



Tax strategy

Our approach to tax

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Cautionary statement and estimation uncertainty
This report contains statements regarding the future prospects of DNB, including estimates, strategies and objectives. The risks and uncertainties inherent in all forward-looking statements can lead to actual developments and profits differing materially from what has been expressed or implied.

Improvement of sustainability data
Sustainability and associated reporting is a complex and dynamic topic that is constantly evolving. We are experiencing increased knowledge and maturity in the area, as well as improvements in data. This means that we will see adjustments in objectives and reported figures to a greater extent here than in other areas. These may be due to changes in definitions, methods and standards for measuring and reporting sustainability data.

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The Group in brief

The DNB Group (comprising DNB BANK ASA and its subsidiaries around the world – DNB) is headquartered in Norway and is Norway's largest financial services group. The Group offers a full range of financial services, including loans, savings products, advisory services, asset management and insurance and pension products for personal and corporate customers.

Our mission:

"To simplify life for people and businesses and make them prosper – that's why we're building the world's best bank for Norway"

is our long-term vision and something we work towards every day.

Our surroundings are constantly evolving. To succeed, it is therefore important that we understand our customers' needs and expectations, the competitive landscape and current trends. The Group's strategy is designed to guide us in the face of the changes in the world around us. **This means that:**

→ In DNB, we work every day to maintain a high level of trust, so that the customer chooses us.

→ We are clear about why DNB is a good choice for you and your business. Strong competitiveness and profitable growth will allow us to deliver sustainable value creation by making choices that stand the test of time.

→ DNB is shaped by those of us who work here. In order to deliver to our customers, owners and society in general, we need to bring out the best in each other and find the solutions together.

Tax is an important topic both for DNB and for DNB's stakeholders. Tax represents one of DNB's largest costs, while at the same time representing an important contribution to society. Tax is part of DNB's corporate responsibility, and it is important to us that we comply with applicable tax rules and have responsible tax practices, which is necessary to maintain trust in the markets in which the Group operates.

Tax strategy

This tax strategy describes DNB's approach to managing tax and tax risk in all jurisdictions where DNB has operations or customers, investors or other stakeholders.

This is in line with the Norwegian government's expectations, which are expressed through the following statement in the State Ownership Report: "The State

expects that [...] The company has an appropriate, well-considered and justified tax policy,¹"

The tax strategy applies to DNB's operations around the world and is in line with the Group's mission and values.

The tax strategy has been adopted by the Board of Directors of DNB Bank ASA and will be regularly reviewed and updated.

The tax strategy describes the principles and tools DNB uses to achieve its ambitions in the tax area, including:

- DNB's principles for managing tax and tax risk;
- appropriate and effective organisation of the responsibility for and management of tax and tax risk in DNB;
- an open, honest and clear dialogue with the tax authorities, characterised by respectful collaboration and integrity.

The tax strategy applies to all forms of tax that DNB is obliged to report on and pay. It also applies to any obligations DNB may have with regard to collecting or otherwise reporting on third party taxes relating to any of our stakeholders.

¹ Refers to the government's expectations relating to tax policy: Report to the Storting No. 6 (2022–2023) – regjeringen.no

Principles for managing tax and tax risk

Our values represent our guiding star, and all of the choices we make must be in line with these values. The values help us to promote the right kind of behaviour when it comes to managing tax and tax risk.

Our values



Customer first

I see and understand the customers' needs. I look for ways of simplifying and improving. I test whether ideas and solutions create customer value.



Do the right thing

I'm responsible and do things properly. I keep my word and show that I have confidence in others. I seek new knowledge and learning, and I'm curious about other people's opinions.



Get it done

I dare to set priorities. I'm not afraid to pitch in. I root for colleagues who get things done – even if I might have done them differently myself.



One team

I'm a team player, working for the good of the customer. I'm generous and tolerant with my colleagues. I have an open way of working, share with others, and give honest and constructive feedback.

This tax strategy has been prepared to promote the following strategic tax principles that are in line with our values:

→ We put the customer first, and we will:

- carry out correct tax reporting on our customers;
- build trust among our customers by having a transparent and responsible approach to tax;
- expect customers to take a responsible approach to tax;
- create value by ensuring that tax and tax risks are managed in a sustainable way.

→ We do the right thing, and we will:

- comply with the tax rules and legislation in the countries in which we operate;
- ensure that the right tax is paid at the right time, in line with relevant and applicable legislation;

- be transparent, including being open about the facts in the tax reporting;
- cooperate with and be transparent with the tax authorities – this means that DNB will seek solutions, but at the same time challenge the tax authorities if we disagree with the understanding of the facts or the interpretation of rules and legislation;
- take an interest in and actively contribute to the development of tax policy;
- engage in robust and efficient tax planning that is commercially justified and in line with the purpose of the legislation.

→ We will get it done, and we will:

- have the necessary tools and an organisation that enables us to act in line with the principles set out in the tax strategy;
- support international efforts to combat tax evasion and tax avoidance.

→ We are one team, and we will:

- ensure that relevant changes and new applicable tax rules are made known throughout DNB;
- ensure that tax matters are taken into account and considered in all parts of the organisation;
- work together to find good solutions and the correct management of tax and tax risks.

Governance and organisation

The tax strategy has been developed to elaborate on DNB's overriding strategic goals, and it mirrors the values in DNB's Code of Conduct. In addition, we have a framework for tax control that provides further guidance on how to operationalise our principles.

Strategic ambitions



The customer chooses us

Every time we make a choice, we consider the customer's needs first



We deliver sustainable value creation

We will create profitable growth and make choices that will stand the test of time



We find the solutions together

Our team is diverse and inclusive, and we create positive change together.

The Board of Directors has the overall responsibility for tax matters and tax risk, and the Audit Committee receives regular reports and updates on material tax risks, tax disputes and tax policy developments.

Our central tax function in Norway has internal subject matter experts who are available to support the various units in DNB in their efforts to manage tax and tax risk.

A local tax function is integrated within each unit and carries the overall responsibility for ensuring compliance with DNB's governing documents in relation to tax matters.

In line with the Group's governing documents relating to tax, the central tax function will be consulted in cases of uncertainty or in business-critical matters.

The products we offer must follow a documented approval procedure. Products that may be affected

by tax rules or be associated with tax risk will be considered by both the central tax function and the local tax function when necessary.

Our relationships with third-party suppliers are subject to a documented risk assessment, which also includes an assessment of their tax affairs.

DNB expects its customers to take a responsible approach to tax.

The overall tax risk in DNB must be low. Engaging in behaviour that entails a moderate level of tax risk may be acceptable in certain cases, but a high level of tax risk is inconsistent with our Code of Conduct and values, and could damage our brand and our reputation.

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Tax planning

DNB's approach to tax planning is to ensure that tax and tax risk are managed in accordance with applicable tax legislation and in line with DNB's goal of having a low level of tax risk. DNB's tax planning is intended to promote efficient and effective as well as profitable business operations, and contribute to sustainable value creation, including to protect shareholder value. We must also be transparent and accountable.

DNB does not engage in artificial or aggressive tax arrangements, and does not participate in transactions where the main purpose, or one of the main purposes, is tax avoidance, contrary to the purpose of the legislation.

When appropriate, DNB may engage external advisers to ensure that the bank complies with relevant tax laws, rules and regulations.

When possible, DNB may seek advance statements or clarifications from the tax authorities before executing transactions.



We believe that this approach to tax planning:

- supports genuine commercial activity;
- complies with national tax rules and practice, as well as international conventions;
- is in line with the expectations of the tax authorities;
- is consistent with DNB's values.

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Framework and management of tax risk

The tax strategy is part of the framework that safeguards DNB's corporate responsibility and ensures sustainable development for all our stakeholders, including customers, investors, employees and society as a whole.



Tax risk arises as a result of the complexity of DNB's business operations, and the fact that the Group operates in several countries. This risk is integral to and managed as part of the overall risk management framework.

DNB has a risk management framework that determines how we manage the various risks associated with our operations and the business we conduct.

Our risk management strategy is based on the three lines of defence model. The first line of defence includes the business units, which each have a local tax function supported by the central tax function in Norway. The second line of defence consists of Group Compliance and Group Operational Risk. The third line of defence is Group Audit.

DNB aims to manage its tax risk in several different ways within this framework. This means that DNB will implement robust processes, effective controls and appropriate employee development initiatives to keep tax risk at a low level. The framework is thus intended to ensure:

- that the correct tax is paid at the right time, in accordance with applicable laws;
- that tax positions that are taken are assessed, and that the tax risk associated with an uncertain tax position is low;
- that transactions are commercially driven, and that the Group does not engage in aggressive or artificial tax planning;
- an open, transparent and collaborative relationship with the tax authorities in all of the countries in which DNB operates;
- that external tax advisers are involved when necessary.

We work proactively to identify, assess, manage and monitor tax risk to ensure that the financial, regulatory or reputational exposure remains acceptable.

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In DNB, we have an open, transparent and collaborative relationship with public authorities, including the tax authorities in the jurisdictions in which we operate.

It is DNB's ambition to cooperate with the tax authorities where possible, in order to resolve disputes and reach agreement, but we are prepared to challenge the tax authorities when we disagree with their interpretation of rules and legislation or understanding of facts. Such matters will be handled professionally and efficiently, and in accordance with DNB's values.

It is also DNB's ambition to make constructive contributions to public authorities on the development of tax legislation, both directly and through industry associations.



Our communication with the tax authorities must be open, honest and clear. It must be based on integrity and respect.

To simplify life for people and businesses and make them prosper
– that's why we're building the world's best bank for Norway

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