to the CRR/CRD regulations, and DNB reports all market risk according to the standardised approach. According to CRR/CRD, capital requirements under Pillar 1 are calculated for interest and equity risks associated with the trading portfolio. For currency and commodity risk, the capital requirement under Pillar 1 is calculated for the banking and trading portfolio combined. The capital requirement for market risk under Pillar 1 increased compared with 2024.

The market value of derivative contracts depends on the counterparty's creditworthiness and other market risk factors. CVA is an adjustment of the market value of Over-the-Counter (OTC) derivatives in order to account for impaired creditworthiness of the counterparty. Provisions are calculated for CVA and recognised in the income statement. The capital requirement for CVA should cover the risk associated with the volatility of CVA provisions.

The implementation of CRR3 in the second quarter of 2025 brought with it an increase in the capital requirement for CVA risk. The development in the risk exposure amount (REA) for CVA risk in the DNB Group is shown in the figure to the right.

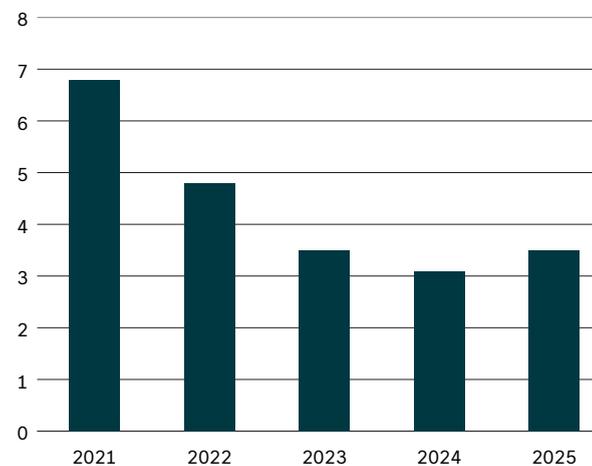
### Risk exposure amount (REA) for market risk

<i>NOK million</i>	31 Dec. 2025	31 Dec. 2024
Position and general risk, debt instruments	6 740	6 163
Position and general risk, equity instruments	926	602
Currency risk	7	6
Commodity risk	109	74
Credit value adjustment risk (CVA) <sup>1</sup>	3 476	3 107
<b>Total market risk</b>	<b>11 258</b>	<b>9 952</b>

1 In the in CRD reporting (Corep) the CVA risk is not included in market risk

### Development in REA for CVA risk

NOK billion



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In addition, there are capital requirements under Pillar 2 for market risk in the banking portfolio and other risk not covered by Pillar 1.

### Market risk exposure

#### Market risk limits

An overall limit on market risk has been set in the risk appetite framework, expressed as the maximum share of economic capital. For more on risk appetite, see the [chapter Risk management and control](#).

Furthermore, detailed limits have been established for the various market risk types, including interest rate, currency, commodity and equity risk. The limits for market risk are intended to help ensure that market risk is within the risk appetite set by the Board.

The limits for material market risk exposures are determined by the Board of Directors. Limits are set at least annually and will expire if not renewed. The limits are delegated by the Board of Directors to the Chief Executive Officer (CEO), who delegates them further to risk-taking entities that make investment or trading decisions. If limits are breached, this must be reported immediately both to whomever delegated the limits and to Group Risk Management (GRM).

### Market risk limits, 31 December 2025

<i>NOK million</i>		Limit, trading portfolio	Limit, banking portfolio	Total	Description
Limits set by the board	Interest rate risk*	4	8	12	Sensitivity limit
	Currency risk	2 500		2 500	Market value limit
	Equity risk	3 900	1 450	5 350	Market value limit
	Commodities risk	300		300	Market value limit
	Basis swap risk*	15/(-30)		15/(-30)	Sensitivity limit
Administrative limits	Real estate risk		1 000	1 000	Market value limit
	Physical asset risk**		10 250	10 250	Market value limit
	Strategic investments		24 500	24 500	Market value limit
	Basiscurve risk*	62		62	Sensitivity limit
	Bond risk	32 000		32 000	Market value limit
	Credit spread risk***	7	111	118	Sensitivity limit

\* Million NOK pr basis point value

\*\* Includes residual value of vehicles associated with leasing operations

\*\*\*DNB Carnegie, Treasury and GF

For less significant exposures, administrative limits and escalation levels are set to provide operational scope of action. These limits are determined by the Group Executive Vice Presidents. In the event of changes, the Chief Risk Officer (CRO) must be informed.

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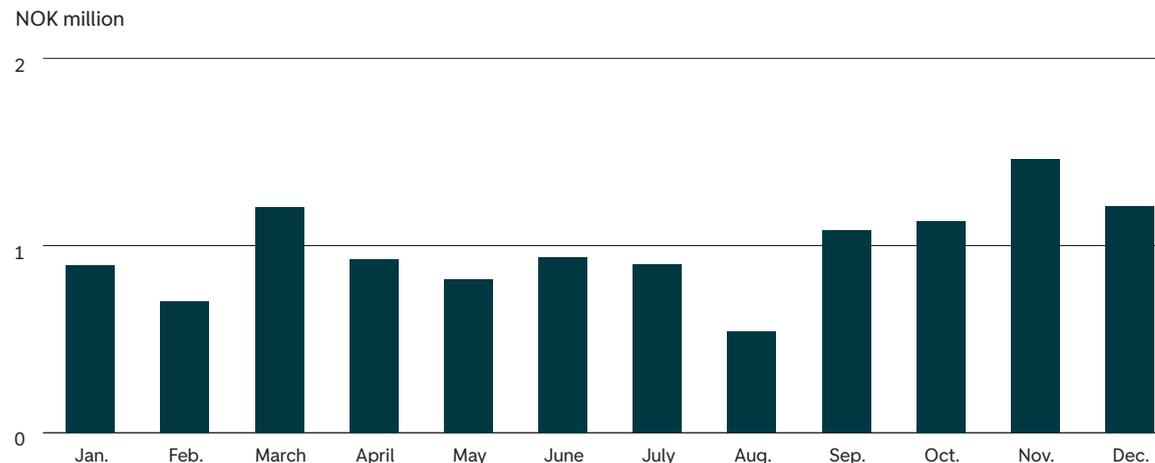
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Interest rate risk

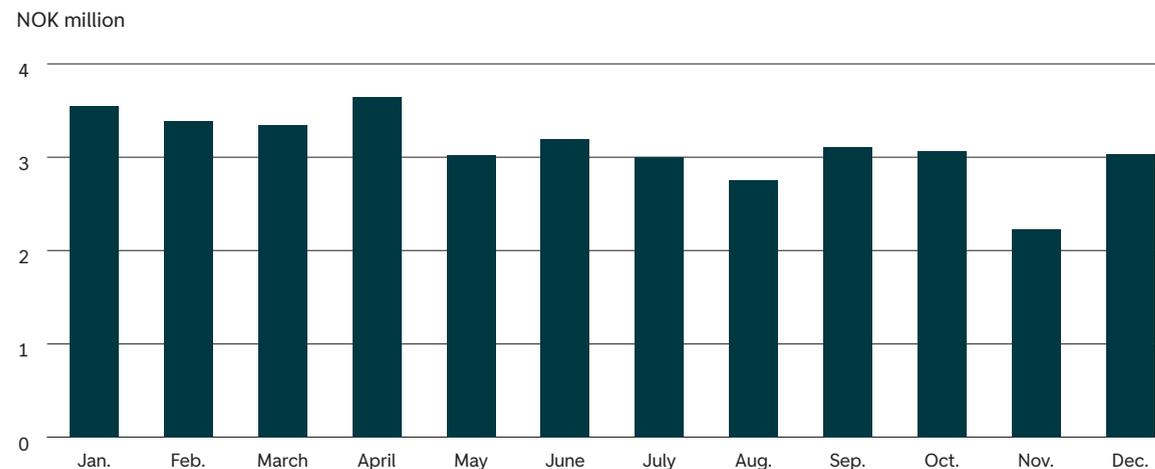
Interest rate risk occurs when financial instruments change value because of interest rate fluctuations and occurs both in the banking and the trading portfolios. Interest rate risk is expressed as NOK per basis point value (BPV), which represents how much the present value of the positions will change if the underlying interest rate changes by one basis point. BPV is thus a measure of how sensitive the value of the bank's portfolios is to changes in interest rate levels. The figures on the next page show the interest rate risk in the trading and banking portfolios, respectively. The average exposure to interest rate risk over the whole year was NOK 1.0 million per BPV for the trading portfolio and NOK 3.1 million per BPV for the banking portfolio.

Separate limits are set for each currency and the different intervals on the yield curve. Interest rate risk is measured and reported daily in DNB Carnegie and Group Treasury. The limits were not breached in 2025.

Interest rate exposure in the trading activities, BPV, 2025



Interest rate exposure in the banking activities, BPV, 2025



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### Interest rate risks and non-trading book activities

According to the risk appetite statement for market risk the total market risk must constitute a non-dominant share of the Group's total risk and primarily be the result of customer activities. The risk appetite statement for market risk is operationalised by setting and delegating limits for different types of market risk, including interest rate risk. Market risk accounts for a small part of DNB's total risk. Group Treasury is the unit responsible for managing the Group's liquidity and market risk that arise in the banking portfolio. The Group's strategy for interest rate risk management is conservative and adapted to the bank's size and risk capacity.

Measurement of IRRBB exposures is performed through the calculation of various indicators, including change in economic value of equity (EVE), change in net interest income (NII) and change in market value of instruments at fair value (MV), in addition to other internal risk measures and stress test methodologies.

DNB measures and reports exposure to interest rate risk and the daily utilisation of related limits to management. Group Risk Management executes daily second line controls.

In addition to the minimum requirement for quarterly reporting to governing bodies stated in the EBA guidelines, delta NII (net interest income), delta EVE (economic value of equity), delta MV (market value changes) and other key figures are calculated and reported at least monthly, and more frequently, if necessary, to other relevant recipients, including the management of Group Treasury and the Asset Liability Committee (ALCO).

Basis point value (BPV) is the key risk metric for interest rate, spread and basis risk. To quantify the interest rate risk in the banking portfolio, DNB calculates changes in expected future profitability (delta net interest income, delta NII) and the change in the net present value of different interest-rate-sensitive assets and liabilities over their remaining life as a result of an interest rate shock (delta economic value of equity, delta EVE). The bank's interest rate risk metrics include both gap, basis and option risk elements.

The change in net interest income (dNII) and net present value of interest-sensitive instruments (dEVE) for the banking portfolio is calculated in accordance with regulatory stress scenarios specified in the regulatory standard, the Supervisory Outlier Test (EBA/RTS/2022/10).

Interest rate risks and non-trading book activities (IRRBB) is defined as current and future risk that arises from unexpected and adverse movements in interest rates that affect the banking portfolio, both through changes in present value and in future cash flows for interest-sensitive financial instruments. The main sources of interest rate risk can be classified as:

**Gap risk:** risk arising from the maturity structure of interest-rate sensitive instruments and resulting from differences in the timing of interest rate changes. This includes changes in the yield curve maturity structure that occur either consistently across yield curves (parallel risk) or differently between periods (non-parallel risk).

**Base risk:** risk that arises from relative changes in interest rates on interest-rate sensitive instruments with similar maturities, but which are priced based on different yield curves.

**Option risk:** risk associated with options (embedded and explicit), where the institution or its client may change the level and timing of their cash flows.

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The scenarios considered are an instantaneous upwards and downwards parallel shift in the yield curves. In addition, methods and assessments that are appropriate for the bank's characteristics and business activities are internally developed, which include a rate fall scenario of 100 bps to account for the level of rates in the individual currencies in scope and non-parallel shocks to consider basis and credit risk.

The key modelling and parametric assumptions used by the bank for IRRBB measures are the same as those used to produce the figures included in the template EUR IRRBB1 in the additional Excel disclosure 'Risk and capital management – Pillar 3 attachment' on [ir.dnb.no](http://ir.dnb.no).

The bank's prioritised approach to managing interest rate risk in the banking portfolio is based on financial risk. Follow-up of interest rate risk in the banking portfolio is carried out daily. Interest rate risk is mainly hedged through the use of financial derivatives, in the form of basis swaps, FX swaps and interest rate swaps. Hedge accounting is used for a portfolio of investments in fixed-rate securities in FX and bond borrowings in fixed-rate currency. For a description of accounting policies, see the note to the principles in the DNB Group's annual report on [ir.dnb.no](http://ir.dnb.no).

Other information relevant to the reporting of IRRBB includes the following note disclosures: Interest rate sensitivity', 'Financial derivatives and hedge accounting', 'Net interest income', 'Net gains on financial instruments at fair value', 'Classification of financial instruments', 'Fair value of financial instruments measured at amortised cost', and 'Financial instruments at fair value'.

In the calculation of IRRBB, constant balance for dNII through the time frame of the calculation and run-off balance for dEVE are used. The equity is not subject to a long-term fixed interest rate, but rather a short-term fixed interest rate that corresponds to the notification deadline for changes to loan terms for PT-priced loans (i.e. interest rate changes). The repricing frequency for assets and liabilities without contractual maturities, except for those subject to the regulatory notification deadline, is set to one day.

Considerations around customer margins are included in the calculation of dNII, while they are excluded from the calculation of dEVE. When aggregating the calculations for dEVE and dNII, positive changes in the individual currency as a result of the stress scenario are given a weight of 50 per cent, while negative effects are weighted 100 per cent. The effect of a zero-interest rate floor on negative interest rates is included in the bank's assessments.

For relevant deposit categories, the bank has decided not to attribute interest rate risk beyond what follows the regulatory notification deadline for interest rate changes (8 weeks). For categories that are not affected by the regulatory notification deadline, the repricing period for deposits without contractual maturity is set to one day (overnight).

Deposits with contractual maturities are processed in accordance with the contractual remaining maturity and repetition frequency. Consideration for early dismissal is considered marginal because

- they have a short-term profile that discourages early withdrawal,
- they represent a marginal part of the bank's total liabilities,
- early withdrawal requires approval from the bank.

The calculation of interest rate risk on fixed-rate loans is based on contractual maturity. Early termination is considered to be non-relevant because the bank has the right to charge customers for the present value of interest losses and the cost of the advance redemption.

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For dEVE, calculated with positions at year-end 2025, the scenario 'steepener' gives the worst outcome, with a negative effect equal to NOK 524 million. For the dNII, calculated with positions at year-end 2025, the scenario 'parallel shift of interest rates down gives the worst outcome, with a negative effect equal to 2 993 million. For developments over time, see Table IRRBB1 in the additional Excel disclosure 'Risk and capital management – Pillar 3 attachment' on [ir.dnb.no](http://ir.dnb.no).

Traditional banking, such as deposits and loans, has a fundamental sensitivity to interest rate changes. A large part of the bank's balance sheet is exposed to floating interest rates (direct or indirectly), which represents a natural hedge against interest rate risk. In addition, DNB manages interest rate risk based on Board-set risk limits.

For most products that are subject to floating interest rates (PT rates), the bank's own discretionary assessment is used as a basis when the product is priced. Such products have no interest rate risk or lock-in period beyond the regulatory notification deadline.

The average and longest repricing maturity assigned to non-maturity deposits is approximately eight weeks.

### Equity investments

As a shareholder, DNB actively exercises ownership in selected companies. For the measurement of exposure relative to market risk limits, ordinary accounting principles are applied. This means that companies in which DNB holds an ownership share of less than 20 per cent are measured at fair value, while associated companies are accounted for using the equity method in accordance with the bank's ownership share. Subsidiaries are fully consolidated.

The fair value of the investments is NOK 27 billion, up from NOK 21.6 billion at year-end 2024. The increase reflects developments of the strategic investments which are investments based on the DNB Group's strategy. The ownership interests in Fremtind Holding AS, Luminor Holding AS and Vipps Holding AS are among the largest investments in this category. For these investments, DNB will typically have a long-term ownership horizon at the time of establishment. In addition to these investments are equity investments that are not directly linked to DNB's strategy, as well as exposures that originate from the bank's lending activities and where DNB has taken over collateral to secure and recover value in connection with financial restructuring. All exposures in this portfolio will be sold or otherwise liquidated over time.

### Other exposures

Basis swap spread risk arises because a substantial portion of DNB's assets in NOK is funded with foreign currency through covered bonds issued by DNB Boligkreditt AS or through other debt instruments. The currency is swapped to NOK through basis swaps with the same or shorter term. A basis swap is a combined interest rate and currency swap where the parties exchange future cash flows and agree to pay and receive interest. Basis swaps are normally held to maturity and value is assessed daily. This entails that the recognised value of a swap fluctuates during the term of the swap. There are no limits on basis swaps that are used in connection with funding.

Currency risk in the Group is hedged against DNB Carnegie, which is thus the only entity that is directly exposed to traditional currency risk. The exposure is low and is predominantly linked to business operations and, to some extent, to supporting customer trades.

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Asset risk is exposure to direct ownership of physical assets that are not standardised. Examples of such assets are industrial equipment and construction machinery. The majority of the limit for this risk covers exposure to the residual value of vehicles associated with leasing operations.

Credit spread risk mostly arises as a result of the Group's liquidity risk management through the management of bonds in the liquidity portfolio. See the chapter Liquidity risk and asset and liability management for more details on the liquidity portfolio. In addition, there is some credit spread risk in the trading portfolio as a result of secondary market trading and investments in the primary market. Secondary market trading takes place mainly through market-making of Norwegian bonds and commercial papers. The credit spread is the add-on to the reference interest rate in a bond coupon. Credit spread risk is the risk of changes in market assessments of the credit spread.

Equity-related risk in the trading portfolio arises mainly from DNB Carnegie performing market-making in shares and equity derivatives on electronic marketplaces and to customer brokers. In addition, DNB Carnegie sets prices for convertible bonds. Market risk, as a result of these activities, is managed on an ongoing basis within the relatively moderate equity limits allocated to the trading portfolio.

In addition, there are limits for commodity risk and basis curve risk. The commodity exposure and the associated risk are moderate. Basis curve risk occurs when interest rate instruments denominated in the same currency are not valued with the same yield curve.

### Management and control of market risk

The Group Policy for Risk Management sets out overall requirements, roles and responsibilities for risk management in DNB. For market risk, the policy is elaborated and specified in the framework for market risk management that establishes definitions, principles for delegation of limits and requirements for the management of market risks, including interest rate risk in the banking book (IRRBB). The framework for market risk is reviewed and updated at least annually. Local instructions for business areas with material market risk exposure have been implemented. The local instructions operationalise the framework in the individual business area.

In addition to the market risk framework, there is also a Group strategy for market risk. Together with the market risk limits, the market risk strategy elaborates and specifies the Group's risk appetite for the trading portfolio and the banking portfolio, respectively. Market risk arises from business activities, and only certain DNB business areas are to be exposed to

market risk. The market risk strategy is therefore formulated by these areas and reflects their adaptation of their operations.

All business areas and Group units with activities that result in exposure to market risk are responsible for managing and controlling this exposure. Group Risk Management follows up to ensure that this is carried out to a sufficient extent. Group Risk Management therefore monitors developments in market risk exposures and advises and challenges the first line of defence on issues relating to risk management. Furthermore, Group Risk Management also carries out regular independent controls of the utilisation of market risk limits and control of risk data.

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DNB uses various risk metrics in the management and control of market risk:

- Economic capital is used to measure the overall market risk and in internal risk and capitalisation assessments.
- Value at Risk (VaR) is used to measure aggregated risk across asset classes and is a supplementary risk metric. VaR is calculated for interest rate, equity and currency risk. Limits are not set for VaR.
- Sensitivity metrics are used to report and monitor exposures against specific limits, e.g. yield curve intervals. Sensitivity metrics in the market risk metric reflect how much the bank risks losing in the event of a given change in the underlying risk type. The sensitivity metrics are important for the qualitative risk assessment and are also used as a basis for quantitative risk modelling.
- Some limits are expressed as market value and thus the risk and exposure related to limits are measured in terms of market value.
- To take the non-linear nature of options into account, the risk limits are set as scenario limits, meaning that the exposure is measured by stress testing both the underlying instrument and the corresponding volatility.
- Stress tests of EVE and NII are used to measure interest rate risk outside the trading portfolio (IRRBB).

In addition, stress testing is used to identify exposures and losses that could arise under extreme but, at the same time, plausible market conditions.

The Financial Markets Risk Committee (FMRC) follows up the framework for managing market risk related to the bank's activities in financial markets, including methodology and control procedures. See a more detailed description of FMRC in the chapter Risk management and control.

Market risk exposure, risk appetite and limit utilisation are reported monthly to Group Management and the ALCO, and quarterly to the Board.

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# 7. Operational risk

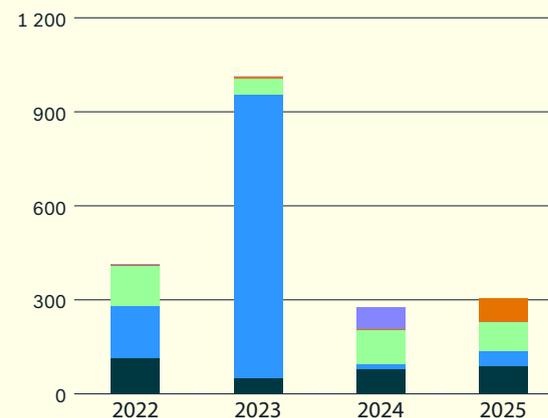
DNB's operations remained stable throughout 2025. Although financial crime and fraud attempts rose, operational losses were limited. Geopolitical tensions and international conflicts continued to influence the threat landscape.

## Definition

Operational risk is the risk of loss resulting from inadequate or failed processes, people and systems or from external events. Reputational risk is not covered by this definition but is discussed in a separate section at the end of this chapter.

## Operational losses

NOK million



- Clients, Products & Business Practices
- Damage to Physical
- Execution, Delivery & Process Management
- External Fraud
- Internal Fraud
- Business Disruption & System Failures
- Employment Practices & Workplace Safety
- Category not confirmed

## Risk exposure amount (REA) for operational risk

NOK billion

**172.1 (140.0)**

## Operational events

Number

**3 243 (4 097)**

(2024 figures)

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## Developments in operational risk in 2025

During 2025, DNB had a total of 3 243 operational events, a reduction from 4 097 in 2024. The number of severe incidents remained stable. Operational losses in 2025 amounted to NOK 305 million, a slight increase from the previous year. The losses are normal compared with the last ten years.

The largest single loss occurred in June when more than half a million payments from the Norwegian Labour and Welfare Administration (NAV) were executed several times each.

Fraud and unavailable online and mobile bank services are the types of incidents that most often affect customers. Most other incidents only impacted on internal costs and loss of income for DNB.

### Geopolitical unrest

Geopolitics and global power relations encompass a range of topics that, in various ways, affect Norwegian society and financial institutions such as DNB. In a world closely interwoven with mutual dependencies, disruptions in value chains can impact payment systems, trade relations, technology and access to raw materials. The geopolitical landscape is becoming increasingly challenging. The war in Ukraine affects European and Norwegian security, and Russia

is employing cyber attacks and sabotage against European targets. DNB also monitors developments in other conflicts, such as in the Middle East and between India and Pakistan.

### Financial crime and fraud

Fraud attempts against DNB customers increased by 30 per cent from 2024 to 2025, of which 90 per cent were prevented by the bank. Criminal networks are responsible for the increase, and we see ever more advanced fraud methods. Money laundering and other forms of financial crime also appear to be on the rise. DNB actively combats financial crime, monitors emerging trends and cooperates closely both with the authorities and with other banks. Read more under the topic ESRS G1 Financial crime in the annual report on [ir.dnb.no](https://ir.dnb.no).

### Acquisition of Carnegie

The largest operational change process in the Group was the acquisition of Carnegie. The legal and operational merger was completed before the summer. Risk has been monitored throughout, and there have been no major undesirable incidents related to the merger. Going forward, the focus will be on finalising the integration of systems and frameworks and realising synergies.

## Technology and security

DNB is continuously modernising its IT services and the way they are managed. Long-term projects to replace legacy core and payment systems are underway. A number of other systems have been moved to cloud platforms. Such projects are important to ensure stable and secure operations for the future.

DNB has put a lot of measures in place to improve management and control of IT services in line with the EU regulation on digital operational resilience (DORA). DORA came into force in Norway on 17 January 2025.

The primary indicator for IT operations in DNB is 'green days'. A green day is a day when all IT services operate without serious negative consequences for our customers. Operational stability has been improved significantly over the past few years, and in 2025, 94 per cent of the year counted as green days. The incidents that caused 'red' and 'yellow days' were spread throughout the year and involved different services, including errors in supplier systems. Errors in our online and mobile banks are the incidents that affect our customers directly. DNB publishes the current status of such incidents at [dnbstatus.no](https://dnbstatus.no) (Norwegian only).

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Security is a high priority at DNB. Cyber attacks such as ransomware are among the biggest operational risks for DNB, also when they occur through third parties. The status of cybersecurity is regularly reported to the Board through indicators in the risk appetite. As is the case with most large institutions, DNB is subjected to attempted cyber attacks on an ongoing basis. Both internal and external assessments indicate that DNB has a strong cyber defence. Read more under the topic ESRS G1 Financial infrastructure and ESRS S4 Cyber security in our annual report on [ir.dnb.no](http://ir.dnb.no).

### Capital requirements for operational risk

According to CRR3, operational risk is calculated based on the Business Indicator (BI) and Business Indicator Component (BIC). The Business Indicator (BI) reflects the scale and intensity of the Group's activities through three pre-defined income-derived components.

1. Interest, Leases and Dividend Component (ILDC)
2. Services Component (SC)
3. Financial Component (FC)

### Risk exposure amount (REA) for operational risk

<i>NOK million</i>	Amount	Capital requirements	Risk exposure amount
<b>Business indicator (BI)</b>	<b>93 998</b>	<b>13 765</b>	<b>172 058</b>
Interest, leases and dividend component (ILDC)	65 706		
Services component (SC)	23 643		
Financial component (FC)	4 650		

Each component is calculated according to detailed formulas based on the institution's income, expenses, and balance sheet items over the preceding three financial years. The ILDC includes net interest income, leasing income and expenses, asset related measures, and dividend income. The SC is composed of the higher of fee and commission income and expenses and the higher of other service-related operating income and expenses. The FC captures the institution's income and expenses arising from its financial market activities. It reflects the scale of activities that typically carry operational risk due to trading operations, valuation processes, and related financial transactions.

The BI is not multiplied by one single percentage. Instead, each BI segment is weighted progressively according to its size.

- 12 per cent on the portion of the BI up to EUR 1 billion
- 15 per cent on the portion of the BI above EUR 1 billion and up to EUR 30 billion
- 18 per cent on the portion of the BI exceeding EUR 30 billion

### Management and control of operational risk

Operational Risk Management contributes to efficient business operations and reduces losses. Good risk management includes establishing a healthy risk culture, as well as clear roles and responsibilities for working with operational risk. Managers in DNB must be aware of and manage operational risk in their own processes, systems, products and services. All business areas have their own risk departments that report major risks and incidents to their management.

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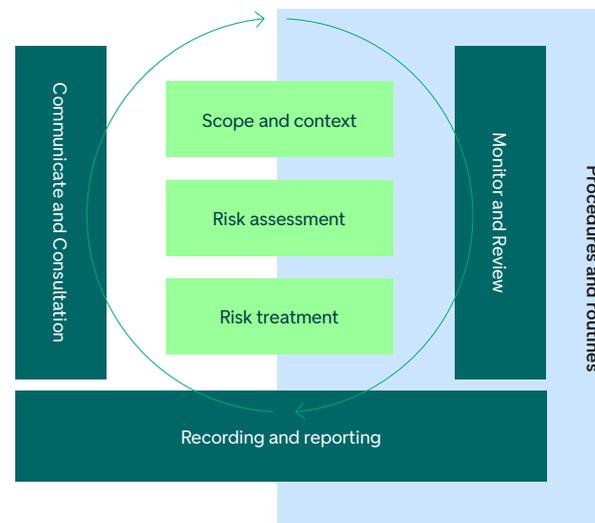
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The figure to the right shows the key elements of DNB’s operational risk management. DNB focus on understanding risk assessments, establishing, implementing and evaluating risk management measures, and ensuring effective reporting to relevant stakeholders. All identified losses and incidents are continuously recorded in a dedicated incident database.

The Group’s governing documents, together with laws and regulations, set the premises for managing operational risk. DNB’s risk management policy contains overarching guidelines, which are elaborated in instructions, processes and guidelines for operational risk. In 2025, DNB established dedicated instructions for risk management in change processes. Regulations and guidelines from the authorities in Norway and other countries where DNB operates set further requirements for risk management, for example though the EU’s DORA and AI Act.

The Group’s risk appetite sets the limits for how much risk DNB is willing to take. There are separate risk appetite statements for cyber risk, IT operations risk, reputational risk and loss events. Group Risk Management reports the development on all risk appetite statements, major incidents and other risk developments at least quarterly to the Board of Directors.

**Operational risk management in DNB**



DNB has an established approval process for products and services to ensure high quality, competitiveness, customer satisfaction and compliance. Dedicated instructions ensure that the risk is assessed before a product or a service is approved. In addition, there must be descriptions of what the product or service means to the customer, who the target group is and who in DNB is responsible for the product.

Internal control at DNB covers all activities that ensure effective management and control of the business. The main elements of DNB’s internal control are:

- Governance environment with an appropriate organisational structure, robust processes, and a clear allocation of roles and responsibilities.
- Risk assessments to ensure we have an overview of individual risks and the overall risk.
- Control activities in the form of risk-reducing measures that contribute to achieving objectives by reducing risk.
- Accurate, reliable, timely and complete information and communication, including reporting on risk and compliance, as well as providing information and training to employees.
- Monitoring activities in the form of periodic or ongoing evaluations to verify whether internal control is functioning.

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All managers are responsible for establishing, managing and following up on internal control within their own unit. Each year, the business areas and Group units carry out the internal control attestation, a summary assessment of management and control in their area. A consolidated attestation is presented to the Board of Directors.

The Non-Financial Risk Committee (NFRC) plays a key role in coordinating the management of operational risk across DNB. Associated subject matter groups work on prioritised topics. Each group reports and can escalate matters to the committee. Read more about the NFRC, in [the chapter Risk management and control](#).

The Group has an extensive insurance programme designed to mitigate the financial consequences of undesirable events that may occur despite established security procedures and other preventive controls. The insurance covers, among other things, fire, burglary, business interruption, crime, embezzlement, professional liability and directors' liability for the Group's operations worldwide. The Group's cyber risk insurance covers attacks, system failures and operational disruptions caused by other factors.

### Model risk

Model risk management aims to ensure sufficient quality in the models used in the Group's most important processes. These include the models used for calculating capital requirements for credit risk and counterparty credit risk, calculating expected credit losses in financial reporting, and models for valuation adjustments and anti-money laundering.

The framework for model risk management employs a risk-based approach and sets requirements for the management of models and model risk. DNB defines model risk as the risk of negative consequences resulting from model errors and the incorrect use of models in the Group's processes.

Independent validation is a central part of the control function's work. In a validation, the model's degree of model risk and the extent to which the model is fit for purpose are assessed. In addition, recommendations may be given to the model owner on how model risk can be reduced. The models and the validation results, as well as the model owner's actions to reduce model risk, are registered and followed up through DNB's model inventory. Information from the model inventory is also used to report the status actions and model risk in the Model Risk Committee. The committee is an advisory body for the CRO and facilitates systematic follow-up of the Group responsibility for DNB's model risk management and independent validation.

### Reputational risk

Reputation is important to DNB. Our commitment to compliance, along with ongoing dialogue with customers and stakeholders, aims to build trust and strengthen our reputation. Our Code of Conduct provides employees with guidance on how to behave and what to consider in their daily activities.

In risk appetite, the Board of Directors has stated that DNB aims to have a good reputation and deliver on expectations from society and stakeholders. Risk appetite is measured through external surveys (Traction and Brand Tracker) and an internal assessment of specific reputational risks.

DNB manages reputational risk through corporate governance and business activities. In accordance with the product approval process, reputational risk must be assessed for all products and services, and subject matter experts are involved in these assessments.

Changes in reputational risk come from both internal and external sources. Internal sources can be changes in business practices, new or revised products, marketing campaigns, infrastructure downtime or other technical issues. External sources can be changes in the business environment, market trends, expectations from stakeholders or changes in public opinion.

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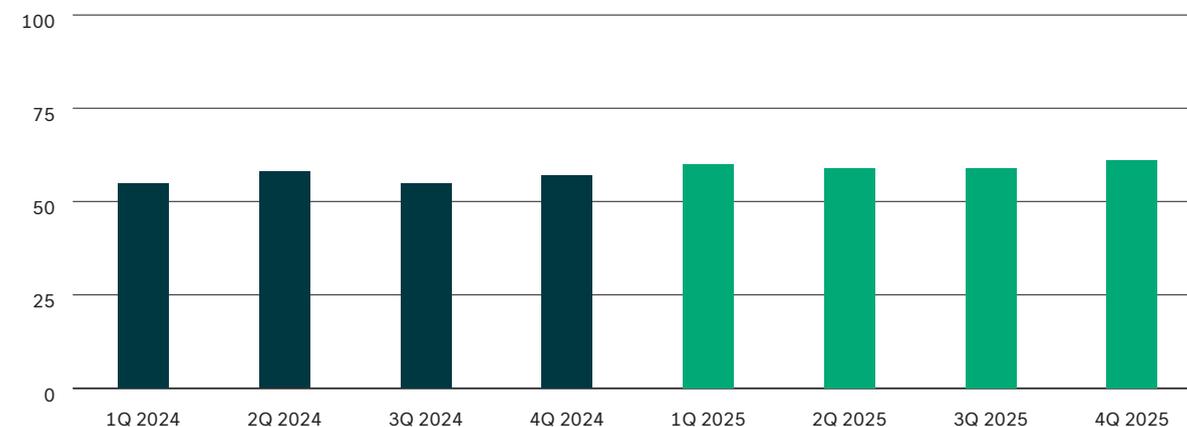
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DNB measures the brand's reputation primarily with Traction, a Norwegian market analysis that enables DNB to assess its reputation against competitors and comparable companies in other sectors. In Traction, a company receives a score between 0 and 100, where a score of 65 or higher is considered 'good', which is also DNB's target. The Group's reputation varied a little throughout 2025, with a score of 61 points at the end of the year, corresponding to a moderately good reputation. The Group is working proactively to raise the results to the desired level.

**Development in reputation score**

Traction score, quarterly



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# 8. Sustainability risk

DNB is primarily exposed to sustainability risk indirectly through the companies the Group finances and invests in, and through those companies' ability to manage climate and environmental challenges, follow responsible business practices and adapt to the transition to a low-emission economy. In addition, like other large enterprises, DNB is exposed to sustainability risk in its own operations, including matters related to employees and the risk of non-compliance with our Code of Conduct. Throughout 2025 DNB worked to integrate sustainability risk more closely into the risk management process.

## Definition of sustainability risk

Sustainability risk (ESG risk) is the risk of financial losses and other negative consequences arising from events related to climate and environmental factors (E), social issues (S) or governance (G). Sustainability factors can affect a variety of risk types in both financial and non-financial risk.

### Environmental risk:

**Physical climate risk:** Risk associated with the consequences of climate change that lead to damage or loss in a physical sense. Within physical risk, a distinction is also made between chronic and acute risk, depending on how fast the risk occurs.

**Transition risk:** Risk associated with the consequences of the changes resulting from measures to climate change mitigation. There may be political, regulatory, technological or socio-economic changes in the transition to a low-emission society.

**Liability risk:** Risk associated with the liability to account for or mitigate climate-related damage or losses, such as legal action being taken against a company for its contribution to climate change or for failing to disclose climate-related risks to its investors.

### Social risk:

Risk associated with factors such as human and labour rights and changes in social norms or expectations.

### Governance risk:

Risk associated with factors such as corporate governance, ethics, transparency, anti-corruption and anti-money laundering and tax matters.

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## Developments in sustainability risk and DNB's work in 2025

In 2025, DNB updated its double materiality assessment in accordance with the EU Corporate Sustainability Reporting Directive (CSRD). The assessment identifies material sustainability topics both in terms of impacts on society and the environment, and in terms of financial risk to the Group. The analysis concluded that the Group is exposed to financial risk related to the ESRS topics climate (ESRS E1 Climate change), water and marine resources (ESRS E3 Water and marine resources), data protection (ESRS S4 Consumers and end-users) and the topics corporate culture and corruption and bribery (ESRS G1 Business conduct). In addition, four company-specific topics were identified as sources of financial risk if DNB fails to comply with laws, regulations or internal procedures: cybersecurity, financial crime, financial infrastructure and financial stability. The outcome of the double materiality assessment informs strategies and risk assessments and guides the areas prioritised in risk management.

In assessing the financial risks DNB faces related to climate and the environment, both physical climate risk and transition risk were considered, given the Group's broad exposure to several high-emission sectors. DNB also has a large real estate portfolio that may be exposed to both transition and physical climate

risk. Throughout 2025, there were several extreme weather events which may influence DNB's climate risk over time. Transition risk is also increasing as borrowers face new regulatory requirements, shifting market expectations and the need to adapt to the low-emission transition. At the same time, DNB did not observe a specific increase in the risk profile related to such events in 2025. Read more about DNB's assessment of climate risk under [Climate risk](#).

In the social domain, 2025 saw heightened attention to working conditions in global supply chains. Such developments illustrate how social risk could materialise if companies financed by DNB are associated with breaches of fundamental labour rights or other serious social issues. This could adversely affect the Group, including through reputational harm. DNB did not observe an increase in the Group's risk profile related to these issues during 2025. Read more under [Social sustainability risk](#).

Risks related to corporate governance also continued to increase in significance in 2025. Fraud attempts targeting both DNB and its customers are increasing, and throughout 2025 DNB prevented more attempts than in previous years. There have also been examples of substantial fines in the financial sector due to deficiencies in anti-money laundering and sanctions compliance. This underscores

the importance of strong governance, effective risk controls and robust customer and portfolio monitoring to mitigate exposure to financial crime and other unethical practices. Read more about DNB's work to combat financial crime in the chapter Operational risk and in the subchapter ESRS G1 Business conduct in DNB's annual report at [dnb.no/sustainability-reports](https://dnb.no/sustainability-reports).

Throughout 2025, DNB worked to further integrate sustainability-related risks into the risk management framework and to develop clear and measurable risk appetite statements for sustainability risk. Management of sustainability risk is carried out in line with the new guidelines<sup>1</sup> from the European Banking Authority, which entered into force in January 2026. To strengthen the basis for assessing climate risk, the Group has continued to collect data on greenhouse gas emissions. This work faces challenges, as the EU's simplification of sustainability reporting requirements and revised thresholds under the CSRD mean that fewer companies are required to report emissions data. Improving and assuring the quality of emissions data is therefore an ongoing process.

<sup>1</sup> EBA/GL/2025/01 from the European Banking Authority (EBA)

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In addition, during 2025 the Group initiated work to implement a prudential transition plan in accordance with the Capital Requirements Directive (CRD6).

DNB's management and reporting of sustainability risk are aligned with the broader sustainability reporting framework, including the EU Corporate Sustainability Reporting Directive (CSRD) and the associated European Sustainability Reporting Standards (ESRS), as well as the EU Taxonomy, to ensure consistent data and definitions across disclosures.

## Climate risk

DNB is exposed to climate risk through the companies the Group finances or invests in, and through the potential consequences if these companies fail to integrate climate risk considerations into their operations. Climate risk is divided into physical risk, transition risk and liability risk, as defined earlier. The Group conducts both qualitative and quantitative analyses of physical and transition climate risk as part of its risk management. DNB has, over several years, developed flexible tools for climate-risk scenario analysis and has tested different approaches through pilot projects. These experiences are used to design stress-testing tools tailored to DNB's business model and climate exposure. The tools are used to assess how climate scenarios and climate-related factors may affect individual customers and different sectors.

### Analysis of transition risk

In 2025, DNB updated its scenario analysis of transition risk, assessing how increased costs of greenhouse gas emissions could affect customers' financial performance over time. This year's analysis focused on the oil and gas, offshore and shipping sectors. The analysis was based on updated long-term scenarios from the Network for Greening the Financial System (NGFS) to 2040, covering three different climate ambitions. The NGFS Delayed Transition and Current Policies scenarios were also examined. The analysis indicated a limited impact on DNB's lending

portfolio for the sectors assessed, although there is significant uncertainty associated with the underlying assumptions. Uncertain assumptions and incomplete data make it challenging to draw firm conclusions about the consequences for DNB. Nevertheless, the analysis provides an indication of which sectors may be most exposed to transition risk and where DNB should strengthen its risk insight to assess whether risk should be reduced.

DNB also conducted a scenario analysis to assess transition risk in the loan portfolio for commercial real estate. The analysis examined how regulatory changes and market expectations related to energy efficiency could affect the Group's credit risk. It covered loans secured by commercial real estate in Norway, over time horizons of 5 and 10 years. The analysis included an assessment of investment needs for upgrading properties to higher energy standards and the risks associated with not upgrading less energy-efficient buildings. The results indicated limited credit losses from transition-related climate risk under the assumptions applied. There is considerable uncertainty regarding how climate risk should be translated into financial metrics, as methodologies and models in this field are still developing. Analyses of this type are not forecasts but explorations of possible outcomes based on assumptions and scenarios.

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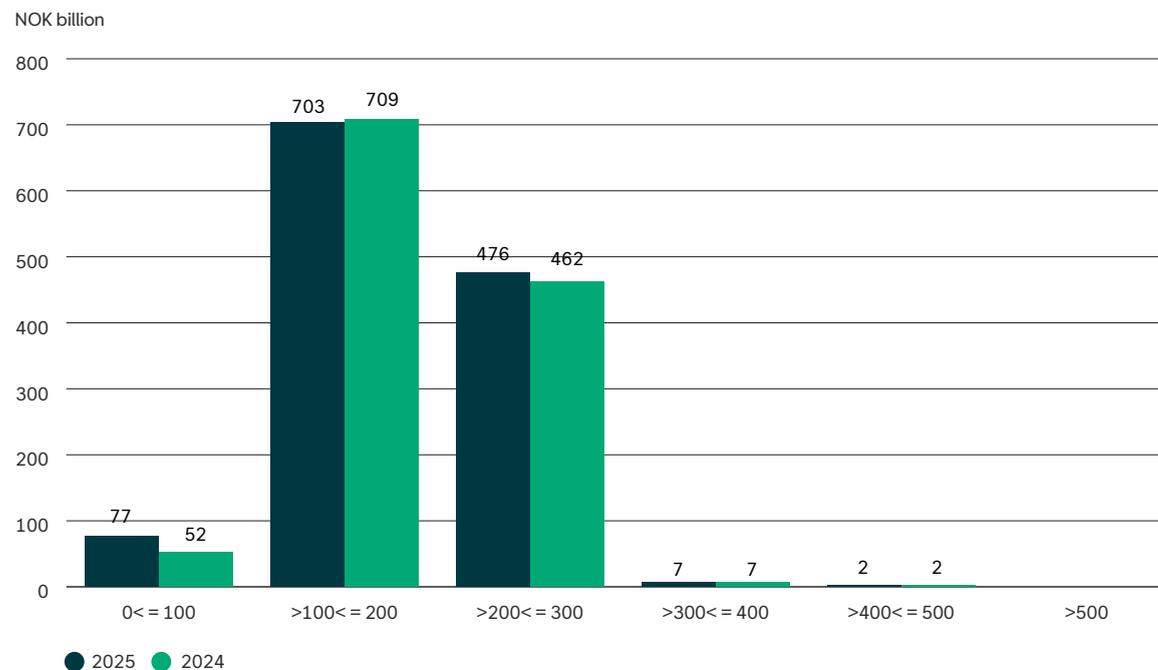
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Read more about DNB's analyses in the subchapter ESRS E1 Climate change in DNB's 2025 annual report at [dnb.no/sustainability-reports](https://dnb.no/sustainability-reports).

To assess DNB's transition risk, the energy efficiency of the portfolio of loans with collateral in real estate has also been calculated. The methodology is based on energy performance certificates (EPCs) for the Norwegian portfolio, as DNB's Norwegian lending exposure is the most material. Where EPCs or energy consumption data are unavailable, energy efficiency is estimated using average consumption data from Enova.

**Real estate portfolio – energy efficiency of collateral, kWh/m²**



At year-end 2025, 10 per cent of the residential and commercial real estate portfolio had an EPC rating of A or B, an increase of one percentage point from 2024. The estimated energy efficiency in the portfolios is shown in the figure above. The share without an EPC amounted to 50 per cent at year-end, compared with 53 per cent in 2024. The estimated energy efficiency in the portfolios is shown in the figure above.

Read more about the residential, housing-cooperative and commercial real estate portfolios is provided in the subchapter ESRS E1 Climate change in DNB's 2025 annual report at [dnb.no/sustainability-reports](https://dnb.no/sustainability-reports). See also the Excel supplement 'Risk and capital management – Pillar 3, attachment (Excel)' published at [ir.dnb.no](https://ir.dnb.no) for additional information on energy consumption and energy classification of real estate.

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### Physical climate risk

DNB monitors physical climate risk in the real estate portfolio, as the Group has significant exposure to this sector and because collateral values may be reduced in the event of severe weather events.

These assessment makes use of data from the Eiendomsverdi property database, and data related to physical climate risk events is linked to properties through the Norwegian Land Register. Physical climate risk is further defined as chronic or acute risk as follows:

- **Chronic physical risk** is defined as gradual and long-term climatic changes that build up over time. In DNB, this risk in the portfolio is assessed against sea-level rise, both current levels and expected levels in 2050. The scenarios used for this assessment are defined based on the average maturity of the portfolio.
- **Acute physical risk** is defined as sudden, event-driven climate incidents that occur rapidly and may cause immediate damage. In DNB, the portfolio is assessed based on its exposure to flood risk, both current and future flood hazard, today's risk level for quick clay landslides, landslide hazard zones and major landslides.

### Exposure subject to climate change physical risk

As at 31 December

	2025			2024		
	Total gross carrying amount	Chronic climate change events	Acute climate change events	Total gross carrying amount	Chronic climate change events	Acute climate change events
<i>Amount in NOK billion</i>						
Loans collateralised by residential immovable property	996	14	127	972	17	129
Loans collateralised by commercial immovable property	273	9	56	261	12	54

In 2025, the real estate portfolio and the potential impact of physical climate risk on underlying collateral values were assessed. A quantitative analysis was carried out to examine the relationship between physical climate risk and property values in the residential mortgage portfolio. The analysis was conducted in collaboration with the Norwegian Computing Center and Cicero to ensure methodological robustness and independent assessment. The results showed that increased flood and landslide risk had a slightly negative effect on property values at the national level, while other risk factors collectively had limited or no significant negative effect. Overall, the analysis indicated that scenario analyses with heightened climate risk showed a limited reduction in the value of DNB's lending portfolio.

Exposure to physical climate risk is assessed based on third-party data collected from Eiendomsverdi, and all buildings are classified based on a risk scale from 1 to 6, where risk scores 1–2 are designated as low risk, 3–4 as medium risk and 5–6 as high risk. The score is mainly based on two factors, (1) the degree of impact on the property and (2) the probability of different scenarios occurring. For 2025, properties classified as medium and high risk is included.

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Due to lack of data, the exposure to chronic and acute climate change events is only calculated in the loan portfolio collateralised by residential and commercial immovable properties. Data related to climate change and the link to assets other than real estate is an ongoing work and efforts are being made to improve data quality and implementation.

As noted, physical climate risk may affect banks' lending portfolios if more frequent and severe natural perils lead to higher costs and reduced debt-servicing capacity among borrowers. Although the Norwegian Natural Perils Scheme and the Natural Perils Pool cover direct damages, they do not address the increased costs of prevention and climate adaptation resulting from more extreme weather. At the same time, these insurance schemes help reduce DNB's financial risk, and the double materiality assessment therefore concluded that the risk may become more relevant over the longer term.

For further details on assets exposed to physical climate risk, see the Excel supplement 'Risk and capital management – Pillar 3, attachment (Excel)' published at [ir.dnb.no](http://ir.dnb.no).

### Financed emissions

Financed emissions from the lending portfolio include companies' Scope 1, 2 and 3 emissions. The methodology for calculating financed emissions is primarily based on the PCAF standard, in line with the EBA Implementing Technical Standards (ITS) for Pillar 3 sustainability risk reporting. DNB regularly reviews its methodology and monitors updates to guidelines, standards and regulations related to financed emissions to improve the quality of its reporting.

DNB seeks to calculate financed greenhouse gas emissions with the highest possible degree of accuracy and therefore uses the most recent available data reported by companies in the portfolio. Where company-reported emissions data is unavailable, financial data and physical production data are used to estimate financed emissions. This approach provides a comprehensive view of DNB's financed emissions in the lending portfolio. Financial data for 2025 has been used to calculate the attribution factor.

DNB works continuously to improve the accuracy and data quality of its emissions calculations and therefore reports in accordance with the PCAF data-quality scale from 1 to 5, where a score of 1 represents the highest quality (company-reported emissions data) and a score of 5 represents the lowest quality (estimates based on broad assumptions or global average factors).

The Group has reported financed emissions for the sectors in the lending portfolio that contribute most significantly to climate change since 2024. At year-end 2025, DNB's financed emissions within these sectors amounted to a total of 17.6 million tonnes CO<sub>2</sub>e, of which 12.9 million tonnes CO<sub>2</sub>e were companies' Scope 3 emissions. The corresponding PCAF data-quality score for Scope 3 emissions was 4.1, unchanged from 2024.

The Group also reports on financed emissions for its entire lending and investment portfolio in the annual report. For more detailed information on the Group's financed emissions and methodology, see the subchapter ESRS E1 Climate change in DNB's annual report on [dnb.no/sustainability-reports](http://dnb.no/sustainability-reports).

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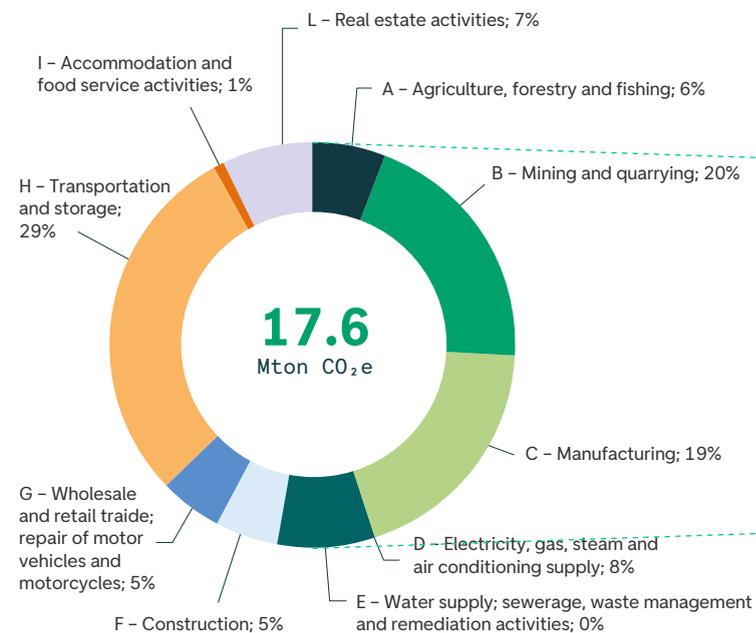
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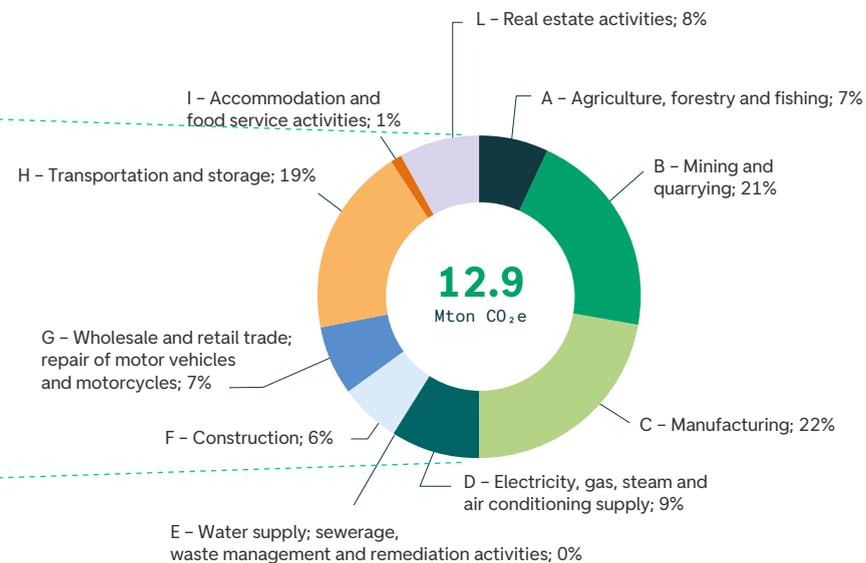
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GHG financed emissions towards sectors that highly contribute to climate change

GHG financed emissions (Scope 1,2,3)  
As at 31 December 2025



Of which Scope 3  
As at 31 December 2025



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## Social sustainability risk

Social sustainability risk may arise if DNB is directly or indirectly associated with breaches of fundamental social standards or human and labour rights, either within its own workforce and operations or indirectly through suppliers, customers and investments. DNB assesses this risk through qualitative analyses that form part of the Group's overall risk management. The risk is also assessed in procurement and credit processes.

### Own workforce

As an employer, DNB must respect fundamental human and labour rights and ensure decent working conditions. DNB is committed to promoting a healthy and developmental working environment for all employees through continuous and targeted HSE efforts based on systematic mapping and risk assessments. Over time, DNB has worked actively on diversity, equality and inclusion, which helps reduce operational risk and strengthens the Group's capacity for innovation. DNB is legally required to work actively, purposefully and systematically to promote equality and prevent discrimination under section 26 of the Norwegian Equality and Anti-Discrimination Act. DNB conducts annual risk assessments of discrimination risk in HR processes and did not identify systemic risk in 2025, only inherent risk managed through existing controls. The Group reports annually on this work. DNB is also legally required to conduct due diligence

assessments to ensure respect for fundamental human rights and working conditions in its own operations under the Norwegian Transparency Act, and reports on this annually. The disclosures required under the Norwegian Transparency Act and the Norwegian Equality and Anti-Discrimination Act are published at [dnb.no/sustainability-reports](https://dnb.no/sustainability-reports).

No financial risks related to the Group's own workforce were identified in the 2025 double materiality assessment. Read more about the work being done in the subchapter ESRS S1 Own workforce in DNB's annual report at [dnb.no/sustainability-reports](https://dnb.no/sustainability-reports).

### Value chain

DNB finances a wide range of companies across different sectors, and if any of these were to be involved in serious breaches of human rights, poor working conditions, discrimination or other social misconduct, this could lead to legal sanctions, operational disruptions and reputational damage. For the Group, such events may materialise as credit risk or pure reputational risk that could weaken market confidence. In 2025, DNB identified high risk exposure in the value chains of certain corporate customers in the transport sector, related to the procurement of vehicles and batteries. To reduce the risk of contributing to breaches of human and labour rights, DNB engaged in dialogue with several companies in the sector. Throughout 2025, the Group also carried out

enhanced due-diligence assessments for customers with activities in, or links to, high-risk contexts. Further information is provided in DNB's Transparency Act disclosure at [dnb.no/sustainability-reports](https://dnb.no/sustainability-reports).

DNB's governing documents require the Group to safeguard human rights and conduct risk-based assessments across the entire value chain to identify actual and potential risks of human and labour rights violations that DNB may cause, contribute to or be directly linked to in its role as investor, lender and purchaser. Based on these assessments, DNB must implement appropriate measures to stop, prevent or mitigate negative impacts, in line with applicable regulations and the OECD Guidelines for Multinational Enterprises. DNB seeks to reduce social risk by setting expectations for responsible conduct among customers, suppliers and investee companies. DNB has established guidelines for managing and assessing social risk in procurement, lending and investment activities. In the risk assessment of credit cases for customers with total credit exposure exceeding NOK 50 million, particular emphasis is placed on whether customers comply with the OECD Guidelines for Multinational Enterprises. A lack of, or indications of insufficient, compliance procedures contributes to higher sustainability risk in the Group's risk scoring of customers and results in an automatic high risk classification in selected industries. If serious issues are identified, this will affect the final sustainability risk classification and the decision-making

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level for credit approval. Where sustainability risk is assessed as high, DNB will establish time-bound customer action plans to mitigate the risk.

The topic was also assessed in the 2025 double materiality analysis and is managed through the Group's work on corporate culture and financial crime. DNB aims to foster a culture that promotes sound corporate behaviour and ethical business conduct, and to ensure proper handling of sanctions breaches, which is relevant in the context of violations of international law. Read more in the subchapter ESRS G1 Business conduct in DNB's annual report at [dnb.no/sustainability-reports](https://dnb.no/sustainability-reports).

### Governance risk

Governance risk for DNB relates particularly to business ethics, compliance and internal governance. Strong corporate governance within the Group is essential for maintaining a low risk profile and requires clear responsibilities, independent control functions and a strong risk culture. Externally, through customers and investments, DNB is exposed to risks related to corruption, money laundering, financial crime, data security and tax evasion. If a company financed by DNB were to become involved in serious corruption or money laundering, this could lead to significant fines and sanctions, a decline in the company's value or, in the worst case, bankruptcy, which would represent direct credit risk for DNB. In addition, the Group may itself be

exposed to reputational or regulatory consequences if it has financed or facilitated activities that breach legal requirements. To manage these risks DNB has ethical guidelines and anti-money laundering procedures that apply both internally and to customers. DNB's Code of Conduct and the Group policy for sustainability set clear expectations for business ethics and zero tolerance for corruption. Measures have also been implemented, including updated KYC processes<sup>2</sup> and digital training for employees on anti-money laundering, counter-terrorist financing and corruption and bribery. On the customer side, DNB follows up these topics through credit risk management. By assessing customers' governance structures, compliance practices and risk profiles, DNB can identify elevated risk and determine appropriate risk-mitigating measures.

The 2025 double materiality assessment concluded that DNB could face financial risk related to corruption and bribery, corporate culture, financial crime, financial stability and financial infrastructure if the Group does not work actively on these topics. To monitor these risks DNB conducts qualitative analyses to assess compliance with regulations and monitors transactions. Compliance is an integral part of the Group's culture, and systematic efforts are made to identify and manage risks responsibly. DNB conducts annual assessments of inherent risk related to money

<sup>2</sup> Know Your Customer

laundering and terrorist financing, as well as breaches of international sanctions, which are presented to the Board. Read more about DNB's management of these risks in the subchapter ESRS G1 Business conduct in DNB's annual report at [dnb.no/sustainability-reports](https://dnb.no/sustainability-reports).

### Management and control of sustainability risks

Climate and environmental factors, social considerations and governance are integrated into DNB's strategy and corporate governance. Governing documents set out how the Group is to work with sustainability and sustainability risk. The Group policy on sustainability is DNB's overarching governing document for sustainability and forms the basis for how the Group works with sustainability.

DNB's Group policy for risk management states that sustainability risk must be incorporated into risk assessments for all risk types deemed material for the Group, namely credit risk, market risk, counterparty risk, liquidity risk, operational risk and business risk. The Group's materiality analysis for sustainability risk forms the basis for these assessments. More detailed requirements for assessing sustainability risk depend on the risk type and are described in the instructions and frameworks for each risk category. Developments in sustainability risk are also monitored through several indicators in DNB's recovery plan. The plan is prepared

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as an integrated part of the Group's risk and capital management and is activated if predefined indicators are breached.

From 2026, the Board has decided to include two risk appetite statements with corresponding limits in the risk appetite framework. One statement relates to energy-efficiency requirements for commercial real estate. The other concerns the share of the corporate customer portfolio that may be classified as 'high sustainability risk', measured using DNB's internal assessment tool.

Sustainability risk assessments are integrated into DNB's credit decisions and are managed in accordance with the Group Policy for Risk Management and the Group Instructions for Sustainability in Credit Activities. According to the instructions, activities by a borrower that affect sustainability risk must be analysed in credit proposals in the same way as other relevant risk drivers. DNB measures and follows up the average sustainability risk level for borrowers in the categories low, medium and high. A sector-specific sustainability score diagram is used to address the most significant risks. The instructions also specify which customers DNB does not grant credit to.

DNB uses an internally developed classification tool for assessing companies' sustainability risk within four thematic areas: climate, the environment,

social conditions and corporate governance. The sustainability classification is an important part of the decision-making process for new credit commitments. All corporate customers are assessed in relation to sustainability, and for customers with total credit commitments above NOK 8 million, sustainability risk must be commented on in the credit proposal. For commitments above NOK 50 million, a risk classification using the internal tool is required. DNB's own assessments are supplemented by sustainability analyses from third parties, and a sustainability customer dialogue form has been developed to ensure customers understand which sustainability areas DNB considers significant for risk management.

In the event of high sustainability risk, the credit decision is escalated to the highest decision level below the Board. Customers with high risk must establish an internal action plan to follow up the thematic areas that lead to the high risk assessment. The risk model and process are assessed regularly.

For project finance subject to the Equator Principles,<sup>3</sup> dedicated assessments must document compliance with the principles.

<sup>3</sup> The Equator Principles are a common risk management framework for financial institutions to identify, assess and manage environmental and social risks in project financing.

Read more on the management of sustainability-related risks under Governance and material impacts, risks and opportunities in the subchapter ESRS 2 General disclosures in DNB's annual report at [dnb.no/sustainability-reports](https://dnb.no/sustainability-reports). See also [the chapter Credit risk](#) in this report for an overview of the portfolio composition and developments in the risk profile.

## Roles and responsibilities

### Board of Directors

The Board provides for the proper organisation of the business, including ensuring that the requirements for establishing appropriate and effective governance and control systems are met.

The Board has three sub-committees: the Risk Committee, the Audit Committee and the Compensation and Organisation Committee. In accordance with the Audit Committee's and the Risk Management Committee's instructions, the Audit Committee prepares the Board's follow-up of the sustainability reporting process, including associated internal control, and the Risk Management Committee prepares the Board's follow-up of risk management in the Group. The Risk Committee ensures that the DNB Group has satisfactory risk management and prepares matters for the Board relating to the Group's governance and control framework.

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The Board monitors sustainability risk through regular reporting, including quarterly reports on the Group's overall risk profile, which incorporate sustainability risk. The Board is also informed of DNB's sustainability due diligence assessments through the Group's risk reporting, and by signing both the sustainability report that is included in the Director's report and the annual approval of the disclosures under the Norwegian Transparency Act. Read more about the Board's role and responsibilities under Governance in the subchapter ESRS 2 General disclosures in DNB's annual report at [dnb.no/sustainability-reports](https://dnb.no/sustainability-reports).

#### The Group Chief Executive Officer and Group Management

The Group Chief Executive Officer has overall responsibility for ensuring that the Group's strategy, values and mission are developed and followed up in line with the long-term objectives set by the Board. The CEO continuously assesses the financial and non-financial performance of the business areas, including critical issues and events that may affect future developments and optimal resource allocation, including within sustainability. The CEO signs the sustainability statement that forms part of the Group's annual report, as well as the Group's Report under the Norwegian Transparency Act.

Group Management consists of the CEO and the Group Executive Vice Presidents responsible for the various business areas and Group units. Group Management addresses matters related to climate and environment, social factors and corporate governance. Each Group Executive Vice President is responsible for ensuring that their area operates in accordance with established goals and strategies, including the Group's sustainability ambitions. They are also responsible for implementing and complying with governing documents within their area.

DNB's guidelines for determining remuneration for the CEO and other members of the Group Management team must at all times support the Group's strategy and values and contribute to achieving the Group's objectives. The CEO's variable remuneration is based on one financial performance criterion weighted at 60 per cent, and five performance criteria related to strategy and sustainability weighted at a combined 40 per cent. These five criteria relate to climate and environment, social factors and corporate governance, and are: Sustainable transition, Stable and secure IT operations, Engagement and diversity, Compliance and Reputation and customer satisfaction.

#### The Group Chief Financial Officer

The Group CFO is responsible for facilitating the implementation of the Group's sustainability strategy and is the decision-maker for DNB's overarching sustainability work. Matters assessed to have material business implications are escalated to the CEO.

Read more about the roles and responsibilities of the CEO and Group Management in relation to sustainability under Governance in the subchapter ESRS 2 General disclosures in DNB's annual report at [dnb.no/sustainability-reports](https://dnb.no/sustainability-reports).

#### Group Risk Management

Group Risk Management is responsible for developing the frameworks and instructions for managing the various risk types. Sustainability risk must be integrated into the management of all risk types. Group Risk Management is also responsible for developing models and tools, and for collecting and structuring data that ensure compliance with reporting requirements and enable robust and consistent assessment of sustainability risk. Group Risk Management is responsible for reporting sustainability risk under Pillar 3. For more information on governance and control, see [the chapter Risk management and control](#).

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# 9. Appendix

This report, Risk and capital management – Disclosure according to Pillar 3 2025, together with DNB’s annual report and the additional Excel disclosure ‘Risk and capital management – Pillar 3, attachment (Excel)’, provides the consolidated disclosure of DNB in accordance with the Capital Requirement Regulation and Directive (CRR and CRD). Regulation (EU) 2024/1623, CRR3, was adopted in the EU in May 2024 and implemented in Norway on 1 April 2025. Articles 431–455 specify the reporting requirements.

Requirements on disclosures regarding banks’ risk and capital management are stipulated in the accounting and capital requirement regulations. As of 2025, the risk and capital information that is applicable in order to fulfil both sets of regulations is presented in DNB’s Annual report for 2025. The disclosures that are specific to CRR can be found in this report in the form of quantitative information to be provided as stipulated in (EU) 2024/1623 and in explanatory texts to the tables.

More information about DNB’s risk management can be found in the Annual report 2025.

Information to be provided quarterly as stipulated in (EU) 2024/1623 is published on DNB’s website. For each article in Part Eight of Regulation (EU) No 575/2013 (CRR), the reference table below states in which of the publications the information can be found. This mapping is followed by a separate reference table for the additional Excel disclosures to the Pillar 3 report.

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## Appendix 1: Reference table for CRR part 8

Article in CRR	Description	Reference in Risk and capital management – Disclosure according to Pillar 3 2025	Reference in Pillar 3 additional Excel disclosures	Reference in DNB's annual report and interim reports or on the DNB website
<b>Title I</b>	<b>General principles</b>			
<b>Article 431</b>	<b>Disclosure requirements and policies</b>			
1-2	General disclosure requirements	This report, Risk and capital management-Disclosure according to Pillar 3 2025		Annual report 2025, chapter 'The Board of Directors' report on corporate Governance' and 'ESRS 2 - General disclosures'
3	Requirement to have a formal policy and internal processes, systems and controls to comply with the disclosure requirements	Ch. 0: Risk Statement		
4	All quantitative disclosures shall be accompanied by a qualitative narrative and any other supplementary information that may be necessary in order for the users of that information to understand the quantitative disclosures,			
5	Upon request, explanations of rating decisions to SMEs or other corporate applicants for loans	Can be provided upon request		
<b>Article 432</b>	<b>Non-material, proprietary or confidential information</b>			
1-3	Institutions may exclude non-material, proprietary or confidential information under certain conditions	Information items not disclosed under EBA/GL/2016/11	EU templates not applicable for DNB are documented	
<b>Article 433</b>	<b>Frequency and scope of disclosures</b>	<b>Ch. 0: About this report</b>		<b>Financial Calendar in Annual report and on ir.dnb.no</b>
	General information about disclosures			
<b>Article 433a</b>	<b>Disclosures by large institutions</b>	<b>Ch. 0: About this report</b>		<b>Financial Calendar in Annual report and on ir.dnb.no</b>
	Frequency requirements for publishing disclosures of Pillar 3 information for large institutions		Contents page	
<b>Article 433b</b>	Disclosures by small and non-complex institutions	Not applicable		
<b>Article 433c</b>	Disclosures by other institutions	Not applicable		
<b>Article 434</b>	<b>Means of disclosures</b>			<b>Financial Reports on ir.dnb.no</b>
1	Information medium for Pillar 3 disclosures and references to equivalent and additional data in other media			
2	Reference to the locations where Pillar 3 and additional disclosures are published			

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Article in CRR	Description	Reference in Risk and capital management – Disclosure according to Pillar 3 2025	Reference in Pillar 3 additional Excel disclosures	Reference in DNB's annual report and interim reports or on the DNB website
<b>Title II</b>	<b>Technical criteria on transparency and disclosure</b>			
<b>Article 435</b>	<b>Disclosure of risk management objectives and policies</b>			
<b>1</b>	Institutions shall disclose their risk management objectives and policies for each separate category of risk, including the risks referred to under this Title. These disclosures shall include:			Annual report 2025, chapter 'The Board of Directors' report on corporate Governance' and 'ESRS 2 - General disclosures'
<b>1a</b>	Strategies and processes to manage the risks	Ch. 2: Capital management; Ch. 3: Liquidity risk and asset and liability management; Ch. 4: Credit risk; Ch. 5: Counterparty credit risk; Ch. 6: Market risk; Ch. 7: Operational risk; Ch.8 Sustainability risk		Annual report 2025, chapter 'The Board of Directors' report on corporate Governance' and 'ESRS 2 - General disclosures'
<b>1b</b>	Structure and organisation of the risk management organisation including its authority and statutes	Ch. 2: Capital management; Ch. 3: Liquidity risk and asset and liability management; Ch. 4: Credit risk; Ch. 5: Counterparty credit risk; Ch. 6: Market risk; Ch. 7: Operational risk; Ch. 8: Sustainability risk		Annual report 2025, chapter 'The Board of Directors' report on corporate Governance' and 'ESRS 2 - General disclosures'
<b>1c</b>	Scope and nature of risk reporting and measurement systems	Ch. 2: Capital management; Ch. 3: Liquidity risk and asset and liability management; Ch. 4: Credit risk; Ch. 5: Counterparty credit risk; Ch. 6: Market risk; Ch. 7: Operational risk; Ch.8 Sustainability risk		Annual report 2025, chapter 'The Board of Directors' report on corporate Governance' and 'ESRS 2 - General disclosures'
<b>1d</b>	Policies for hedging and mitigating risk	Ch. 2: Capital management; Ch. 4: Credit risk; Ch. 5: Counterparty credit risk; Ch. 6: Market risk; Ch. 7 Operational risk		Annual report 2025, chapter 'The Board of Directors' report on corporate Governance' and 'ESRS 2 - General disclosures'
<b>1e</b>	Declaration of conformity that the risk management system is fit-for-purpose in relation to the institution's profile and strategy	Ch.0: Risk Statement; Ch. 7: Operational Risk		Annual report 2025, chapter 'The Board of Directors' report on corporate Governance' and 'ESRS 2 - General disclosures'
<b>1f</b>	Risk statement with overall risk profile	Ch.0: Risk statement; Ch. 1: Risk management and control		Annual report 2025, chapter 'The Board of Directors' report on corporate Governance' and 'ESRS 2 - General disclosures'

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Article in CRR	Description	Reference in Risk and capital management – Disclosure according to Pillar 3 2025	Reference in Pillar 3 additional Excel disclosures	Reference in DNB's annual report and interim reports or on the DNB website
2	Institutions shall disclose the following information, including regular, at least annual updates, regarding governance arrangements:			Annual report 2025, chapter 'The Board of Directors' report on corporate Governance' and 'ESRS 2 - General disclosures'
2a- c	Corporate governance disclosures	Ch. 1: Risk management and control		Annual report 2025, chapter 'The Board of Directors' report on corporate Governance' and 'ESRS 2 - General disclosures'
2d	Whether or not the institution has set up a separate risk committee	Ch. 1: Risk management and control		Annual report 2025, chapter 'The Board of Directors' report on corporate Governance' and 'ESRS 2 - General disclosures'
2e	Description of the information flow on risk to the management body	Ch. 1: Risk management and control		Annual report 2025, chapter 'The Board of Directors' report on corporate Governance' and 'ESRS 2 - General disclosures'
<b>Article 436</b>	<b>Disclosure of the scope of application</b>			
a	Name of the institution to which the requirements in CRR apply	Front page and Ch. 0: About this report		
b	Reconciliation between the consolidated financial statements prepared in accordance with the applicable accounting framework and the consolidated financial statements prepared in accordance with the requirements on regulatory consolidation	Ch. 0: About this report	LI1, LI2, LI3	
c	a breakdown of assets and liabilities of the consolidated financial statements prepared in accordance with the requirements on regulatory consolidation pursuant to Sections 2 and 3 of Title II of Part One, broken down by type of risks		LI1, CC2	
d	a reconciliation identifying the main sources of differences between the carrying value amounts in the financial statements under the regulatory scope of consolidation as defined in Sections 2 and 3 of Title II of Part One, and the exposure amount used for regulatory purposes		LI2	
e	for exposures from the trading book and the non-trading book that are adjusted in accordance with Article 34 and Article 105, a breakdown of the amounts of the constituent elements of an institution's prudent valuation adjustment, by type of risks, and the total of constituent elements separately for the trading book and non-trading book position		PV1	

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Article in CRR	Description	Reference in Risk and capital management – Disclosure according to Pillar 3 2025	Reference in Pillar 3 additional Excel disclosures	Reference in DNB's annual report and interim reports or on the DNB website
<b>f</b>	any current or expected material practical or legal impediment to the prompt transfer of own funds or to the repayment of liabilities between the parent undertaking and its subsidiaries	Ch. 2: Capital Management		
<b>g</b>	the aggregate amount by which the actual own funds are less than required in all subsidiaries that are not included in the consolidation, and the name or names of those subsidiaries;		LI3	
<b>h</b>	where applicable, the circumstances under which use is made of the derogation referred to in Article 7 or the individual consolidation method laid down in Article 9.		LI3	
<b>Article 437</b>	<b>Disclosure of own funds</b>	<b>Ch. 2: Capital management</b>		<b>Annual report note G3 on Capitalisaton and capital adequacy.</b>
	Institutions shall disclose the following information regarding their own funds:			
<b>a</b>	General disclosure requirements regarding own funds		CC1, CC2	
<b>b</b>	Description of the main features of capital instruments		CCA	
<b>c</b>	Full terms and conditions of capital instruments		CCA	
<b>d i-iii</b>	Separate disclosures on the nature of prudential filters, deductions, and items not deducted		CC1	
<b>e</b>	Description of restrictions applied to the calculation of own funds		CC1	
<b>f</b>	Explanation of the basis on which capital ratios have been calculated if other than the basis specified in CRR	Not applicable	CC1	
<b>Article 438</b>	<b>Disclosure of own funds requirements and risk-weighted exposure amounts</b>	<b>Ch. 2: Capital management</b>		<b>Annual report note G3 on Capitalisaton and capital adequacy.</b>
	Institutions shall disclose the following information regarding the compliance by the institution with the requirements laid down in Article 92 of this Regulation and in Article 73 of Directive 2013/36/EU:		A02, A03	
<b>a</b>	Institution's approach to assessing the adequacy of its internal capital			
<b>b</b>	the amount of the additional own funds requirements based on the supervisory review process as referred to in point (a) of Article 104(1) of Directive 2013/36/EU and its composition in terms of Common Equity Tier 1, additional Tier 1 and Tier 2 instruments;		KM1	
<b>c</b>	upon demand from the relevant competent authority, the result of the institution's internal capital adequacy assessment process;	Provided upon request; DNB's ICAAP-report		

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Article in CRR	Description	Reference in Risk and capital management – Disclosure according to Pillar 3 2025	Reference in Pillar 3 additional Excel disclosures	Reference in DNB's annual report and interim reports or on the DNB website
d	the total risk-weighted exposure amount and the corresponding total own funds requirement determined in accordance with Article 92, to be broken down by the different risk categories set out in Part Three and, where applicable, an explanation of the effect on the calculation of own funds and risk-weighted exposure amounts that results from applying capital floors and not deducting items from own fund	Ch. 4: Credit risk	OV1	
e	the on- and off-balance-sheet exposures, the risk-weighted exposure amounts and associated expected losses for each category of specialised lending referred to in Table 1 of Article 153(5) and the on- and off-balance-sheet exposures and risk-weighted exposure amounts for the categories of equity exposures set out in Article 155(2);		CR10	
f	the exposure value and the risk-weighted exposure amount of own funds instruments held in any insurance undertaking, reinsurance undertaking or insurance holding company that the institutions do not deduct from their own funds in accordance with Article 49 when calculating their capital requirements on an individual, sub-consolidated and consolidated basis		OV1, INS1	
g	the supplementary own funds requirement and the capital adequacy ratio of the financial conglomerate calculated in accordance with Article 6 of Directive 2002/87/EC and Annex I to that Directive where method 1 or 2 set out in that Annex is applied;		INS2	
h	the variations in the risk-weighted exposure amounts of the current disclosure period compared to the immediately preceding disclosure period that result from the use of internal models, including an outline of the key drivers explaining those variations		CR8, CCR7	
<b>Article 439</b>	<b>Disclosure of exposures to counterparty credit risk</b>	<b>Ch 5: Counterparty credit risk</b>		
a	Methodology to assign internal capital and credit limits for counterparty credit exposures			
b	Policies for securing collateral and establishing credit reserves			
c	Policies with respect to wrong-way risk exposures			
d	Impact of the amount of collateral the institution would have to provide given a downgrade in its credit rating			
e	the amount of segregated and unsegregated collateral received and posted per type of collateral, further broken down between collateral used for derivatives and securities financing transactions		CCR5	
f	for derivative transactions, the exposure values before and after the effect of the credit risk mitigation as determined under the methods set out in Sections 3 to 6 of Chapter 6 of Title II of Part Three		CCR1	

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Article in CRR	Description	Reference in Risk and capital management – Disclosure according to Pillar 3 2025	Reference in Pillar 3 additional Excel disclosures	Reference in DNB's annual report and interim reports or on the DNB website
<b>g</b>	for securities financing transactions, the exposure values before and after the effect of the credit risk mitigation as determined under the methods set out in Chapters 4 and 6 of Title II of Part Three,		CCR1	
<b>h</b>	the exposure values after credit risk mitigation effects and the associated risk exposures for credit valuation adjustment capital charge, separately for each method as set out in Title VI of Part Three		CCR2	
<b>i</b>	The exposure value to central counterparties and the associated risk exposures within the scope of Section 9 of Chapter 6 of Title II of Part Three, separately for qualifying and non-qualifying central counterparties, and broken down by types of exposures;		CCR8	
<b>j</b>	the notional amounts and fair value of credit derivative transactions; credit derivative transactions shall be broken down by product type; within each product type, credit derivative transactions shall be broken down further by credit protection bought and credit protection sold	Not applicable	CCR6	
<b>k</b>	the estimate of alpha where the institution has received the permission of the competent authorities to use its own estimate of alpha in accordance with Article 284(9)	Not applicable	CCR1	
<b>l</b>	separately, the disclosures included in point (e) of Article 444 and point (g) of Article 452		CCR3, CCR4	
<b>m</b>	for institutions using the methods set out in Sections 4 to 5 of Chapter 6 of Title II Part Three, the size of their on- and off-balance-sheet derivative business as calculated in accordance with Article 273a(1) or (2), as applicable.		CCR1	
<b>Article 440</b>	<b>Disclosure of countercyclical capital buffers</b>	<b>Ch. 2: Capital Management</b>		
<b>a</b>	Geographic distribution of credit exposures for calculating the countercyclical capital buffer		CCyB1	
<b>b</b>	Amount of the countercyclical capital buffer		CCyB2	
<b>Article 441</b>	<b>Disclosure of indicators of global systemic importance</b>	<b>Not applicable</b>		
	Indicators used for determining the score of the institution in accordance with the identification methodology			
<b>Article 442</b>	<b>Disclosure of exposures to credit and dilution risk</b>	<b>Ch. 4: Credit risk</b>		
<b>a</b>	the scope and definitions that they use for accounting purposes of 'past due' and 'impaired' and the differences, if any, between the definitions of 'past due' and 'default' for accounting and regulatory purposes;			Annual report note G1 Accounting principles and note G5 Credit risk management
<b>b</b>	Methods for determining specific and general credit risk adjustments			Annual report note G5 Credit risk management

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Appendix 2: DNB Risk and capital management / Pillar 3 additional disclosures

## Risk and capital management

Pillar 3 | 2025

Article in CRR	Description	Reference in Risk and capital management – Disclosure according to Pillar 3 2025	Reference in Pillar 3 additional Excel disclosures	Reference in DNB's annual report and interim reports or on the DNB website
<b>c</b>	Information on the amount and quality of performing, non-performing and forborne exposures for loans, debt securities and off-balance-sheet exposures, including their related accumulated impairment, provisions and negative fair value changes due to credit risk and amounts of collateral and financial guarantees received;		CQ1, CQ3, CQ4, CQ5, CQ7, CR1, CR2	Annual report note G9 Impairment of financial instruments and G11 Development in accumulated impairment of financial instruments
<b>d</b>	an ageing analysis of accounting past due exposures;		CQ3	
<b>e</b>	The gross carrying amounts of both defaulted and non-defaulted exposures, the accumulated specific and general credit risk adjustments, the accumulated write-offs taken against those exposures and the net carrying amounts and their distribution by geographical area and industry type and for loans, debt securities and off-balance-sheet exposures;		CQ4, CQ5	Annual report note G9 Impairment of financial instruments and G11 Development in accumulated impairment of financial instruments
<b>f</b>	Any changes in the gross amount of defaulted on- and off-balance-sheet exposures, including, as a minimum, information on the opening and closing balances of those exposures, the gross amount of any of those exposures reverted to non-defaulted status or subject to a write-off;		CR1, CR2	
<b>g</b>	the breakdown of loans and debt securities by residual maturity.		CR1-A	
<b>Article 443</b>	<b>Disclosure of encumbered and unencumbered assets</b>	<b>Ch. 3: Liquidity management and asset and liability management</b>		
	Institutions shall disclose information concerning their encumbered and unencumbered assets. For those purposes, institutions shall use the carrying amount per exposure class broken down by asset quality and the total amount of the carrying amount that is encumbered and unencumbered. Disclosure of information on encumbered and unencumbered assets shall not reveal emergency liquidity assistance provided by central banks.		AE1, AE2, AE3	
<b>Article 444</b>	<b>Disclosure of the use of the Standardised Approach</b>	<b>Ch. 4: Credit risk</b>		
	Institutions calculating their risk-weighted exposure amounts in accordance with Chapter 2 of Title II of Part Three shall disclose the following information for each of the exposure classes set out in Article 112:			
<b>a</b>	Names of the nominated ECAs and ECAs and the reasons for any changes in those nominations over the disclosure period;		CR5	
<b>b</b>	Exposure classes for which each ECAI or ECA is used		CR5	
<b>c</b>	Description of the process used to transfer the issuer and issue credit assessments onto items not included in the trading book	Not applicable		
<b>d</b>	Association of the external rating of each nominated ECAI or ECA with the institution's scale of credit quality steps	Not applicable		
<b>e</b>	Exposure values before and after credit risk mitigation associated with each credit quality step		CR4, CR5, CCR3	

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Article in CRR	Description	Reference in Risk and capital management – Disclosure according to Pillar 3 2025	Reference in Pillar 3 additional Excel disclosures	Reference in DNB's annual report and interim reports or on the DNB website
<b>Article 445</b>	<b>Exposure to market risk</b>	<b>Ch. 6: Market risk</b>		
	Capital requirements for market risk		MR1	Annual report note G4 on Capitalisation policy and capital adequacy and note G13 Market risk.
<b>Article 446</b>	<b>Disclosure of operational risk management</b>	<b>Ch. 2: Capital management; Ch. 7: Operational risk</b>		
	Institutions shall disclose the following information about their operational risk management:			
<b>a</b>	Approaches for the assessment of own funds requirements for operation risk that the institution qualifies for;			
<b>b</b>	where the institution makes use of it, a description of the methodology set out in Article 312(2), which shall include a discussion of the relevant internal and external factors being considered in the institution's advanced measurement approach;	Not applicable		
<b>c</b>	in the case of partial use, the scope and coverage of the different methodologies used.	Not applicable	OR3	
<b>Article 447</b>	<b>Disclosure of key metrics</b>			
<b>a</b>	Composition of own funds and own funds requirements		KM1	
<b>b</b>	Total risk exposure amount		KM1	
<b>c</b>	Amount and composition of additional own funds which the institutions are required to hold		KM1	
<b>d</b>	Combined buffer requirement which the institutions are required to hold		KM1	
<b>e</b>	Leverage ratio and the total exposure measure as calculated in accordance with Article 429		KM1	
<b>f (i-iii)</b>	Information in relation to liquidity coverage ratio as calculated		KM1	
<b>g (i-iii)</b>	Information in relation to net stable funding requirement as calculated		KM1	
<b>h</b>	Own funds and eligible liabilities ratios and their components, numerator and denominator		KM2, TLAC1	
<b>Article 448</b>	<b>Disclosure of exposures to interest rate risk on positions not included in the trading book</b>	<b>Ch.6: Market risk, section IRRBB</b>		
	Institutions shall disclose the following information on their exposure to interest rate risk on positions not included in the trading book:		IRRBB1	

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Article in CRR	Description	Reference in Risk and capital management – Disclosure according to Pillar 3 2025	Reference in Pillar 3 additional Excel disclosures	Reference in DNB's annual report and interim reports or on the DNB website
1a	the changes in the economic value of equity calculated under the six supervisory shock scenarios referred to in Article 98(5) of Directive 2013/36/EU for the current and previous disclosure periods;			
1b	the changes in the net interest income calculated under the two supervisory shock scenarios referred to in Article 98(5) of Directive 2013/36/EU for the current and previous disclosure periods;			
1c	a description of key modelling and parametric assumptions, other than those referred to in points (b) and (c) of Article 98(5a) of Directive 2013/36/EU used to calculate changes in the economic value of equity and in the net interest income required under points (a) and (b) of this paragraph;			
1d	an explanation of the significance of the risk measures disclosed under points (a) and (b) of this paragraph and of any significant variations of those risk measures since the previous disclosure reference date;			
1e	the description of how institutions define, measure, mitigate and control the interest rate risk of their non-trading book activities for the purposes of the competent authorities' review in accordance with Article 84 of Directive 2013/36/EU, including:			
(i)	a description of the specific risk measures that the institutions use to evaluate changes in their economic value of equity and in their net interest income;			
(ii)	a description of the key modelling and parametric assumptions used in the institutions' internal measurement systems that would differ from the common modelling and parametric assumptions referred to in Article 98(5a) of Directive 2013/36/EU for the purpose of calculating changes to the economic value of equity and to the net interest income, including the rationale for those differences;			
(iii)	a description of the interest rate shock scenarios that institutions use to estimate the interest rate risk;			
(iv)	an outline of how often the evaluation of the interest rate risk occurs;			
1f	the description of the overall risk management and mitigation strategies for those risks;			
1g	average and longest repricing maturity assigned to non-maturity deposits.			
2	Nature of the interest rate risk and key assumptions and frequency of measurement of interest rate risk			
	By way of derogation from paragraph 1 of this Article, the requirements set out in points (c) and (e)(i) to (e)(iv) of paragraph 1 of this Article shall not apply to institutions that use the standardised methodology or the simplified standardised methodology referred to in Article 84(1) of Directive 2013/36/EU. interest rate risk, broken down by currency			

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<b>Article 449</b>	<b>Disclosure of exposures to securitisation positions</b>			
	Exposure to securitisation positions	Ch. 4: Credit risk	SEC1, SEC3	
<b>Article 449a</b>	<b>Disclosure of environmental, social and governance risks (ESG risks)</b>	<b>Ch. 8: Sustainability risk</b>		
<b>Table 1</b>	Qualitative information on Environmental risk	Ch. 8: Sustainability risk	ESG	Annual report 2025, sub chapter ESRS E1 Climate Change, ESRS E3 Water and marine resources
<b>Table 2</b>	Qualitative information on Social risk	Ch. 8: Sustainability risk	ESG	Annual report 2025, sub chapter ESRS S1 Own Workforce, ESRS S4 Consumers and end-users
<b>Table 3</b>	Qualitative information on Governance risk	Ch. 8: Sustainability risk	ESG	Annual report 2025, sub chapter ESRS G1 Business Conduct, ESRS 2 General disclosures
<b>Template 1</b>	Banking book – Indicators of potential climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Ch. 8: Sustainability risk	ESG1	
<b>Template 2</b>	Banking book – Indicators of potential climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral	Ch. 8: Sustainability risk	ESG2	
<b>Template 3</b>	Banking book – Indicators of potential climate change transition risk: Alignment metrics		ESG3	
<b>Template 4</b>	Banking book – Indicators of potential climate change transition risk: Exposures to top 20 carbon-intensive firms		ESG4	
<b>Template 5</b>	Banking book – Indicators of potential climate change physical risk: Exposures subject to physical risk	Ch. 8: Sustainability risk	ESG5	
<b>Template 6</b>	Summary of key performance indicators (KPIs) on the Taxonomy-aligned exposures		ESG6	Annual report 2025, sub chapter: EU Taxonomy
<b>Template 7</b>	Mitigating actions: Assets for the calculation of GAR		ESG7	Annual report 2025, sub chapter: EU Taxonomy
<b>Template 8</b>	GAR (%)		ESG8	Annual report 2025, sub chapter: EU Taxonomy
<b>Template 9</b>	Mitigating actions: BTAR	Voluntary, not reported as at 31 December 2025		
<b>Template 10</b>	Other climate change mitigating actions that are not covered in Regulation (EU) 2020/852		ESG10	

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<b>Article 450</b>	<b>Disclosure of remuneration policy</b>			Annual Report note G48 Remunerations etc. and 'Remuneration report for executive and non-executive directors for 2025' on dnb.no.
<b>1</b>	Remuneration policy and practices:			
<b>1-a</b>	Decision-making process used for determining remuneration policy, and number of meetings held by main body overseeing remuneration during the financial year		EU REMA	
<b>1-b</b>	link between pay and performance		EU REMA	
<b>1 c-f</b>	Criteria for performance measurement, parameters and rationale for any variable component scheme		EU REMA	
<b>1 g-j</b>	Aggregate quantitative information on remuneration, including breakdowns		EU REM1	
<b>2</b>	Quantitative information about remuneration to members of the institution's management body for significant institutions		EU REM1, EU REM5	
<b>Article 451</b>	<b>Disclosure of leverage ratio</b>	<b>Ch. 2: Capital management</b>		
<b>1-a</b>	Leverage ratio		LR1, LR2	
<b>1-b</b>	a breakdown of the total exposure measure as well as a reconciliation of the total exposure measure with the relevant information disclosed in published financial statements;		LR1, LR2, LR3	
<b>1-c</b>	The amount of exposures calculated in accordance with Articles 429(8) and 429a(1) and the adjusted leverage ratio calculated in accordance with Article 429a(7);		LR2	
<b>1-d</b>	Description of the processes used to manage the risk of excessive leverage			
<b>1-e</b>	Description of factors that had an impact on the leverage ratio during the period		LR1	
<b>2</b>	Disclosures for public development institutions			
<b>3</b>	Large institutions shall disclose the leverage ratio and the breakdown of the total exposure measure referred to in Article 429(4) based on averages		LR2	

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Article in CRR	Description	Reference in Risk and capital management – Disclosure according to Pillar 3 2025	Reference in Pillar 3 additional Excel disclosures	Reference in DNB's annual report and interim reports or on the DNB website
<b>Article 451a</b>	<b>Disclosure of liquidity requirements</b>	<b>Ch. 3: Liquidity risk and asset and liability management</b>		
1	General requirement			
2	Disclosure of information in relation to liquidity coverage ratio (LCR)		LIQ1	
a-c	Disclosure of averages based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period		LIQ1	
3	Disclosure of information in relation to net stable funding ratio (NSFR)		LIQ2	
a-c	Quarter-end figures of available and required stable funding		LIQ2	
4	Institutions shall disclose the arrangements, systems, processes and strategies put in place to identify, measure, manage and monitor their liquidity risk			
<b>Title III</b>	<b>Qualifying requirements for the use of particular instruments or methodologies</b>			
<b>Article 452</b>	<b>Disclosure of the use of the IRB approach to credit risk</b>	<b>Ch. 4: Credit risk</b>		
a	Competent authority's permission of the approach or approved transition			
b	for each exposure class referred to in Article 147, the percentage of the total exposure value of each exposure class subject to the Standardised Approach or to the IRB Approach, as well as the part of each exposure class subject to a roll-out plan		CR6-A	
c	the control mechanisms for rating systems at the different stages of model development, controls and changes, which shall include information on:			
(i)	the relationship between the risk management function and the internal audit function;			
(ii)	the rating system review;			
(iii)	the procedure to ensure the independence of the function in charge of reviewing the models from the functions responsible for the development of the models;			
(iv)	the procedure to ensure the accountability of the functions in charge of developing and reviewing the models;			
d	the role of the functions involved in the development, approval and subsequent changes of the credit risk models; separately for each IRB exposure class			
e	the scope and main content of the reporting related to credit risk models;			

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Article in CRR	Description	Reference in Risk and capital management – Disclosure according to Pillar 3 2025	Reference in Pillar 3 additional Excel disclosures	Reference in DNB's annual report and interim reports or on the DNB website
<b>f</b>	description of the internal ratings process by exposure class, including the number of key models used with respect to each portfolio and a brief discussion of the main differences between the models within the same portfolio, covering:			
<b>(i)</b>	definitions, methods and data for estimation and validation of PD, which shall include information on how PDs are estimated for low default portfolios, whether there are regulatory floors and the drivers for differences observed between PD and actual default rates at least for the last three periods;			
<b>(ii)</b>	where applicable, the definitions, methods and data for estimation and validation of LGD, such as methods to calculate downturn LGD, how LGDs are estimated for low default portfolio and the time lapse between the default event and the closure of the exposure;			
<b>(iii)</b>	where applicable, the definitions, methods and data for estimation and validation of conversion factors, including assumptions employed in the derivation of those variables;			
<b>g</b>	as applicable, the following information in relation to each exposure class referred to in Article 147:		CR6, CCR4	
<b>(i)</b>	gross on-balance-sheet exposure		CR6	
<b>(ii)</b>	off-balance-sheet exposure values prior to the relevant conversion factor		CR6	
<b>(iii)</b>	exposure after applying the relevant conversion factor and credit risk mitigation;		CR6	
<b>(iv)</b>	any model, parameter or input relevant for the understanding of the risk weighting and the resulting risk exposure amounts disclosed across a sufficient number of obligor grades (including default) to allow for a meaningful differentiation of credit risk		CR6	
<b>(v)</b>	separately for those exposure classes in relation to which institutions have received permission to use own LGDs and conversion factors for the calculation of risk-weighted exposure amounts, and for exposures for which the institutions do not use such estimates, the values referred to in points (i) to (iv) subject to that permission		CR6	
<b>h</b>	institutions' estimates of PDs against the actual default rate for each exposure class over a longer period, with separate disclosure of the PD range, the external rating equivalent, the weighted average and arithmetic average PD, the number of obligors at the end of the previous year and of the year under review, the number of defaulted obligors, including the new defaulted obligors, and the annual average historical default rate.		CR9	

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Article in CRR	Description	Reference in Risk and capital management – Disclosure according to Pillar 3 2025	Reference in Pillar 3 additional Excel disclosures	Reference in DNB's annual report and interim reports or on the DNB website
<b>Article 453</b>	<b>Disclosure of the use of credit risk mitigation techniques</b>	<b>Ch. 4: Credit risk</b>		Annual report note G5 Credit risk management and note G7 Credit risk exposure and collateral
<b>a</b>	Policies and processes for on- and off-balance-sheet netting			
<b>b</b>	Policies and processes for collateral valuation and management			
<b>c</b>	Main types of collateral taken by the institution			
<b>d</b>	Main types of guarantor and credit derivative counterparty and their creditworthiness			
<b>e</b>	Information about market or credit risk concentrations within the credit mitigation taken	Not applicable		
<b>f</b>	Exposure value covered by eligible financial and other collateral for exposures under the standardised approach or the IRB approach without own estimates of LGD and CCF		CR3	
<b>g</b>	Conversion factor and the credit risk mitigation associated with the exposure and the incidence of credit risk mitigation techniques with and without substitution effect			
<b>h</b>	For institutions calculating risk-weighted exposure amounts under the Standardised Approach, the on- and off-balance-sheet exposure value by exposure class before and after the application of conversion factors and any associated credit risk mitigation		CR4	
<b>i</b>	For institutions calculating risk-weighted exposure amounts under the Standardised Approach, the risk-weighted exposure amount and the ratio between that risk-weighted exposure amount and the exposure value after applying the corresponding conversion factor and the credit risk mitigation associated with the exposure; the disclosure set out in this point shall be made separately for each exposure class;		CR4	
<b>j</b>	Credit risk mitigation impact of credit derivatives			
<b>Article 454</b>	<b>Use of the Advanced Measurement Approaches to operational risk</b>	<b>Not applicable</b>		
	Description of the use of insurance and other risk transfer mechanisms to mitigate operational risk			
<b>Article 455</b>	<b>Use of Internal Market Risk Models</b>	<b>Not applicable</b>		
<b>a-g</b>	Institutions calculating their capital requirements in accordance with Article 363 shall disclose the following information:			

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Unless otherwise stated, figures in the templates are figures for DNB Group - regulatory consolidation		Annex	Article in CRR3	Updated
<b>Own funds</b>				
CC1	Composition of regulatory own funds	Annex VII	Points (a), (d), (e) and (f) of Article 437	Semi-Annually
CC2	Reconciliation of regulatory own funds to balance sheet in the audited financial statements	Annex VII	Point (a) of Article 437	Semi-Annually
<b>Key metrics and overview of risk exposure amounts</b>				
OV1	Overview of risk exposure amounts	Annex I	Point (d) of Article 438	Quarterly
KM1	Key metrics (at consolidated group level)	Annex I	Points (a) to (g) of Article 447 and point (b) of Article 438	Quarterly
INS1	Insurance participations	Annex I	Point (f) of Article 438	Annually
INS2	Financial conglomerates information on own funds and capital adequacy ratio	Annex I	Points (g) of Article 438	Annually
CMS1	Comparison of modelled and standardised risk weighted exposure amounts at risk level	Annex I	Points (da) of Article 438	Quarterly
CMS2	Comparison of modelled and standardised risk weighted exposure amounts for credit risk at asset class level	Annex I	Points (da) of Article 438	Quarterly
<b>Scope of application</b>				
LI1	Differences between accounting and regulatory scopes of consolidation and the mapping of financial statement categories with regulatory risk categories	Annex V	Point (c) of Article 436	Annually
LI2	Main sources of differences between regulatory exposure amounts and carrying values in financial statements	Annex V	Point (d) of Article 436	Annually
LI3	Outline of the differences in the scopes of consolidation (entity by entity)	Annex V	Point (b) of Article 436	Annually
PV1	Prudent valuation adjustments (PVA)	Annex V	Point (e) of Article 436	Annually
<b>Credit risk quality</b>				
CQ1	Credit quality of forborne exposures	Annex XV	Point (c) of Article 442	Semi-Annually
CQ3	Credit quality of performing and non-performing exposures by past due days	Annex XV	Points (c) and (d) of Article 442	Annually
CQ4	Quality of non-performing exposures by geography	Annex XV	Points (c) and (e) of Article 442	Semi-Annually
CQ5	Credit quality of loans and advances by industry	Annex XV	Points (c) and (e) of Article 442	Semi-Annually
CQ7	Collateral obtained by taking possession and execution processes	Annex XV	Point (c) of Article 442	Semi-Annually
CR1	Performing and non-performing exposures and related provisions	Annex XV	Points (c) of Article 442	Semi-Annually

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Unless otherwise stated, figures in the templates are figures for DNB Group - regulatory consolidation		Annex	Article in CRR3	Updated
CR1-A	Maturity of exposures	Annex XV	Point (g) of Article 442	Semi-Annually
CR2	Changes in the stock of non-performing loans and advances	Annex XV	Point (f) of Article 442	Semi-Annually
<b>Credit risk mitigation techniques</b>				
CR3	Disclosure of the use of credit risk mitigation techniques	Annex XVII	Point (f) of Article 453	Semi-Annually
<b>Standardised approach</b>				
CR4	Standardised approach – Credit risk exposure and CRM effects	Annex XIX	Points (g), (h) and (i) of Article 453 CRR and point (e) of Article 444	Semi-Annually
CR5	Standardised approach	Annex XIX	Point (e) of Article 444	Semi-Annually
<b>IRB approach to credit risk</b>				
CR6	IRB approach – Credit risk exposures by exposure class and PD range	Annex XXI	Point (g) of Article 452	Semi-Annually
CR6-A	Scope of the use of IRB and SA approaches	Annex XXI	Point (b) of Article 452	Annually
CR7-A	IRB approach – Disclosure of the extent of the use of CRM techniques	Annex XXI	Point (g) of Article 453	Semi-Annually
CR8	REA flow statements of credit risk exposures under the IRB approach	Annex XXI	Point (h) of Article 438	Quarterly
CR9	IRB approach – Back-testing of PD per exposure class (fixed PD scale)	Annex XXI	Point (h) of Article 452	Annually
<b>Exposures to counterparty credit risk</b>				
CCR1	Analysis of CCR exposure by approach	Annex XXV	Points (f), (g), (k) and (m) of Article 439	Semi-Annually
CCR3	Standardised approach – CCR exposures by regulatory exposure class and risk weights	Annex XXV	Point (l) of Article 439	Semi-Annually
CCR4	IRB approach – CCR exposures by exposure class and PD scale	Annex XXV	Point (l) of Article 439	Semi-Annually
CCR5	Composition of collateral for CCR exposures	Annex XXV	Point (e) of Article 439	Semi-Annually
CCR7	REA flow statements of CCR exposures under the IMM	Annex XXV	Point (h) of Article 438	Quarterly
CCR8	Exposures to CCPs	Annex XXV	Point (i) of Article 439	Semi-Annually
CVA1	Credit valuation adjustment risk under the Reduced Basic Approach (R-BA)	Annex XLI	Point (a) of Article 445a(3)	Annually
CVA2	Credit valuation adjustment risk under the Full Basic Approach	Annex XLI	Point (a) of Article 445a(2)	Annually
CVA3	Credit valuation adjustment risk under the Standardised Approach	Annex XLI	Point (c) of Article 445a(1), points (b) and (c) of Article 445a(2)	Annually
<b>Standardised approach and internal model for market risk</b>				
MR1	Market risk under the standardised approach	Annex XXIX	Article 445(2)	Semi-Annually

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Unless otherwise stated, figures in the templates are figures for DNB Group - regulatory consolidation		Annex	Article in CRR3	Updated
<b>Securitisation</b>				
SEC1	Securitisation exposures in the non-trading book	Annex XXVII	Point (j) of Article 449	Semi-Annually
SEC3	Securitisation exposures in the non-trading book and associated regulatory capital requirements-institution acting as originator or as sponsor	Annex XXVII	Point (j) of Article 449	Semi-Annually
<b>Key Metrics</b>				
CCyB1	Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer	Annex IX	Point (a) of Article 440	Semi-Annually
CCyB2	Amount of institution-specific countercyclical capital buffer	Annex IX	Point (b) of Article 440	Semi-Annually
<b>Leverage ratio</b>				
LR1	Summary reconciliation of accounting assets and leverage ratio exposures	Annex XI	Points (a), (b), and (c) of Article 451(1)	Semi-Annually
LR2	Leverage ratio common disclosure	Annex XI	Paragraphs 2 and 3 of Article 451	Semi-Annually
LR3	Split up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)	Annex XI	Paragraphs 2 and 3 of Article 451	Semi-Annually
<b>Liquidity requirements</b>				
LIQ1	Quantitative information of LCR	Annex XIII	Article 451a(2)	Quarterly
LIQ2	Net Stable Funding Ratio	Annex XIII	Article 451a(3)	Semi-Annually
<b>MREL - minimum requirement eligible liabilities</b>				
KM2	Key metrics - MREL	Annex V	Article 447 (h)	Quarterly
TLAC1	Composition - MREL	Annex V	Article 447 (h)	Semi-Annually
TLAC3a	Creditor ranking - resolution entity	Annex V		Semi-Annually
<b>Encumbered and unencumbered assets</b>				
AE1	Encumbered and unencumbered assets	Annex XXXV	Article 443	Annually
AE2	Collateral received and own debt securities issued	Annex XXXV	Article 443	Annually
AE3	Sources of encumbrance	Annex XXXV	Article 443	Annually
<b>Operational risk</b>				
OR3	Operational risk own funds requirements and risk exposure amounts	Annex XXXI	Articles 435, Article 438, point (d), 446	Annually
<b>Remuneration policy</b>				
REMA	Remuneration policy	Annex XXXIII	Point a-f, j and k of Article 450(1) , 450(2)	Annually
REM1	Remuneration awarded for the financial year	Annex XXXIII	Point (h)(i)-(ii) of Article 450(1)	Annually

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Unless otherwise stated, figures in the templates are figures for DNB Group – regulatory consolidation		Annex	Article in CRR3	Updated
REM2	Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)	Annex XXXIII	Point (h)(v) to (vii) of Article 450(1)	Annually
REM3	Deferred remuneration	Annex XXXIII	Point (h)(iii) and (iv) of Article 450(1)	Annually
REM4	Remuneration of 1 million EUR or more per year	Annex XXXIII	Point (i) of Article 450(1)	Annually
REM5	Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)	Annex XXXIII	Point (g) of Article 450(1)	Annually
<b>Sustainability risk</b>				
ESG	Qualitative information in accordance with Article 449a CCR	Annex XXXIX	Article 449a	Semi-Annually
ESG1	Banking book – Climate Change transition Risk: Credit Quality of exposures by sector, emissions and residual maturity	Annex XXXIX	Article 449a	Semi-Annually
ESG2	Banking book – Climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral	Annex XXXIX	Article 449a	Semi-Annually
ESG3	Banking book – Climate change transition risk: Alignment metrics	Annex XXXIX	Article 449a	Semi-Annually
ESG4	Banking book – Climate change transition risk: Exposures to top 20 carbon-intensive firms	Annex XXXIX	Article 449a	Semi-Annually
ESG5	Banking book – Climate change physical risk: Exposures subject to physical risk	Annex XXXIX	Article 449a	Semi-Annually
ESG6	Summary of GAR KPIs	Annex XXXIX	Article 449a	Semi-Annually
ESG7	Mitigating actions: Assets for the calculation of GAR	Annex XXXIX	Article 449a	Semi-Annually
ESG8	GAR (per cent)	Annex XXXIX	Article 449a	Semi-Annually
ESG10	Other climate change mitigating actions that are not covered in the EU Taxonomy	Annex XXXIX	Article 449a	Semi-Annually
<b>Interest rate risk in the banking book</b>				
IRRBB1	Interest rate risks of non-trading book activities	Annex XXXVII	Points (a) and (b) of Article 448(1)	Semi-Annually
<b>Additional information</b>				
CCA	Disclosure of main features of regulatory capital instruments as at 31 December 2025	Annex VII	Points (b) and (c) of Article 437	Quarterly
CCA footnotes	Disclosure of main features of regulatory capital instruments – footnotes			Quarterly
<b>DNB Boligkreditt</b>				
	DNB Boligkreditt – Key metrics		Article 433a (2)	Quarterly
	DNB Boligkreditt – Credit Risk		Article 433a (2)	Semi-Annually

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## Risk and capital management

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Unless otherwise stated, figures in the templates are figures for DNB Group - regulatory consolidation		Annex	Article in CRR3	Updated
<b>The following EU templates are not applicable for DNB as at 31 December 2025</b>				
CR2a	Changes in the stock of non-performing loans and advances and related net accumulated recoveries	Annex XV	The level of DNB's NPL-ratio is below 5%	Semi-Annually
CR7	IRB approach - Effect on the RWEAs of credit derivatives used as CRM techniques	Annex XXI	DNB has no credit derivatives as at 31 December 2025	Semi-Annually
CR9.1	IRB approach - Back-testing of PD per exposure class (only for PD estimates according to point (f) of Article 180(1) CRR)	Annex XXI	DNB does not apply article 180(1)	Annually
CR10	Specialised lending and equity exposures under the simple riskweighted approach	Annex XXIII	Article 438 (e)	Semi-Annually
CQ2	Quality of forbearance	Annex XV	The level of DNB's NPL-ratio is below 5%	Semi-Annually
CQ6	Collateral valuation - loans and advances	Annex XV	The level of DNB's NPL-ratio is below 5%	Semi-Annually
CQ8	Collateral obtained by taking possession and execution processes - vintage breakdown	Annex XV	The level of DNB's NPL-ratio is below 5%	Semi-Annually
MR2-A	Market risk under the internal Model Approach (IMA)	Annex XXIX	DNB uses the standardised approach to market risk	Semi-Annually
MR2-B	REA flow statements of market risk exposures under the IMA	Annex XXIX	DNB uses the standardised approach to market risk	Quarterly
MR3	IMA values for trading portfolios	Annex XXIX	DNB uses the standardised approach to market risk	Semi-Annually
MR1 (2)	Market risk under the alternative standardised approach (ASA)	Annex XXIX	DNB uses the standardised approach to market risk	Semi-Annually
MR2	Market risk under the alternative internal model approach (AIMA)	Annex XXIX	DNB uses the standardised approach to market risk	Semi-Annually
MR 3 (2)	Market risk under the simplified standardised approach (SSA)	Annex XXIX	DNB uses the standardised approach to market risk	Semi-Annually
CCR6	Credit derivatives exposures	Annex XXV	DNB has no credit derivatives as at 31 December 2025	Semi-Annually
SEC2	Securitisation exposures in the trading book	Annex XXVII	DNB has no securitisation in the trading book as at 31 December 2025	Semi-Annually
SEC4	Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor	Annex XXVII	Not applicable as at 31 December 2025	Semi-Annually
SEC5	Exposures securitised by the institution - Exposures in default and specific credit risk adjustments	Annex XXVII	DNB has no securitisation positions in default as at 31 December 2025	Semi-Annually
TLAC2a	Creditor ranking - Entity that is not a resolution entity	Annex V	Not applicable	Quarterly

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Unless otherwise stated, figures in the templates are figures for DNB Group - regulatory consolidation		Annex	Article in CRR3	Updated
ESG9	Mitigating actions: BTAR	Annex XXXIX	Voluntary – not reported as at 31 December 2025	Semi-Annually
CAE1	Exposures to crypto-assets	Annex XLIII	DNB has no investments in crypto assets	Annually
CVA4	RWEA flow statements of credit valuation adjustment risk under the Standardised Approach	Annex XLI	Points (d) and (h) of Article 438	Quarterly
SB1	Aggregate exposure to shadow banking entities	Annex IV	DNB has no exposure to shadow banking entities	Annually
iLAC	Internal loss absorbing capacity: internal MREL and, where applicable, requirement for own funds and eligible liabilities for non-EU G-SIIs	Annex III	Not applicable	Quarterly
OR1	Operational risk losses	Annex XXXI	Not applicable until 2026	Annually
OR2	Business Indicator, components and subcomponents	Annex XXXI	Not applicable until 2026	Annually

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