



one team



one team

DnB NOR

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About this report

This report examines DnB NOR's value creation, results and challenges posed by environmental and social considerations. The main topics addressed in the report are ethics, responsible products and investments, human resources policy, requirements with respect to our suppliers, corporate governance and cooperation with organisations, authorities, cultural institutions and sports associations. DnB NOR's financial results are described in the Group's financial annual report.

The report applies to the financial year 2006 and is DnB NOR's second separate report on corporate social responsibility. As a rule, stated key figures apply as at 31 December of the relevant year. In addition, the report presents a number of targets and measures for corporate social responsibility and thus also serves as an action plan for 2007.

The report encompasses the entire DnB NOR Group, including subsidiaries and brands such as Vital, Postbanken, Nordlandsbanken, Cresco etc. DnB NORD (established in cooperation with NORD/LB in 2005) and DnB NOR Monchebank in north-west Russia (acquired in 2006) are included where possible. Nevertheless, in a number of areas, DnB NORD and DnB NOR Monchebank are excluded due to lack of available data.

The report is based on the internationally recognised reporting standard Global Reporting Initiative (GRI). The reporting standard functions as a guide, and the guidelines and indicators are employed provided that they are relevant to DnB NOR. At the back of this report, an index shows where the various GRI elements can be found in the report and which elements are referred to in the Group's financial annual report. For more information on the reporting standard GRI, please visit www.globalreporting.org.

DnB NOR does not have a separate corporate social responsibility reporting system. Therefore, information in the report is based on data collected from different parts of the organisation and on estimates within certain areas.

For supplementary information, please refer to DnB NOR's financial annual report and www.dnbnor.com/csr

About DnB NOR

DnB NOR offers financial products and services within areas such as loans, deposits, asset management, life insurance and pension savings, securities trading, payment services and real estate broking. Our business idea, "a local presence and a full range of services are our strengths", manifests itself in different ways through our various brands. We have the most extensive distribution network in the Norwegian financial sector, in addition to an expanding international network.

We are also a partner for Norwegian businesses outside Norway, for large international companies located in Norway and for international clients within selected industries. We finance more than fifty per cent of Norwegian foreign trade, are Norway's largest foreign

exchange bank, the world's largest shipping bank and a prominent international market participant in the energy sector.

Since 2005, DnB NOR has been represented in Poland and in the Baltic region through an ownership interest of 51 per cent in DnB NORD, a joint venture with the German bank NORD/LB. DnB NORD has 2 000 employees, 123 branches in six countries and is headquartered in Copenhagen.

In 2006, DnB NOR bought 97.35 per cent of the Russian Monchebank, which has its head office in Murmansk. In December 2006, DnB NOR also acquired 76.3 per cent of the Polish BISE Bank through DnB NORD.

DnB NOR is headquartered in Oslo.



1) In 2006, DnB NOR was the lead arranger of global shipping loans with a total transaction volume of close to USD 13.7 billion according to an overview from the analyst firm Dealogic.

Key figures as at 31 December

Financial data (in NOK million)	2006	2005
Total assets	1 320 242	1 081 428
Equity	66 413	58 353
Total operating income	28 493	25 335
Pre-tax profits	14 689	13 109
Total assets at end of period	1 692 000	1 463 000
Employees		
Number of employees	12 187	11 716
Women/men (per cent)	54/46	51/49
Sickness absence (per cent)*	5.35	5.09

*) DnB NOR Monchebank and DnB NORD are not included in these figures.

Ambitions and commitment



In DnB NOR, we seek to conduct business in a manner that safeguards the interests of individuals, the environment and society. In 2006, the Group devoted further efforts to securing socially responsible operations.

It is important for us in DnB NOR to have good relations with those who are affected by our operations. The initiative in 2006 to certify our financial advisers working with retail customer investments is one example reflecting that we listen to feedback from our stakeholders. The certification process focuses on both the importance of ethics and the needs of our customers.

Ethics and customer needs are key considerations also within asset management, and there has been a very positive development in socially responsible investments since DnB NOR introduced a minimum ethical standard for all its investments in 2005. We experience growing interest in the ethical dimension of investments, and we will continue to develop our expertise in analysing and entering into dialogue with market players suspected of violating labour or human rights or our own internal guidelines.

Over the last couple of years, we have made great progress in meeting our customers also outside Norwegian borders. We are well versed in what is deemed to be ethically responsible conduct here in Norway, but our commitments in, for us, new market areas such as Poland, the Baltic region and Russia will naturally challenge our percep-

tion of what could present ethical dilemmas. We will be forced to deal with such issues and will therefore continue our work in drawing up relevant rules, implementing training measures and increasing the awareness of employees.

We have many and high ambitions within the field of corporate social responsibility, and you can read more about these in this report. In the near future, we will give special priority to the environmental dimension. DnB NOR employees will face both ambitions and challenges with total commitment also in 2007.

We received many positive reactions to DnB NOR's first corporate social responsibility report last year. We hope that also this year's report will give you, the reader, the possibility to judge our efforts within corporate social responsibility and thus our contributions to sustainable development.

Happy reading!

Rune Bjerke
Group chief executive

“We experience growing interest in the ethical dimension of investments.”

Results in 2006 and targets and measures 2007

Detailed descriptions of targets and measures are given in the subsequent chapters.

● Implemented ● In progress ● Not implemented

Chapter	Targets and measures 2006	Status
1. Ambitions and parameters	Complete an internal audit of compliance with the Group's corporate social responsibility policy.	●
	Revise and simplify the Group's code of ethics.	●
2. Shareholders	Qualify for inclusion in the Dow Jones Sustainability Index.	●
	Continue to be qualified for inclusion in the FTSE4Good Sustainability Index.	●
	Improve information on corporate social responsibility on the Group's website www.dnbnor.com .	●
	Publish the Group's first annual report on corporate social responsibility in March 2006.	●
3. Society	Continue support to humanitarian work at the same level as in 2005.	●
	Cooperate actively with organisations and networks.	●
	Be a sponsor and partner for the Ibsen Year 2006.	●
4. Customers	Increase customer satisfaction among both retail and corporate customers.	●
	Certify financial advisers in Retail Banking.	●
	Recruit 70 employees to the branch network, telephone and Internet banking.	●
	Follow up guidelines for ethical management in Vital and DnB NOR Asset Management.	●
	Implement guidelines for corporate social responsibility in credit operations.	●
5. Suppliers	Use special declarations regarding suppliers' corporate social responsibility in new procurements and renegotiations.	●
	No increase in domestic air travel from 2005.	●
	Maximum 30 per cent increase in international air travel from 2005.	●
	Reduce energy consumption by 3.5 per cent from 2005.	●
	Reduce paper consumption by 2.5 per cent from 2005.	●
6. Employees	Achieve environmental certification of three buildings.	●
	Increase the employee satisfaction score to above 70 points (1–100).	●
	Increase proportion of women in management positions.	●
	Reduce sickness absence to below 5.09 per cent.	●
	Start the talent programme Growth.	●
	Recruit 15 new trainees.	●
	Stimulate mobility within the Group through measures such as increased use of secondment.	●



Systematic work and positive team spirit have ensured that DnB NOR has achieved most of the targets set for 2006.

Targets and measures 2007

- ➔ Draw up an action plan for corporate social responsibility 2007–2009 based on the Group's position description.
- ➔ All employees to participate in training programmes on the code of ethics' significance for their daily work.
- ➔ Continue to be qualified for inclusion in the FTSE4Good Sustainability Index.
- ➔ Make information about DnB NOR's corporate social responsibility more accessible on www.dnbnor.com.
- ➔ Formulate a strategy for the Group's further involvement in microfinance.
- ➔ Highlight DnB NOR's corporate social awareness through media advertising.
- ➔ Implement 15 regional and national activities focusing on innovation.
- ➔ Increase customer satisfaction among both retail and corporate customers.
- ➔ Certify 1 300 investment and financial advisers.
- ➔ Launch an English version of the Internet bank.
- ➔ Hold ten innovation seminars with customers and employees.
- ➔ Reduce purchased paper quantities by 2.5 per cent from 2006.
- ➔ Achieve environmental certification of a further five buildings.
- ➔ Increase employee satisfaction score to above 70 points (1–100).
- ➔ Implement Crescendo, a development programme for women senior executive talents.
- ➔ Reduce average sickness absence to below 5 per cent.
- ➔ Increase the average retirement age to above 62 years.

DnB NOR is committed to providing high-quality financial services in a complex and globalised world. Solid structures and consistent practices are the backbone of sound value creation.





Ambitions and parameters

The essence of our contribution to sustainable development is how we run our daily business operations.

Our corporate social responsibility becomes evident in our dealings with customers, employees, shareholders, suppliers and society at large.

DnB NOR is a financial services provider in a global market. The world is constantly changing and with it our corporate social responsibility.

Sustainable development covers the fundamental needs of human beings, both now and in future and is therefore by definition an ongoing development. The description of DnB NOR's corporate social responsibility position is centred on how we can contribute to sustainable development and makes us responsible for:

- promoting economic value creation
- protecting environmental sustainability
- securing fundamental social needs

In DnB NOR we believe that continuing global sustainable growth is dependent on all market players meeting global challenges regarding climate change, marginalised social groups and social unrest through their business operations. Our corporate reputation is also affected by how we deal with such social problems. In DnB NOR, we exercise corporate social responsibility because of its intrinsic value and because we believe that customers, employees, owners, suppliers and society expect us to make a positive contribution to the society of which we are a part.

International guidelines

DnB NOR endorses international guidelines such as the ten principles of the UN Global Compact and the OECD's guidelines for multinational companies. Together with membership in, among others, Transparency International and the United Nations Environment Programme, Financial Initiative (UNEP), these guidelines are important frames of reference for our corporate social responsibility work.

We also participate actively in national and international networks to discuss, develop and

promote corporate social responsibility in the business sector. In our opinion, it is important and necessary to also ask difficult questions: Can economic growth and ecological sustainability be combined? Should the label "corporate social responsibility" be attached to everything that is positive? Are financial institutions responsible for securing justice, freedom and quality of life?

DnB NOR's policy towards the various stakeholder groups will be described in detail in the following chapters.

Close internal monitoring

The External Relations unit is responsible for following up the Group's work relating to corporate social responsibility. The unit acts in an advisory capacity and is a driving force within the Group, cooperating closely with other units in DnB NOR through regular meetings and ongoing projects. An environmental group and a network for corporate social responsibility, composed of contact persons from the different business areas and staff units, are the most active bodies involved in this work, promoting targets and measures. However, each business area and support unit is responsible for drawing up action plans and putting the guidelines into practice.

Business ethics

We believe that credibility and a positive corporate reputation ensue from high ethical standards. DnB NOR is therefore committed to maintaining high ethical standards throughout the Group. In 2006, DnB NOR's code of ethics was extensively revised and simplified in order to make it easier to understand for our employees.

Actual or possible infringements of internal guidelines or public laws are registered in a special database. Such violations may have consequences in the form of a warning or dismissal with or without notice.

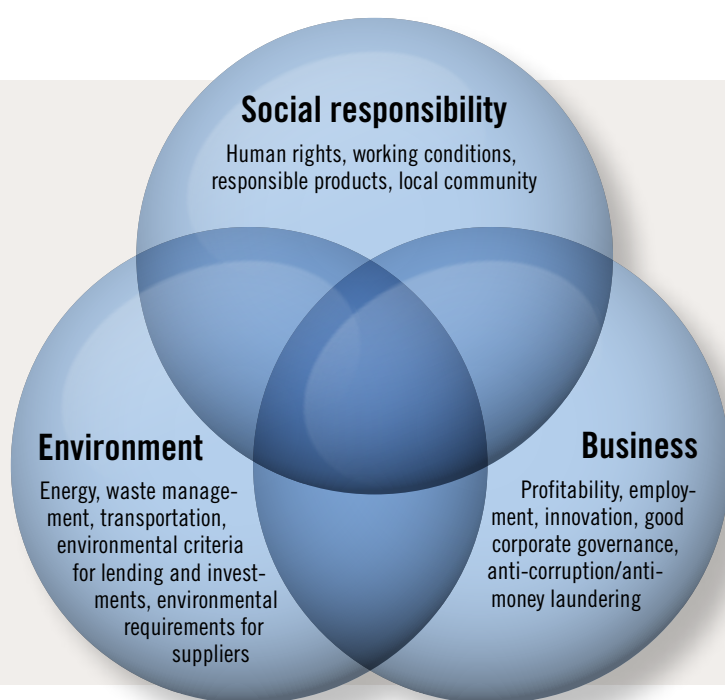
Two violations were registered in 2006: one was a procedural and routine error relating to a money transfer to a bank blacklisted in line with UN sanctions against Burma. The transferred amount is now frozen and will not be released until the UN sanctions are lifted. The other violation was related to DnB NOR Eien-dom in Bodø and is described in further detail on page 33.

DnB NOR has also introduced the Group's code of ethics, but with certain adjustments on account of appurtenant Danish legislation.

In connection with the annual status report on risk management and control for 2006, all department heads confirmed that they periodically carry out activities to maintain awareness of the Group's code of ethics. Nevertheless, knowledge of the Group's rules is not always enough, and in connection with the new code of ethics comprehensive measures are planned to ensure that the code is understood and endorsed throughout the Group. The target set for year-end 2007 is that all employees will have participated in a discussion of the Group's code of ethics, centred on issues which are relevant to their daily work.

Procedures against corruption

Bribery and corruption are two topics which received a great deal of attention both within and outside the Group in 2006. The Group Security department is responsible for anti-corruption work at group level in DnB NOR. DnB NOR has its own internal guidelines.



The technical term for the interaction between companies' financial value creation, social responsibility and the environment is often called the triple bottom line.

For more information on Group Security's extensive work combating economic crime, including measures against money laundering, see pages 20 and 21.

DnB NOR recognises the fact that large parts of its business operations take place in countries with a perceived high risk of corruption represents a special challenge. In 2007, DnB NOR will draw up an action plan to best meet these challenges. This also applies to DnB NOR Monchebank in Russia.

Selected targets and measures 2007

Draw up an action plan for corporate social responsibility for 2007–2009 based on the position description.

All employees to participate in training programmes on the code of ethics' significance for their daily work.

DnB NOR exercises corporate social responsibility on account of stakeholder expectations and because of its intrinsic value.

Code of ethics in DnB NOR

1. DnB NOR shall uphold high ethical standards.
2. The code of ethics encompasses both employees and members of governing bodies.
3. Act with respect and consideration.
4. Avoid conflicts of interest.
5. Communication should be open, truthful and unambiguous.
6. DnB NOR equipment and property should be used for work-related purposes.
7. Seek assistance in the event of personal financial problems.
8. Be prudent when trading in shares and other financial instruments.
9. Comply with the duty of confidentiality.
10. Comply with the notification requirement.

DnB NOR's position within corporate social responsibility: One team

DnB NOR is a Norwegian financial services group with international operations. We have the best prerequisites for creating solutions in cooperation with customers, shareholders, employees and society at large. No other financial institution in Norway has the same opportunities to assume this position on account of its products, expertise and accessibility. DnB NOR's role as a team player can be broken down into five priority areas:

Customers and suppliers – our responsibility too

- constructive dialogue with companies in which we invest
- active use of corporate social responsibility guidelines in our credit activities
- consistent use of supplier declarations

Environmental challenges

- product development that takes account of climate challenges
- pricing and communication that promote both environmental protection and demand for environmentally-friendly products
- continual environmental efficiency efforts within the Group

Contribution to society

- our expertise and our products – to promote economic development
- products which increase the availability of financial services, for example microfinance and loans to entrepreneurs
- sponsoring of sports and cultural activities and other non-profit causes
- increase awareness of social responsibility among our customers

Life phases and diversity

- development opportunities adapted to individual needs
- promotion of a corporate culture that furthers diversity

Openness

- clear, stringent principles for corporate governance that can withstand public scrutiny
- an organisation characterised by high ethical standards

During 2007, action plans will be drawn up for each of the five priority areas.

Shareholders

We create values for
our many shareholders.

We ensure good
corporate governance
through equal treatment
of shareholders and
compliance with laws,
regulations and ethical
standards.





DnB NOR has 44 000 shareholders, of which the largest is the Norwegian government with a 34 per cent holding, followed by Sparebankstiftelsen DnB NOR (the Savings Bank Foundation) with approximately 11 per cent. At year-end 2006, international investors' holdings were 38.6 per cent.

Correct and transparent information is an important criterion in DnB NOR's dialogue with its shareholders. We believe in clear structures.

DnB NOR had a market capitalisation of NOK 118 billion at end-December 2006 and was the fourth largest company listed on Oslo Børs (the Oslo Stock Exchange). The value of the DnB NOR share increased considerably in 2006. The proposed dividend of NOK 4.00 per share provides a dividend yield of 4.52 per cent based on the share price as at 31 December 2006.

Shareholder and dividend policy

DnB NOR aims to manage group resources in a manner which will ensure shareholders a competitive return in the form of dividends and increases in share price relative to comparable investment alternatives.

DnB NOR intends to distribute approximately 50 per cent of net annual profits as dividends provided that capital adequacy is at a satisfactory level. Dividends will be determined on the basis of expected profit levels in a normalised market situation, external parameters and the need for core capital.

Large number of shareholders

As at 31 December 2006, DnB NOR had 1 334 million shares divided between approximately 44 000 shareholders. All shareholders will be treated equally and have the same opportunity to exert influence through the principle of one share – one vote. The largest shareholders are the Norwegian government, represented by the Ministry of Trade and Industry, and Sparebankstiftelsen DnB NOR (the Savings Bank Foundation). International investors' holdings rose from 38.1 per cent at year-end 2005 to 38.6 per cent at end-December 2006.

The Norwegian government's active ownership

According to the State Ownership Report (White Paper no. 13 (2006–2007)), the purpose of the government's ownership in DnB NOR ASA is to ensure that the Group is headquartered in Norway and serves as a partner for Norwegian companies at home and in selected international markets. The State Ownership Report confirms the Norwegian government's intention to retain its 34 per cent holding in DnB NOR, as stated by the Norwegian parliament in Report no. 212 (2002–2003) to the Storting.

Whereas the government's ownership is motivated by the objective to maximise commercial values and safeguard national ownership, the government states in the Ownership Report that long-term value creation should be supported by socially responsible operations, which is achieved by having sound procedures in relation to all stakeholders. The Norwegian government, as a shareholder, has therefore made it clear that it expects DnB NOR to be among Norway's leading companies within corporate social responsibility.

Open communication

DnB NOR is committed to maintaining an open dialogue with shareholders and other participants in the stock market. In the opinion of the Group, transparent, correct, relevant and timely information will promote confidence, predictability and correct pricing of the company's shares. Information subject to disclosure requirements is provided in the form of notices to Oslo Børs and immediately thereafter published on DnB NOR's websites and sent via e-mail to registered subscribers

as well as to the Norwegian and international press.

The Group holds regular presentations for investors, analysts and the press, both in Norway and internationally, in the form of result presentations, capital markets days, seminars and one-to-one meetings with investors. In 2006, information published on www.dnbnor.com about our corporate social responsibility was also improved.

A large number of share analysts follow the DnB NOR share. The share is covered actively by institutional investors' own analysts and by a total of 27 large and small investment banks and brokerage houses, of which 13 are Nordic-based and 14 are international. It is in the interest of DnB NOR that high-quality equity analyses are published. Emphasis is placed on providing relevant, complete and high-quality information and on ensuring that all analysts, irrespective of their assessments of the DnB NOR share, receive equal treatment at all times. The Investor Relations department handles daily contact with investors and analysts.

DnB NOR also has regular contact with a number of analysts, investors and research agencies which monitor the company's performance within corporate social responsibility and ethics. The publication of a separate annual report on corporate social responsibility is part of this communication.

Sound corporate governance

DnB NOR aims to ensure good corporate governance through equal treatment of shareholders, compliance with laws, regulations and ethical standards and by electing independent and well-qualified board members.

All shareholders will be treated equally and have the same opportunity to exert influence through the principle of one share – one vote.



Management processes, descriptions of responsibilities, independence requirements, remuneration systems and the opportunities of shareholders to exert influence help protect the interests of shareholders, customers, employees, authorities and society at large.

The Norwegian Code of Practice for Corporate Governance was launched in 2004 and has subsequently been updated. DnB NOR was involved in the process of drawing up the standard and supports this. In addition, the Group takes into account the proposed principles for corporate governance from the Committee of European Banking Supervisors (CEBS), updated most recently in 2006. These regulations cover the Board of Directors' responsibility for determining the Group's risk profile, approving the organisation of operations, delegating responsibilities and assigning authority, and also stipulating reporting and internal control requirements.

Corporate governance in DnB NOR includes:

- the establishment and communication of the Group's targets, strategy and values as well as action plans that clearly describe how the Group should observe corporate social responsibility
- a clear division of roles and responsibilities between various bodies and management
- predictability and equal treatment of all shareholders
- shareholder involvement and influence
- relevant and timely reporting to shareholders and other stakeholders
- independent and qualified board members

- adequate remuneration to board members and management
- compliance with laws, regulations and ethical standards
- independent internal and statutory auditors

Reinforces compliance

It is DnB NOR's policy to comply with all laws, regulations and rules, external and internal, which apply to its operations, as well as with all prevailing ethical and commercial requirements. The international term for this is compliance. We strengthened our focus on this subject in 2006 by establishing a new position as head of the Group's central compliance function entitled 'group compliance officer'.

The Board of Directors has approved a group compliance policy, which defines responsibilities for compliance and for organising follow-up procedures. In all business areas and support units and in large subsidiaries and international entities, compliance officers are appointed to ensure compliance with relevant regulations. The compliance officers regularly report on the current state of affairs and on any breach of regulations to the head of the relevant unit. The group compliance officer reports to the group chief executive. Group Audit also monitors compliance with respect to prevailing regulations.

DnB NOR's ownership interests

The Investment Division in the DnB NOR Group manages equity positions in various companies in addition to having ownership responsibility for DnB NOR's own buildings. The Investment Division wishes to contrib-

ute to sustainable development focusing on the environment, ethics and social conditions. The operations of the Investment Division should be associated with high ethical standards.

The environmental company Tomra and the recycling technology company Holmfjord are among the investments in the portfolio. The division has invested in ten sheltered workshops and in various cultural institutions such as theatres, community centres and alpine ski centres. The portfolio includes a holding in "Kunnskapsenter for laks og vannmiljø" (a knowledge foundation for salmon and the water environment) and has earmarked up to NOK 100 million for innovation investments, as well as invested NOK 50 million in seed capital funds which is to be used for innovations within such areas as environmental technology and alternative energy.

Selected targets and measures 2007

Continue to be qualified for inclusion in FTSE4Good Sustainability Index.

Make information about DnB NOR's corporate social responsibility more accessible on www.dnbnor.com.



Puts children centre stage

Sparebankstiftelsen DnB NOR (the Savings Bank Foundation) is DnB NOR's second largest shareholder. When the Foundation invited all secondary school student councils in the eastern part of southern Norway to apply for NOK 10 000 each, the postal service was kept busy.

400 student councils applied for financial support and practically all requests were approved.

"We enjoyed reading all the applications," says Frode Helgerud, managing director of the Savings Bank Foundation.

"This is the way we operate," he continues.

"As our vision says, we will 'release good forces'. In practice, this means that we furnish capital so that others are able to realise their ideas and visions."

Tarzan obstacle courses

Children and young people represent one of the Savings Bank Foundation's target groups.

"In 2006, we supported a couple of hundred scout and guide projects. The money went towards the building of "Tarzan obstacle courses" and outdoor forest lean-to shelters, and the purchase of canoes," says Helgerud.

He also recounts another interesting project from 2006, which can be seen by visitors to the centre of Oslo.

"We financed the pavement engravings of Ibsen quotations on a route which follows Henrik Ibsen's daily stroll from his flat in Arbinsgate to the Grand Hotel. Oslo school pupils and persons with a history of drug abuse who sell the magazine 'Oslo' helped select the quotations," he says.

Donations from profits

The Savings Bank Foundation was established in 2002 and every year up to 25 per cent of profits is donated to non-profit causes. In 2006, donations totalled NOK 80 million, and the Foundation plans to distribute as much as NOK 100 million in 2007. Helgerud says that the work of the Foundation is becoming better known and explains: "The many applications are sent to local DnB NOR branch offices. The branches consider them and rank them in order of priority before we, the Foundation, make the final decision whether or not to approve the application".

Donation of the Year

Helgerud reveals that he has several exciting projects up his sleeve, also in the coming year:

"In 2007, we will award for the first time the 'Donation of the Year', which will be a grand NOK 10 million. We are now considering whether the bank's customers should be given the opportunity to influence who should receive the donation. One possibility is to select in advance a few very good candidates and then let our customers make the final selection through DnB NOR's Internet bank".





Extensive funding

The Savings Bank Foundation has donated funds to many projects since its establishment in autumn 2002. Here are a few examples:

- **a skateboard park** for children in Holmestrand (far left)
- **a statue in Skien** based on one of Ibsen's characters, the rat woman from Little Eyolf (centre)
- **a new gallery and visitor centre at Astruptunet**, the former home of the Norwegian painter Nikolai Astrup (right)
- **The Abildsø Gård foundation in Oslo**, where visiting pupils can experience a real farm (below)



The Savings Bank Foundation furnishes capital so that others are able to realise their ideas and visions.

Society

We create values by providing financial solutions so that others may achieve their aims.

We impart expertise in our dialogues with authorities and customers.

We are a major sponsor of cultural activities, sports, research and humanitarian work.





Over a period of 20 years, Postbanken, one of DnB NOR's brands, has equipped close to 80 000 children and young people throughout Norway with smart football team kits. Each team kit has a value of NOK 10 000.

As Norway's largest financial services group, DnB NOR is a major contributor to society through its wealth creation, competence sharing and sponsorship.

Through risk assessments and lending guidelines, we have significant influence on which projects and ideas are realised in society and in the business community.

Facilitates value creation

Our role is to facilitate the realisation of financially sustainable business ideas. However, all of the projects we finance must also fulfil certain environmental and social criteria, so that the financial aspect is not detrimental to environmental or social aspects. In addition, we facilitate equity injections into companies and projects by offering financial advisory services, arranging equity investments and assisting in stock exchange listings and project financing. Our lending and deposit products represent a net supply of credit to individuals, companies and institutions throughout Norway. We also promote value creation by grouping together a number of small short-term deposits to provide long-term loans.

Distribution of DnB NOR's value creation in 2006

We stimulate activity and help maintain jobs in supplier companies through our consumption of goods and services, with significant ripple effects in many local communities. In 2006, we purchased goods and services for a total of NOK 5.6 billion. DnB NOR's financial role in society can also be illustrated by the social value creation represented by its operations, i.e. the difference between income and the consumption of external goods and services.

Employees

In 2006, 31.1 per cent of value creation, equivalent to NOK 7 313 million, was chan-

nelled to employee-related purposes in the form of salaries and social costs.

Society

In 2006, 15.7 per cent of value creation, equivalent to NOK 3 699 million, was returned to society in the form of direct and indirect taxes. We also contributed NOK 81.7 million in financial support to charities, research, cultural activities and sports.

Shareholders

22.7 per cent of value creation, equivalent to NOK 5 336 million, was distributed as dividends to the Group's shareholders in 2006.

Retained profits

30.5 per cent of value creation, equivalent to NOK 7 187 million, was retained in the Group to strengthen capital adequacy and future growth opportunities.

We prevent economic crime

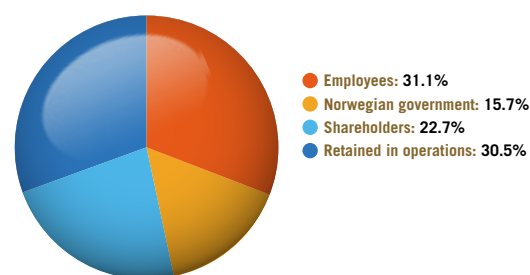
Group Security identifies and reports current threats, and offers security advice and solutions, whereby:

- customers and shareholders feel that their values are secure
- the security needs of the employees are ensured
- stakeholders find that DnB NOR provides good support in security issues and is a responsible player in the financial services industry

Economic crime is a key area of concern for Group Security. Specialised units are responsible for preventing and reporting this type of crime, including fraud, the launder-

Value creation for stakeholders

Distribution of pre-tax profits



ing of proceeds from criminal acts and the financing of terrorism.

Both manual and electronic methods are used to detect suspicious transactions. Risks and recommended measures are illustrated in annual reports to group management and the Board of Directors. In 2006, a risk analysis of money laundering and the financing of terrorism was carried out.

In 2006, more expert information was provided to units with customer responsibilities. More than 60 departments with approximately 1 100 employees received training on the topic of economic crime, custom-made to their areas of operation.

Customer units have consequently become more vigilant and have become more proficient in identifying suspicious



Setting up house

The project “Setting up house” is a collaboration between secondary schools and DnB NOR to give fifteen to sixteen year olds a better understanding of the financial aspects of setting up house.

The teaching material gives an introduction in banking, insurance and real estate services, as well as practical personal finance advice. Representatives from DnB NOR teach a selected part of the course.

Secondary school pupils are taught how to draw up household budgets and keep accounts. They are also given an introduction in the practical and financial aspects of housing loans and savings. Through practical exercises, they draw up budgets and purchase an imaginary house.

The course, which is now in its fifth year, is very popular and the project will be extended to cover more schools. In 2006, 75 schools were involved in the collaboration with DnB NOR.

transactions. The number of notifications to Økokrim (the Norwegian National Authority for Investigation and Prosecution of Economic and Environmental Crime) regarding suspicions of money laundering increased by 36 per cent from 2005 to 2006.

Money Laundering Forum

A Norwegian forum and an international forum on money laundering have been established to further a common understanding and to develop expertise on the subject. Important decisions are made in these forums and then communicated to the Group's business areas.

As part of an on-going process in Norway and abroad, analyses have been made of the risks of money laundering and the financing of terrorism in the Group.

New international rules from bodies such as the EU set strict requirements with respect to national legislation, which will in turn influence group operations throughout the world. We cooperate across units, at home and abroad, to ensure that we will be fully prepared to comply with the new legislation.

Risks and recommended measures are highlighted in annual reports to group management and the Board of Directors.

In its threat evaluation, the National Police Directorate has pointed out that companies' own managers and employees represent the biggest threat with respect to economic crime. The Group has zero tolerance for internal irregularities and has established good routines to deal with and follow up identified irregularities. These measures will contribute to reducing the number of unrecorded cases and not least prevent new irregularities.

In Norway, our competence is spread over 190 locations, and many of our employees are an important source of expertise in their local communities

Social responsibility rankings in 2006

Responsible investing

DnB NOR is included in FTSE4Good, the international index of companies with socially responsible investments. The index evaluates listed companies' initiatives in this area and their ability to promote sustainable development, relations with special interest groups, as well as compliance with and support of fundamental human rights.

Top investor relations ranking

In 2006, DnB NOR was ranked best Norwegian company in investor relations by the influential IR Magazine Nordic Awards. DnB NOR was also nominated in the category “Corporate Literature” for the quarterly publication “Supplementary information for investors and analysts”.

Attractive employer

In May 2006, close to 3 500 final-year students studying economics and technology at 13 Norwegian universities and colleges ranked DnB NOR Norway's second most attractive employer. According to the student survey Universum Awards, the most important factor for students' choice of workplace is the possibility to balance career ambitions, work and leisure.

Norway's best bank

The international magazine Global Finance ranked DnB NOR Norway's best bank in 2006. This annual ranking of banks in 109 countries is based on national comparisons of the following criteria: growth in assets, profitability, corporate social responsibility, geographic reach, customer satisfaction, new technology and innovative products.

Gazelle companies

The term “gazelle” comes from the United States and characterises a company showing rapid growth.

In 2006, DnB NOR, together with Dagens Næringsliv (a Norwegian business daily) and Telenor were the hosts of 15 gazelle seminars in Norway.

“As Norway’s largest financial partner, it is natural that we support and participate in domestic business development. We wish to assist Norwegian businesses in maintaining their restructuring capacity and to encourage the creation of new enterprises and jobs,” says Tom Larsen, project manager in DnB NOR.

So-called gazelle companies account for almost all employment growth in Norway.



Our experts – highly in demand

DnB NOR has extensive competence within personal finance, economics, general market developments and the business sector. We share our expertise with politicians and civil servants. Through our network of branch offices in more than 190 locations in Norway, many of our employees are a source of expertise in their local communities.

Our consumer economists and macro-economists are professional experts who are often called upon to share their knowledge and insight in the press and in customer magazines, and they also participate in seminars. Since 2002, DnB NOR and Postbanken have each had their own consumer economist as a source of honest and accurate consumer information on personal finance. The macro-economists prepare analyses and prognoses regarding national and global economic prospects for both customers and the financial market.

Broad dialogue

Through dialogue with the Norwegian authorities, DnB NOR works systematically towards ensuring the best possible framework conditions for the financial industry and the Group’s customers. Local and national authorities are also important partners, for example with respect to the prevention of economic crime.

In 2006, meetings were held with representatives from the Norwegian parliament and government, political youth organisations, the civil service and supervisory authorities.

We are also involved in a broad dialogue with Norwegian and international organisations through meetings and collaboration

projects. In 2006, meetings on various topics were held with, among others, Transparency International, the UN’s Environment Programme (UNEP-FI), Birkebeinerlaugets Bedriftsutvikling (a coalition of companies for sustainable development), Norwegian People’s Aid, Save the Children, Plan, CARE, the Red Cross, the World Wide Fund for Nature and Médecins Sans Frontières.

We do not give financial support or any other kind of assistance to political parties or related organisations and DnB NOR does not receive any financial support from other bodies or institutions.

The Norwegian Financial Services Association and the Norwegian Savings Banks Association are important arenas for DnB NOR, not least in its efforts to establish a general understanding for value creation in the financial services industry.

DnB NOR is one of the partners in FinanceLab, which is a meeting place for students and researchers at the Copenhagen Business School. At FinanceLab, students interested in finance can gain insight into the sector and meet potential future employers.

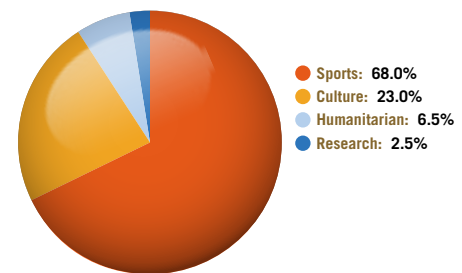
Our asset management unit cooperates with various organisations and interest groups in connection with DnB NOR’s ownership in a number of companies worldwide. We are also in dialogue with interest groups representing consumers with special needs in connection with product development. For more information on DnB NOR’s dialogue with interest groups in connection with product development and ethical management, see pages 29 and 32.

Diversified sponsorship

We consider sponsorship of cultural activities, sports, research and humanitarian causes to be part of our corporate social responsibility. In 2006, NOK 81.7 million was donated to various organisations and projects. In addition DnB NOR has its own sponsorship agreements. Sports organisations received 68 per cent of our sponsorship funds, cultural institutions received 23 per cent and

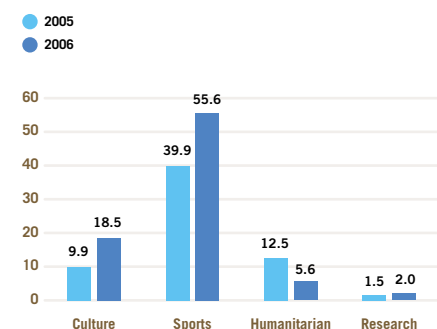
Financial support and sponsorship agreements

Distribution of funds according to category



Financial support and sponsorship agreements

Figures in NOK million



Innovation Award to wind power

DnB NOR's Innovation Award was established in 2003 and is presented to the best Norwegian ideas within knowledge-based business development.

The award is open to entrepreneurs and small companies, as well as established companies and public institutions, and annual finals are held at a regional and national level.

The Innovation Award is our contribution to promoting knowledge-based business development.

In 2006, we arranged 12 major regional and national events where representatives from the Norwegian business community, politics and knowledge-intensive companies discussed how to improve Norway's innovation capability.

For more information about innovation in DnB NOR, visit: www.dnbnor.com



◀ Sway AS was the winner of DnB NOR's Innovation Award 2006, a small company that has developed technology to enable wind turbines to be built far out at sea. The competition annually attracts around 350 entrants.

humanitarian and other non-profit causes received 9 per cent.

NOK 74 million to cultural activities and sports

DnB NOR is a major sponsor of cultural activities and sports. In 2006, we contributed more than NOK 74 million to various sports and cultural events and we were one of the main sponsors of the Ibsen Year 2006.

DnB NOR's sponsorship policy is based on the Group's governing strategy and should promote the Group's values: team spirit, simplicity and value creation. All sponsorship should fulfil three objectives:

- increase knowledge of the DnB NOR Group's various brands
- improve employees' perception of the Group, generate pride and build team spirit within the organisation
- build positive relations between the Group, customers, shareholders and society at large

Through its sponsorship activities, the Group should never impart discriminatory attitudes towards individuals or groups. It is also our policy to avoid involving the Group in projects which can be related to personal injuries, drug abuse, sports doping or other activities with which the Group does not wish to be associated.

Today, DnB NOR mainly sponsors Norwegian cultural activities and sports, but in line with our international initiatives we will in future also look outside Norway for potential sponsorship projects. In 2006, for example, we entered into a sponsorship agreement with the Swedish national ice hockey team.

Major sponsorship agreements in 2006

DnB NOR

- The Norwegian Athletics Federation
- The Swedish national ice hockey team
- The Ibsen Year 2006
- Bergen Philharmonic Orchestra
- The Association for the Promotion of Skiing
- The National Theatre
- The Norwegian National Touring Theatre
- The Norwegian National Opera
- The Bergen International Festival



- The Norwegian Biathlon Association
- The Norwegian Orienteering Association



- The Football Association of Norway



- The Norwegian Ski Association



- Bodø Glimt (football team)

DnB NORD

- Baltic Cup
- The Lithuanian Basketball Team



DnB NOR was a main sponsor of the Ibsen Year 2006. One of the highlights was the performance of Peer Gynt staged in front of the Sphinx in Egypt in October. DnB NOR, in the same way as Ibsen, is both Norwegian and international.

Two of DnB NORD's sponsorship agreements are with the Lithuanian national basketball team and the Latvian national athletics team. In 2006, DnB NORD contributed NOK 2 million to various sponsorship projects.

Sparebankstiftelsen DnB NOR (the Savings Bank Foundation) is a major contributor to Norwegian cultural activities, with main focus on local projects. Read more about the Savings Bank Foundation on pages 16 and 17.

Financial support to research

DnB NOR is strongly committed to stimulating competence building in the Norwegian business community. We therefore finance two five-year professorships within finance, one in financial economics at the Norwegian School of Economics and Business Administration, and one in asset management at BI Norwegian School of Management. The Group also contributes expertise and financial support to a research project on corporate social responsibility run by BI and the Norwegian University of Science and Technology (NTNU).

One of Norway's largest private art collections

We have one of Norway's largest private art collections. The collection consists of more than 10 000 works of art dating from the early-1800s to modern times, with emphasis on recognised contemporary artists. In addition to being on display in DnB NOR's offices, works of art are also lent to art exhibitions upon request. In January 2007, an exhibition featuring some of the most important works was opened at the Henie Onstad Art Centre outside Oslo.

Financial support to microfinance and humanitarian projects

Our contribution to humanitarian work is through long-term cooperation agreements and donations and support on an ad hoc basis.

Examples of long-term humanitarian cooperation agreements include agreements with the Nobel Peace Center, Plan Norway and NRK's annual TV campaign. DnB NOR is one of the Nobel Peace Center's five "Global Founding Partners". The centre's vision is to promote peace through reflection, debate and involvement. The agreement with the Nobel Peace Center has a value of NOK 14 million over three years.

We have been a general sponsor of Plan Norway since 1996. Plan is engaged in development work targeting children in 45 countries. As from 2007, cooperation will focus on microfinance. For more information on microfinance, see opposite page.

For many years, we have supported the annual television fund-raising campaign of NRK (the Norwegian Broadcasting System) by acting as coordinator for the money-counting team and by making a financial donation. Money raised in 2006 went to Médecins Sans Frontières, and our contribution amounted to NOK 500 000. The gift was also based on direct contributions by the Group's employees, ranging from participation in physical activities, to volunteering as street collectors and money counters.

Since 2000, DnB NOR has given monetary gifts to good causes instead of Christmas presents to the Group's customers and business associates. In 2006, the Group's Christmas present was given to CARE and Save the Children Norway. The organisations received a total of NOK 500 000.

DnB NORD supports the humanitarian organisation ADRA (the Adventist Development and Relief Agency) and in 2006 supported a project to build 25 houses in Burundi.

Many employees in DnB NOR are involved in humanitarian work. Since 1987, DnB NOR employees have, in a voluntary scheme, donated NOK 8.6 million to Save the Children Norway. Automatic monthly deductions are made from employee wages. Approximately 800 employees in the Group are registered on the scheme and the money raised finances the schooling of children in Guatemala City.

Since 2000, NOK 870 000 has been raised for orphanages in Russia through a Christmas appeal initiated by a group employee who previously worked in Murmansk. The money raised has been used to renovate the orphanages and to buy Christmas presents for the children. About 500 employees support the annual appeal.

Selected targets and measures 2007

Implement 15 regional and national activities focusing on innovation.

Formulate a strategy for the Group's further involvement in microfinance.

Highlight DnB NOR's corporate social awareness through media advertising.

Learning more about microfinance

Microfinance is about giving poor people access to financial services. We are involved in microfinance by providing financial support to organisations involved in this type of aid. In 2007, we look forward to learning more about how microfinance works through various projects led by CARE and Plan Norway.

The winner of the Nobel Peace Prize for 2006, Mohammad Yunus, is one of several persons who have promoted microfinance as an effective tool in the fight against poverty. As a financial institution, we believe that we should support humanitarian causes related to our core operations, while recognising that the challenges are many. In our opinion, insufficient competence threatens sustainable microfinance. In order to prevent unsuccessful subsidies to microfinance schemes, for the time being, our financial support focuses on competence building and does not extend to loans. In 2006, we gave NOK 100 000 to a Plan Norway microfinance project and NOK 250 000 to a CARE Norway microfinance initiative. In 2007, we plan to give over NOK 1 million to microfinance programmes and will draw up a strategy for our involvement in microfinance.

Microfinance to women in Rwanda

DnB NOR gave NOK 250 000 to CARE as its Christmas present in 2006. The Christmas present will finance a project in Rwanda and will go towards improving conditions for 30 000 poor people. 80 per cent of this group are women. They receive help to organise themselves in savings and loan groups, thereby gaining access to local financial services, and they receive training in administration, management and business operations. In addition, these savings and loan groups provide an arena for teamwork, where solidarity is developed and strengthened.

New type of microfinance in Sri Lanka

In 2007, DnB NOR and Plan Norway will work together on a microfinance project in the Plantation province of Sri Lanka. The project aims to reach the poorest people in the region. DnB NOR will donate up to NOK 2 million to the project over a two-year period. The funds will be used to develop competence and try out new forms of microfinance.



The woman in the picture has started a roadside take-away kiosk 20 kilometres outside Dar es Salaam, Tanzania's largest city. Displayed on the counter are Mandazi (a type of doughnut), but she also sells chickens. The woman's kiosk is, according to CARE, a typical example of ventures financed by microfinance groups in East Africa.



Petter Eide, former secretary general of Amnesty International Norway, came to CARE Norway in 2006. He now works to promote poor women's rights to financial services.

Empowering women

CARE has been involved in microfinance since 1991. We asked Petter Eide, the new secretary general of CARE Norway, to explain why:

"Our aid is aimed at women. Women are entrepreneurs who use the money they earn to safeguard the welfare of their families and children. Microfinance to women is smart aid that realises dreams. This is something that we in CARE have seen on many occasions," says Petter Eide.

He explains that microfinance also empowers women in their local communities and within their own families:

"Our way of providing aid challenges established structures. In our view, our form of microfinance is a very smart and effective type of aid," says Petter Eide.

As a financial institution,
DnB NOR influences the lives of
its customers. The Group's aim
is therefore long-term customer
relationships based on expertise
and trust.





Customers

We have a minimum ethical standard for all investments.

We always consider environmental and social consequences as risk factors in credit evaluations.

We certify our financial advisers to meet the needs of our customers.

DnB NOR contributes towards sustainable development primarily by implementing socially responsible criteria in investments and lending.

All investments in DnB NOR Asset Management and Vital are made in accordance with socially responsible (ethical) guidelines. The guidelines are based on DnB NOR's description of its corporate social responsibility position and on the internationally recognised principles and guidelines described in further detail on pages 10 and 11. Two internal ethics committees monitor the Group's ethical management and provide advice in specific cases.

What are socially responsible investments?

Socially Responsible Investing (SRI) means that investments are made in companies which meet defined criteria related to environmental considerations, respect for human and labour rights and anti-corruption. DnB NOR Asset Management has introduced such criteria for all its investments. Vital additionally refrains from investing in companies producing tobacco or pornography and companies which are involved in the production or distribution of weapons of mass destruction.

Ethical management in DnB NOR Asset Management

DnB NOR Asset Management's ethical guidelines for investments state that special care must be exercised with respect to transactions and acts which represent a risk of involvement in unethical conduct, infringement of human or labour rights, corruption or harm to the environment. In addition, there should be no investments in companies involved in the production, stockpiling, sales and/or distribution of cluster weapons or anti-personnel mines.

In addition, a number of mutual funds and other portfolios managed by DnB NOR Asset Management have more extensive social responsibility criteria. These ethical guidelines include both negative and positive screening. Negative screening means excluding companies or industries which do not meet the criteria from the investment portfolio. Positive screening means actively promoting certain companies or industries.

Two employees continually monitor that DnB NOR Asset Management's portfolio is in compliance with the ethical guidelines. When irregularities are found, two methods can be put into practice: exclusion and active ownership.

Exclusion

If it comes to our knowledge that a company is involved in the production of anti-personnel mines or cluster weapons, any ownership interests are sold and the company is excluded from the investment portfolio.

At year-end 2006, the following companies were excluded from the list of relevant investment objects for DnB NOR Asset Management:

- Alliant Techsystems, cluster weapons
- General Dynamics Corp, cluster weapons
- L-3 Communications Holdings, cluster weapons
- Lockheed Martin Corp, cluster weapons
- Poongsan Corp, cluster weapons
- Raytheon, cluster weapons
- Textron, cluster weapons
- Thales, cluster weapons
- Singapore Technologies Engineering, landmines



▲ Companies which manufacture sun cells prospered in 2006.

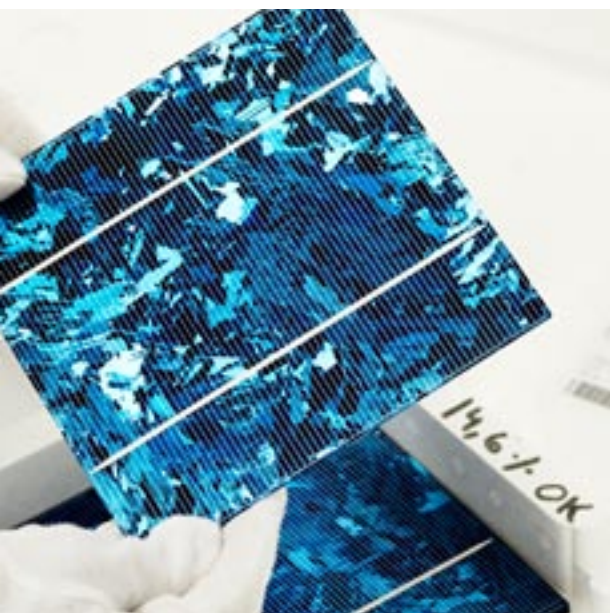
Two employees continually monitor that DnB NOR Asset Management's portfolio is in compliance with the ethical guidelines.

Active ownership

Active ownership is a method used more frequently than exclusion to communicate our views to companies with activities that are unacceptable according to our ethical guidelines. This may take place through direct dialogue with the companies in question and/or by using voting rights.

Voting rights are used in accordance with the principles laid down in a recommendation for the financial industry from the Norwegian Mutual Fund Association and the "Norwegian Code of Practice for Corporate Governance". In cases where we are too small to exert influence, we find alliance partners with a corresponding point of view.

In autumn 2006, for example, DnB NOR Asset Management played a key role when a shareholder group succeeded in making the Marriott International hotel chain address problems with child sex tourism discovered



Best in test

In January 2006, the Norwegian organisation 'the Future in Our Hands' (FIOH) ranked Miljøinvest best ethical fund in Norway.

One of the reasons given for the ranking was that Miljøinvest (fund investing in companies involved in solving environmental challenges) was the only fund in Norway investing in companies that have made environmentally-friendly technology a source of income. The fund recognises that in addition to making environmental improvements in existing industries, new and sustainable business combinations are necessary.

DnB NOR Asset Management has great faith in the future prospects of Miljøinvest and in autumn 2006, further environmental adjustments were therefore made. The fund now invests only in companies that operate within renewable sources of energy, predominately solar and wind power. The business area's best people manage Miljøinvest. The accumulated return on investments has been 67.7 per cent over the past three years.

The fund Grønt Norden was ranked second by FIOH, on the grounds that DnB NOR Asset Management in this fund dares to exclude a wider range of industries than competing fund managers. In addition, the fund screened positively by selecting "best-in-class companies" and "best-in-class" industries.

at the company's premises in Costa Rica. Another example is that we, by voting at the General Meeting of Wal-Mart, supported the resolution requiring that the American retail chain present a separate annual corporate social responsibility report.

When deemed appropriate, we disclose what we have voted at general meetings and explain our point of view.

Ethical funds

DnB NOR Asset Management also offers earmarked ethical funds, for example Global Etisk (fund for institutional investors seeking to invest internationally through an acknowledged ethical screening process). Through these funds, we invest in environmentally aware and socially responsible companies, while refraining from investing in companies that manufacture alcohol, tobacco and weapons.

We can put together portfolios with sustainable investment profiles for institutional customers upon request and the demand for such portfolios is growing among large institutional clients. There is relatively little demand in the retail market for such profiles, but this segment is also offered funds composed according to specific social responsibility guidelines. This applies to the funds Miljøinvest (fund investing in companies involved in solving environmental challenges) and Grønt Norden (fund investing in Nordic companies with a positive environmental profile).

Ethical management in Vital

To secure a good corporate reputation, Vital should be associated with high ethical standards. In addition to following the general minimum ethical standard for investments, Vital excludes companies involved in:

- the production of tobacco
- the production and distribution of strategic components to be used in weapons of mass destruction
- the production of pornography

Vital Forsikring's Board of Directors approved these guidelines in autumn 2004.

Effective dialogue

A year-end 2006, no companies were excluded on account of infringement of the general criteria related to environmental, ethical and social aspects. 42 companies were excluded due to breach of Vital's specific criteria (see page 31).

The American oil company Kerr-McGee is an example of a company previously excluded from Vital's investment portfolio due to infringement of the general ethical guidelines. The reason for this was that the company's activities in Western Sahara were deemed to be contrary to central principles pertaining to international law. Following considerable international pressure, Kerr-McGee announced in summer 2006 that the company would discontinue its operations in Western Sahara. The company was then reincluded in the investment portfolio. The case of Kerr-McGee proves that international pressure does work and that desired changes can be made.

Together with DnB NOR Asset Management, Vital is involved in active dialogue with a number of companies where suspicions exist that parts of their activity are not in accordance with the general criteria. In cases where our aims are not achieved through dialogue, the next step is to exclude the company.

DnB NOR can construct portfolios with sustainable investment profiles for institutional customers upon request.

Credit evaluations and corporate social responsibility

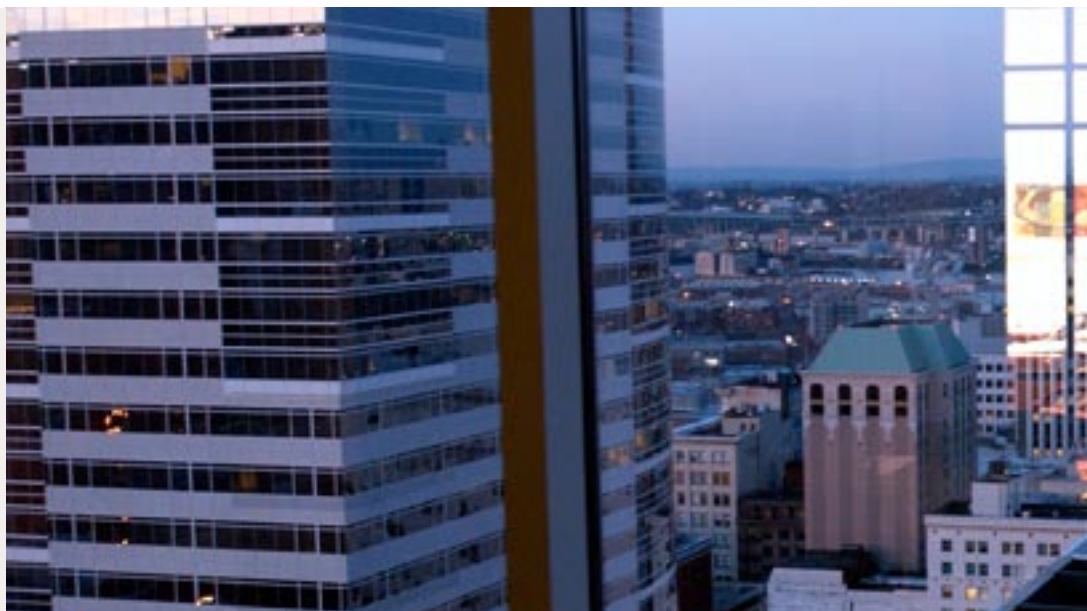
We have separate corporate social responsibility guidelines for credit operations. The guidelines entail that risk related to environmental, ethical and social aspects should be analysed on a par with other risk factors in the credit evaluation. DnB NOR will not grant credit which may represent a risk of involvement in environmental damage, corruption or infringement of human or labour rights.

During 2007, DnB NOR will draw up its own corporate social responsibility guidelines for credit operations.

Diligence matrix

The Group's corporate social responsibility guidelines apply to all loans. In 2006, we developed a diligence matrix for account officers, serving as a guide enabling them to identify and assess a number of aspects

Vital has stringent ethical guidelines for its investments and excludes, among others, companies involved in tobacco production.



of relevance to avoid infringements of the guidelines.

Information contained in the diligence matrix relates to the customer's ownership structure, counterparties and areas of operation and specifies where special care must be taken when considering transactions. The matrix should also be used in connection with new commitments. With respect to our responsibility for preventing money laundering of proceeds from criminal activity and the financing of terrorism, see pages 21 and 22.

Prior to the annual credit seminar, our credit staff are trained in how to use the diligence matrix through relevant customer cases.

Green power financing

Within the energy sector, we have chosen to give priority to green forms of energy. For example, the Group is involved in the financing of a hydroelectric power plant in Chile. DnB NOR also finances a gas power station in Poland, which will replace highly polluting coal power production in an environmentally challenged area. Other examples include two wind farms in Scotland located to minimise disturbance to natural habitats and outdoor pursuits. The wind farms have a Norwegian owner. In addition, DnB NOR is the main bank for Renewable Energy Corporation ASA, a globally leading company whose operations span the entire solar power value chain, from the manufacture of solar grade polysilicon to solar cell modules.

In view of our corporate image and our areas of expertise, we have chosen not to be involved in project financing of nuclear power stations.

In the oil sector, the greatest challenges are probably found in countries where there

is widespread corruption. The risk of corruption is always closely examined before making decisions on whether to participate in relevant projects.

Environmental requirements in ship finance

As the world's largest ship finance bank, it is a prime concern that our customers satisfy national and international standards governing safety and environmentally friendly transportation.

An extensive international regulatory framework and supervisory bodies regulate sea transport. We require that vessels financed by DnB NOR be operated in accordance with prevailing laws and regulations. DnB NOR regularly analyses its loan portfolio to assess environmental risks within the shipping sector.

Putting customers first

We wish to ensure that all our customers have a pleasant experience every time they contact us. Our services should be of high quality, and the professional expertise of our employees is thus of prime importance. DnB NOR offers the most complete range of financial products and services in Norway.

Positive trend in customer satisfaction

Since the merger between DnB and Gjensidige NOR in 2004, there was a downturn in customer satisfaction scores in the retail market. However, there was a clear turnaround in surveys carried out among retail customers in autumn 2006. The pronounced upturn applied to all customer groups irrespective of age and type of customer relationship.

Among corporate customers, there has generally been a positive development in customer satisfaction levels since 2004, with the exception of small companies in some areas in southeastern Norway.

Satisfaction levels in the corporate customer market rose during the second half of 2006, after low scores caused by the transition to new solutions for Internet banking customers in the first half of the year. Satisfaction with customer service via telephone and e-mail increased sharply.

The target for 2007 is to continue the positive trend. Every contact with DnB NOR should be a pleasant experience for the Group's customers.

High-quality financial advisory services

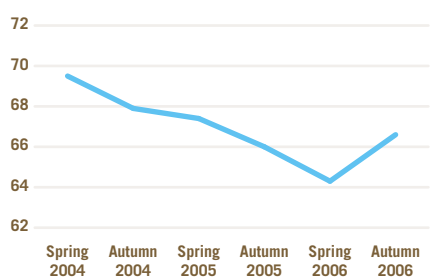
Investment and customer advisers in the retail market started using a new advisory tool in 2006. We believe that this will make us even better equipped to give good financial advice to our customers while complying with the requirements laid down by the authorities for documentable financial advice.

Our certification programme is another tool to ensure high professional and ethical standards among our investment and customer advisers. Certifications must be renewed at least every third year, and in 2006 we started a large-scale certification round for financial advisers in Retail Banking. A new round of certifications will be started in 2007 in Postbanken and Norway Post.

In order to be certified, financial advisers must pass both a practical test covering sales and financial advisory situations and a theoretical test on the following topics:



Customer satisfaction levels
Retail Banking



Customer satisfaction rates are represented by a score ranging from 1–100. The scores are based on responses from individuals who are active customers in DnB NOR. The bank's strategically important customer groups are over-represented in the customer surveys.

The target for 2007 is to continue the positive trend in customer satisfaction. Every contact with DnB NOR should be a pleasant experience for the Group's customers.

Excluded companies

In 2006, Vital excluded 42 companies from its investment universe. All are excluded on account of breach of Vital's specific criteria.

Companies excluded on account of tobacco production:

- Altadis
- Altria Group (Philip Morris)
- British American Tobacco MY
- British American Tobacco
- Eastern Tobacco
- Gallaher Group
- Gudang Garam
- Imperial Tobacco Group
- ITC
- Japan Tobacco
- Kt&G Corp (Korea Tobacco)
- Philip Morris Cr
- Hanjaya Mandala Sampoerna
- Souza Cruz On
- Swedish Match
- Richemont (fin) A Unit
- Shanghai Industrial Holdings
- R.J. Reynolds Tobacco
- Ust Inc.

Companies that are excluded because they are involved in the production and/or distribution of strategic components of weapons of mass destruction:

- Singapore Technology Engineering
- Alliant Techsystems Inc
- Textron
- DaimlerChrysler
- EADS
- General Dynamic Corp.
- L-3 Communications Holdings
- Lockheed Martin Corp.
- Raytheon
- Serco Group
- Thales
- Honeywell International
- BAE Systems Plc.
- Boeing Co.
- Finmeccanica S.p.A.
- Northrop Grumman Corp.
- United Technologies Corp.
- Safran SA.
- Poongsan Corporation

Companies that are excluded because they produce pornography:

- Emap
- Publishing Broadcasting
- Playboy Enterprises
- Private Media Group

Positive customer experiences should ensue from the attitudes and conduct of employees and the solutions provided.



- personal finance including macroeconomic issues
- financing
- products
- sales and financial advisory processes
- ethics and relevant legislation

In 2006, Norwegian authorities made a police certificate compulsory for all employees involved in the sale of insurance products. We have 2 600 employees who are comprised by these rules and by year-end 2006 seven per cent of these employees had not yet obtained certificates.

There for customers

Employees at 187 branch offices and 26 investment centres provide personal financial advice based on detailed knowledge of both customers and local communities. We also have corporate customer centres attached to several of our branch offices.

Through the Nordlandsbanken brand, customers in the county of Nordland have access to 17 branch offices.

Postbanken's customers are served through 42 customer centres, approximately 300 post offices and close to 1 200 in-store postal outlets. During autumn 2006, Postbanken relaunched real estate broking as a franchise chain under the name Postbanken Eiendom. At year-end 2006, 15 franchise agreements had been signed and the target is to have opened around 30 real estate offices by the end of 2007.

Telephone and Internet banks

In addition to DnB NOR's physical presence across the country, our customers are served via telephone and in the Internet bank. In 2006, DnB NOR introduced new

solutions for Internet banking customers, which generated a great deal of response from customers.

The daily aim of 160 customer advisers is to give customers a positive experience when they contact the bank by telephone or e-mail. Assisted by pleasant and efficient customer advisers, customers quickly receive an answer to their questions. Every day, our customer advisers respond to 10–12 000 telephone calls and handle approximately 1 000 e-mails.

DnB NOR's Complaints Service administered more than 34 000 customer complaints in 2006. Our policy is that as many customer calls as possible should be handled "there and then". For the DnB NOR brand, the number of complaints rose by 16 per cent from 2005 to 2006. The increase is mainly due to a greater number of criminal fraud cases in connection with debit cards and cash withdrawals. Postbanken recorded a 5 per cent reduction in the number of complaints, in spite of an increase in the number of fraud cases.

Extensive customer contact

Customer privacy protection is a priority area, and in 2006 we established a privacy protection officer function. Customers can contact the privacy protection officer in all matters relating to the Norwegian Personal Data Act and the officer serves as a liaison between DnB NOR and the Norwegian Data Inspectorate.

We are committed to sharing our expertise with our customers and in 2006 we held a number of seminars and courses for corporate and retail customers which received good response from participants. Among the most popular were:

- children's savings clubs
- board of directors seminars
- pension and inheritance seminars
- tips and advice on personal finance issues via the Internet banks

Interactive product development

During 2006, we involved customers to a greater extent in product development. We will continue this work in 2007 in our continual efforts to develop products adapted to different life phases and needs.

In cooperation with the Norwegian Association of the Blind and Partially Sighted, we developed tailor-made Internet banking solutions for this customer segment in 2006. In a letter to DnB NOR dated 29 November 2006, Sverre Fuglerud from the Association wrote the following about the joint project: "The Norwegian Association of the Blind and Partially Sighted is gratified that DnB NOR has taken seriously the interests of those with sight handicaps and involved us in the development of solutions. We appreciate the initiative and hope that we have contributed towards giving the product optimal functionality, and that adjustments to the product also meet the needs of other user groups."

We have also developed an invoice payment solution for this customer segment.

In 2006, we started the process of adapting the Internet bank for foreign speakers. An English version of the Internet bank will be made available in 2007.

The mobile phone is an important tool for many customers, and in 2006 banking services via SMS were launched. The service is user-friendly and makes us even more accessible wherever in the world our customers are.



Ethics and DnB NOR Eiendom

In 2006, own-account trading took place at five of DnB NOR Eiendom's real estate offices and as a consequence of such an incident, the office in Bodø was shut down.

DnB NOR Eiendom introduced new internal guidelines in 2006 which are more stringent than required under Norwegian law.

DnB NOR is committed to replacing paper-based and manual services with electronic payment services. Environmental benefits are achieved from the reduction in paper consumption and transportation savings.

In 2006, DnB NOR Eiendom was the first real estate broker in Norway to establish a complete property portal accessible via mobile phones.

Responsible products

DnB NOR will continue to offer first-home loans for first-time buyers in the housing market. Previously, equity capital requirements created difficulties for many young adults despite their ability to meet repayments. First-home loans help this customer segment, which was previously excluded from the housing market, to take up housing loans on favourable terms.

In cooperation with the authorities, we are developing a bank ID card for refugees. The card is scheduled to be launched during the first half of 2007.

Even though our products do not directly harm the environment, some of our services have negative effects on the environment. The large quantity of paper used in account statements sent to customers is one example.

In the last few years, DnB NOR has encouraged customers to enter into agreements with the bank to receive electronic information instead of paper documents. As a result, fewer letters are sent to customers by regular mail. In 2006, the number of annual bank statements sent by post was reduced by as much as 10 per cent compared with 2005.

We are also committed to replacing paper-based and manual services with electronic payment services. Environmental benefits are achieved from the reduction in paper consumption and transportation savings. In this connection, we are also developing improved electronic security solutions.

Reducing paper consumption also means additional cost reductions. For example, we saved NOK 13 million in postage costs when credit notifications were sent directly to corporate customers' Internet banks in 2006.

Innovation for and with customers

As Norway's largest financial services group, we recognise that we have an important role to play to promote innovation and value creation. A dynamic and creative business sector is as important as our own innovative capability and is a prerequisite for a sound customer base in the future. Innovation is the mainstay of long-term competitive development.

To improve both our own and our customers' innovation skills, since 2001 we have increased our efforts in this area. Our innovation laboratory is where ideas are developed

and tested and the results of this work can be seen in our innovation centre at Aker Brygge in Oslo. The centre is open to the general public and in 2007 we aim to hold at least ten innovation seminars for customers and employees.

We are also active participants in the public debate on innovation and annually present the DnB NOR Innovation Award. Read more about this and the gazelle sponsorship on pages 22 and 23.

Selected targets and measures 2007

Increase customer satisfaction among both retail and corporate customers.

Establish a principal recruitment strategy to be better equipped to meet the varied needs of our customers.

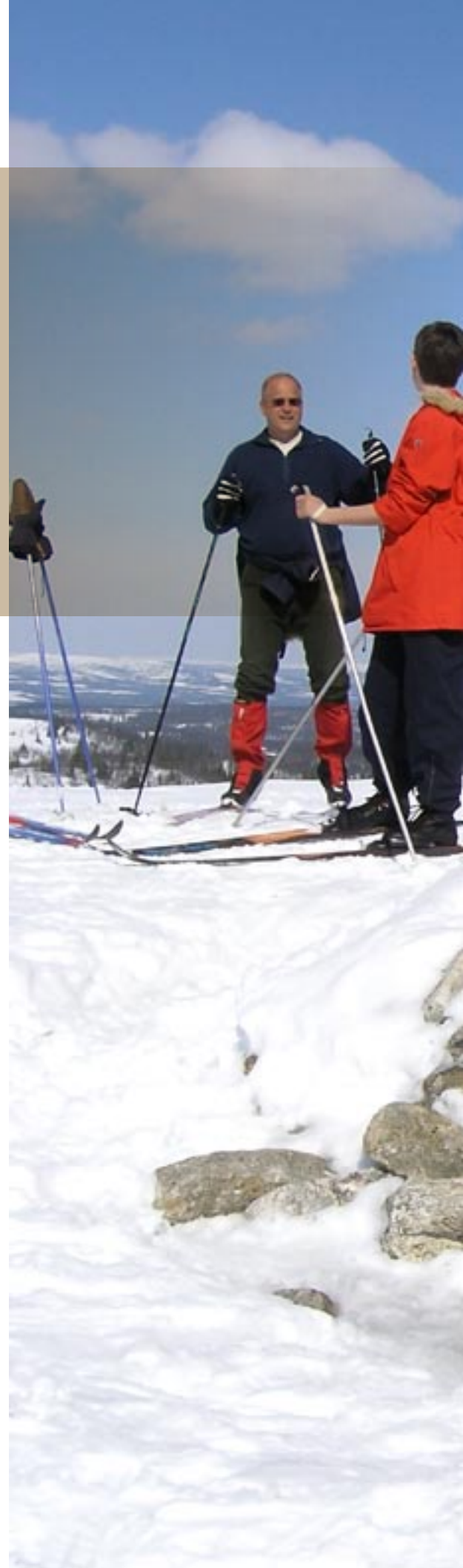
Launch an English version of the Internet bank.

Hold ten innovation seminars with customers and employees.

Suppliers

We require that our suppliers comply with fundamental norms governing human and labour rights, environmental considerations and corruption.

We also set ourselves high standards and work continually with internal environmental efficiency.





By keeping environmental order in its own house, DnB NOR seeks to limit the Group's direct impact on the environment while saving costs.

We receive goods and services from many suppliers within office supplies, IT and personnel services. The conduct of our suppliers has a bearing on us, and stringent demands must therefore be met by our suppliers.

Special declaration forms were introduced in 2005, with effect from 1 January 2006. By signing the form, suppliers confirm that they neither contribute to violation of human or labour rights, nor engage in environmental harm or corruption. Only suppliers that sign the declaration will be considered in connection with new procurement contracts and renegotiations.

Our suppliers have responded positively to the new procedure. During 2006, 249 declaration forms were signed. The total number of registered declarations regarding suppliers' corporate social responsibility was 305 by year-end 2006. Only minor infringements of the agreement clauses have been identified.

In 2007, we will revise the supplier declaration form based on our experiences so far, to ensure that the declaration takes better account of both the distinctive character of each supplier and our requirements.

Setting ourselves high standards

As an office-based business, we have an impact on the environment through our consumption of paper and energy, waste management and our use of means of transport. We seek to reduce the Group's direct impact on the environment and save costs by keeping environmental order in our own house.

Reduction in air travel

Due to merger activities and international expansion, travel has increased in the last few years, with 2005 representing an all-time high. However, in 2006, we reduced the total number of air kilometres by 9.8 per cent compared with the previous year¹. There was a 16.6 per cent reduction in domestic air travel, whereas the Group's initiatives outside Norway, mainly in connection with the establishment of DnB NORD and expansion in Sweden and the Baltic region, entailed a

39.7 per cent increase in international air travel.

DnB NOR's business operations are geographically scattered and air transport is in most cases the only viable alternative when meetings have to be held.

Local meeting places

We provide the means to enable our employees to use video conferences as an alternative to meetings that entail travelling. In 2006, we upgraded ten video conference rooms with the latest equipment. This new equipment is more user-friendly and has better sound and picture quality. Information on how to use the equipment was also made more accessible.

The video equipment is being used by an increasing number of employees, and work is in progress to put into place a new technical platform with faster and improved

Procurement and consumption		
	2006	2005
Energy consumption (GWh)	64.5	79.8
Purchased paper (tons)	998.2	957
Waste recycling ratio (%)*	59.5	31
Eco-lighthouse certified buildings (number)	16	13
Domestic air travel (Norway) (number of kms)	27 721	33 235
International air travel (number of kms)	6 370	4 561

^{*)} The waste recycling ratio in 2006 and 2005 remains unchanged. The change in percentage is due to the shift to a different reporting method, which means that not only paper but also cardboard and other recyclable material are included in the waste recycling ratio.

Video conferences are being used by an increasing number of employees, and work is in progress to put into place a new technical platform with faster and improved lines.

Before Jobbfrukt AS was chosen as the Group's fruit supplier, DnB NOR held a tendering round where two other candidates were also considered. Jobbfrukt AS has a distinctive social profile because they employ people with occupational disabilities or a need for extra supervision or assistance.



lines. In 2007, the target is to install a system to measure the use of the equipment, thus making it easier to allocate resources where they are most needed. It will then also be possible to compare traffic data with for example air travel in the Group. We will intensify marketing of the video conference equipment in 2007.

Considerable reduction in energy consumption

In 2006, energy consumption² totalled 64.5 GWh. This is the equivalent of 170 kWh/m² or 7 713 kWh/per employee per year in Norway. Compared with 2005, there was a reduction of 19.2 per cent, a considerable improvement on the 2006 target of 3.5 per cent. 5–8 per cent can be ascribed to a mild winter. The remaining reduction is chiefly due to more effective use of the Group's premises for offices and sales purposes.

In 2006, we started to chart energy consumption in our buildings, in order to decide which specific measures should be implemented in 2007. Up to NOK 3 million will be spent on these measures, which will be implemented primarily in buildings that are certified under the eco-lighthouse programme, see description on pages 38 and 39.

1) The figure comprises all plane tickets bought through the Group's agreements with travel agents and airlines.

2) Measured energy consumption comprises about 90 per cent of the Group's office space in Norway. Oil and district heating are not included in the figure. Vital, Nordlandsbanken and energy consumption comprising part of shared costs in buildings where DnB NOR is a lessee, are not included.

Fruitful delivery

"It all started with a few small deliveries, then we were asked to deliver to the whole of DnB NOR."

Jan Borg, department head of Blindes Produkter (a company which employs blind people), chuckles as he recounts the story:

"The contract was too large for us to bear alone, so we had to seek help from our supplier Jobbfrukt AS, a subsidiary of Bama."

Largest customer

DnB NOR is by far the largest customer of Jobbfrukt AS, a company employing 350 people who cannot participate in normal working life. The company is divided into 50 sheltered workshops throughout the country, and every Monday they deliver fruit to thousands of DnB NOR employees throughout Norway.

"DnB NOR is thus contributing to creating jobs for the occupationally disabled," says Borg.

Intense competition

Nevertheless, the department head emphasises that the company is run according to business principles:

"Nothing else would have been accepted, and competition is intense in this market. Even so, our competitive edge is probably quality rather than price," he reveals.

Borg says that he is very proud of having won the contract with DnB NOR.

"And we use you as a reference for all it is worth," he says.

DnB NOR is by far the largest customer of Jobbfrukt AS, a company employing 350 people who cannot participate in normal working life.

DnB NOR is working actively to have its buildings certified under the eco-lighthouse programme.



For 2007, the goal is to keep energy consumption unchanged despite expansion in the Group's operations.

Increased paper consumption

In 2006, DnB NOR purchased 998.2 tons of paper in the form of copy paper, stationery sheets, envelopes and paper for advertising material, customer account statements and annual statements³. Paper is bought in bulk, is environmentally certified and unbleached.

In 2006, paper consumption increased by 4.3 per cent or 41.2 tons. We are not satisfied with this development, especially taking into account that the target for 2006 was to reduce the weight of purchased paper by 2.5 per cent. The increase is primarily due to written notifications sent to former Gjen-sidige NOR customers regarding the move to a new customer system. This conversion, which took place during the Easter break, is characterised as one of Norway's largest IT projects ever.

Many units in the Group have succeeded in reducing their paper consumption. Read more about the significance of electronic customer communication as regards both cost savings and reduced paper consumption on page 33.

3) The figure comprises paper bought through the Group's purchasing agreements. In addition, it is assumed that many offices buy paper in smaller quantities from local distributors and charitable organisations. In autumn 2006, the importance of using the Group's central procurement agreements was pointed out to employees.



Eco-lighthouse

Eco-lighthouse is a Norwegian public certificate recommended by the Ministry of the Environment. To qualify for eco-lighthouse certification, companies must fulfil a number of environmental requirements.

The certification applies to routines and measures implemented within the following areas:

- energy consumption
- procurement, with particular emphasis on material consumption
- transportation
- waste management
- health, safety and environment
- water consumption, air quality and noise

For more information, see: www.eco-lighthouse.com.

At the end of 2006, 16 of DnB NOR's buildings were environmentally certified. In the course of 2007, a further five buildings will be certified. The target is that half of the Group's employees will work in environmentally-certified buildings by the end of 2007.

In 2007, we will maintain our aim to reduce paper quantities by 2.5 per cent. We will achieve this by encouraging electronic customer communication and by starting the process to make two-sided print the standard option on printers in the Group.

Stable waste recycling ratio

In 2006, we recycled 59.5 per cent of all waste, a level unchanged from 2005⁴. There are several ways to calculate recycling ratios. Our calculations are based on the so-called waste pyramid and comprises waste prevention, reuse and material recycling. Waste incinerated with energy recovery is not included in the figure for recycled waste.

In 2006, we entered into a nationwide group waste management agreement. In 2007, we expect the waste recycling ratio to remain at the same level as in the two previous years.

Electronic waste

We have cooperation agreements with environmentally-certified companies and recycling stations ensuring recycling and environmentally-friendly disposal of used and outdated electronic equipment (computers plus appurtenant equipment, printers, copiers etc). In the various regions in Norway, the branch offices themselves choose whether to use the central agreements or local recycling stations where these exist.

4) The figure comprises waste from DnB NOR buildings in the eastern part of southern Norway, but it is assumed that recycling ratios are the same across Norway. The recycling ratio is based on figures from refuse companies with which DnB NOR has cooperation agreements. In buildings where DnB NOR is a lessee, waste handling is regulated by the lessor's agreements.

Used and defect mobile phones can be handed in for environmentally-friendly disposal, either via the mobile telephone industry's own return system, which is in cooperation with Plan Norway, or directly to the Group's waste-management partners. When employees purchase a new mobile phone, they are encouraged to return their old phone via one of these schemes.

To protect the health of our employees, new mobile phone models are tested for radiation. Models with high radiation levels are not approved.

In 2006, we recycled 59.5 per cent of all waste – the same level as in 2005.

Selected targets and measures 2007

Unchanged energy consumption.

Five new environmentally-certified buildings.

2.5 per cent reduction in paper consumption.

Introduce two-sided printouts as standard function on new printers.

Being given the chance to learn new skills and develop competencies is an important reason why employees in DnB NOR are proud to work in the Group. Almost twice as many employees participated in various training programmes in 2006 as in 2005.



Employees

We provide development opportunities tailored to suit individual needs.

We have management systems that promote diversity.

In addition to salary and other benefits, DnB NOR employees value dialogue and influence, learning, training and career development opportunities and a stimulating working environment. Employees' needs vary according to the phase of life they are in.

Employees in DnB NOR are proud to work in the Group. This was the main finding in the employee satisfaction survey carried out in February 2006. The TNS Gallup survey is an annual evaluation of whether DnB NOR fulfils the expectations of its employees. The results indicate whether the right parameters are in place to enable the employees to contribute to a long-term positive development of the Group. 83 per cent completed the survey, which was sent out in Norwegian, Swedish and English, representing a 4.4 per cent increase in the response rate compared with 2005.

The average satisfaction score for the Group was 67.7 points (on a scale of 0–100). The target for 2006 was a satisfaction score above 70, and the Group is therefore not satisfied with the result. However, the scores

in many of the categories reveal satisfaction above 70 points (see the right-hand table). This shows that we are on the right track in relation to several priority areas which in our opinion will increase DnB NOR's overall performance over time.

Dedicated employees

The survey showed that DnB NOR employees are highly dedicated to their work, have a strong sense of loyalty and regard the Group as an attractive workplace. The survey also showed that older employees have a higher level of satisfaction than younger employees, and young employees with higher education desire greater development opportunities. Another finding was that in-house communication is not perceived as being sufficiently open and honest.

As a consequence of the low score for openness, one of the measures introduced in 2006 was a comment option inserted under certain articles published on the Group's intranet. Readers can have their comments published under their own name or anonymously. The greatest number of comments received to one article is 140. Topics relating to salaries, employee benefits and working hours generate the most interest.

Targeted measures

Several of the measures described in this report are based on feedback from the employee satisfaction survey. In addition, during 2006, all of the Group's departments focused on selected areas of direct significance for their satisfaction levels, often assisted by in-house expertise.

To ensure continuity, we will also carry out the survey in 2007. The target from 2006 remains unchanged: an average employee satisfaction level above 70 points.

Employee satisfaction survey (1–100 points)		
	Average 2006	Average 2005
Employee satisfaction score	67.7	68.3
Cooperation and collegial atmosphere	73.3	73.2
Motivation	72.6	70.2
Management	72.5	70.9
DnB NOR as an organisation	70.4	67.5
Competence	70.1	72.4
Targets and results	67.9	70.7
Follow-up of employee survey	47.8	N/A
Health, environment and safety	71.9	71.8

Dialogue and influence

In Norway, joint consultation and working environment committees have been established at group level. In addition, employee representatives and management meet in regional working environment committees. By participating in appointment committees, employee representatives are also involved in the Group's recruitment processes.

Freedom of association

Without exception, employees in DnB NOR have the right to form and join whichever political party or employee association they choose. 63 per cent of the Group's employees are members of a trade union¹.



Key figures as at 31 December 2006

	2006	2005
Number of employees	12 187	11 716
Number of full-time positions	11 824	11 334
Women/men (%)	54/46	51/49
Women/men in executive positions (levels 1–5) (%)	31/69	29/71
Average age*	46.1	46.3
Average length of service (years)*	18.1	18.5
Sickness absence (%)**	5.35	5.09

*) Employees in Norway **) Does not include employees in DnB NOR Monchebank and DnB NORD.

Over the last few years, DnB NOR employees have demonstrated great adaptability. This creates value for the Group and for the employees themselves.

Through the Norwegian Employers' Association for the Financial Sector, DnB NOR is a party in the national collective agreement with the trade unions which organise employees in the Group. Agreements negotiated in the various companies in the Group regulate aspects such as salaries, working hours and the right to competence development.

All employees are comprised by the above-mentioned agreements, even those that are not members of a trade union.

The collective agreement stipulates a three-month notice period. However, employees who have been employed in the Group for more than ten years or those older than fifty are subject to a longer notice period. This only applies when notice is given by the employer and not if the employee takes the initiative to resign. In the Group's international units, local legislation and agreements are followed in such matters.

Annual performance reviews

DnB NOR also follows up each employee through an annual performance review.

Prior to the meeting, the employee and his/her immediate superior select topics for discussion. Competence development is a central issue during the review and it is recommended that employees chart their own competence levels prior to the meeting. Based on the results of this charting and conclusions from the review, the immediate superior and the employee agree on further development measures.

October 2006 saw the launch of improved support tools for use in the performance review process. The response has been very good, and during the last three months of 2006 the support tools were used in 2 037 performance reviews.

Learning and development

The allocation of the Group's most important resource – its employees – is governed by customer needs. DnB NOR is therefore reliant on employees who are able and willing to adapt to new parameters. Over the last few years, DnB NOR employees have demon-

1) No complete figures exist for how many of DnB NOR's employees outside Norway are members of trade unions. Nevertheless, in several countries where DnB NOR is represented, such as Sweden and Luxembourg, we know that being a member of a trade union is common, and these organisations are similar to those in Norway. For example, in Sweden, 63 per cent of all employees working with asset management in DnB NOR are organised.

Learning and development

	2006	2005
Participants on competence measures	14 800	8 350
Participants on training and further education programmes	736	327
Competence investments (NOK million)*	142	113
Competence investments per full-time position (NOK)**	12 225	11 571

* Includes travel and subsistence expenses.

** Divided between the average number of full-time positions.

Life Phase Project

In 2006, the average age of employees in DnB NOR was 46.1 years, whereas the average length of service was 18.1 years.

There is limited employee turnover: 5.07 per cent terminated their employment with the Group in 2006. The low turnover rate indicates a high level of satisfaction among employees, while the average age indicates that parts of the Group's core competencies are likely to disappear in the course of a few years. The average retirement age was 61.7 years in 2006, compared with 61 years in 2005. The target for 2007 is an average retirement age above 62 years.

Future challenges

Even though a lot of experience and expertise exists in the organisation, we must plan the recruitment of new employees to meet the challenges of the future. This was the reason why the Life Phase Project was initiated in 2006. The aim was to combine experience with inexperience, young with old, and achieve a mix of educational and cultural backgrounds among the employees. The Life Phase Project has defined three phases in the working lives of employees in DnB NOR: early, mid and late career.

Based on the work carried out as part of the Life Phase Project, in December 2006, group management in DnB NOR approved a series of measures to facilitate the adaptation of working tasks to the employees' different life phases.

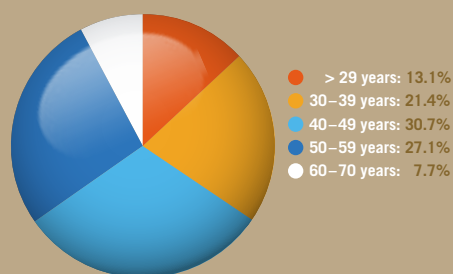
Measures

The most important measures are:

- an internal awareness campaign for greater acceptance of employees' individual needs
- first-home loans for employees
- up to three days' leave for parents in connection with their children's first day at school
- the possibility to reduce working hours by up to 20 per cent with full salary from the age of 62
- make managers more aware of the possibilities that exist to meet their employees' needs during different life phases (for example home PCs and flexible working hours, with the opportunity to take up to 14 days off in lieu)

In 2007, work with the Life Phase Project will be continued to ensure that the measures are implemented and evaluate how these work in practice. During the same period, new measures will also be considered in addition to those already approved.

Age composition
Employees



Even though there is a lot of experience and expertise in the Group, DnB NOR must plan the recruitment of new employees to meet the challenges of the future.



"No one to lose". This was the headline on 28 May 2006 on the front page of the job section in Aftenposten, a Norwegian daily newspaper. DnB NOR has received a lot of attention outside the Group due to the Life Phase Project.

Forward-looking human resources policy

"We support a forward-looking HR policy and are pleased that this project has now been started," says Else Carlsen, chief safety representative in the Finance Sector Union DnB NOR.

She emphasises that it takes time to change attitudes, which in her opinion is necessary to be able to incorporate life phase initiatives in the Group's HR policy. "Management must desire diversity also in this area. Working conditions must be organised so that employees are able to contribute during all phases of life," says Else Carlsen.



Good with people?

“Good with people? Then you should work here”. This was how DnB NOR attracted young job-seekers with an interest in and talent for working as personal finance advisers.

“With 1 928 applicants, the Group’s status as an attractive employer for recent graduates has been confirmed,” says Anita Angelsen, responsible for recruitment in the business area Retail Banking in DnB NOR.

The result of the recruitment drive “Good with people” is so far 70 new employees who will work with sales and advisory services in the retail market. The new employees have an average age of 26, and there is an equal number of men and women. Six of the employees have an ethnic minority background.

“An exciting and diverse group has now joined DnB NOR, where fewer than half have a background in business administration and the remainder are people with educations varying from teacher training to political science, marketing, tourism and IT,” says Anita Angelsen.

◀ *Hilde Jacobsen (26) and Brian Huy Le Van (23) are two of seventy new employees recruited through Retail Banking’s group recruitment drive in autumn 2006.*

strated great adaptability and the capacity to master new skills. This creates value for the Group and for the employees themselves.

Even though we offer training and development opportunities through a wide range of courses and other development measures, each individual employee is responsible for his or her own competence development. Profiles have been drawn up showing which skills and competencies are needed for different positions and levels. At the end of 2006, 2 515 employees had charted their competencies. Based on this information, competence development plans are drawn up at both individual and department level.

The Group also grants various forms of study leave and financial support for supplementary training and further education. In 2006, 268 employees received such support.

Popular measures

Our competence is one of our most important competitive advantages and in 2006 there were approximately 14 800 participants² in a variety of training programmes and further education courses. This was an increase of more than 6 000 from 2005. During the year, the average time spent on training per employee was 11.25 hours.

There are several reasons for the increase, for example improved reporting routines. However, the main reason is that the certification of financial and investment advisers was made a priority area in 2006. The target for 2007 is that a further 1 300 advisers will complete the certification process.

The internationalisation of the Group’s

operations poses new challenges with respect to language skills and cultural understanding, and consequently the range of language courses will be expanded. In addition to English, courses will be offered in German, French, Spanish and Russian. In 2006, seminars were also held on internationalisation and cultural differences.

DnB NOR’s core values

Even though there is room for variation within the Group, the three values team spirit, simplicity and value creation should be recognised wherever one is in DnB NOR. The process of developing an awareness of our values started in 2004 and has since been an important priority area.

In 2007, employees and managers will continue to define what team spirit, simplicity and value creation mean to them in their everyday work. These processes are called “This is the way we do things”.

Management training

Competent leadership and management development are strategically important for DnB NOR and therefore given high priority. We offer a wide range of programmes, the common feature being that all are closely related to the Group’s values and the business challenges and daily work tasks of each manager. In 2006, 167 managers completed the ‘Practical Management Training’ programme in DnB NOR. In total, 400 managers have completed this programme.

Tailor-made management training programmes are also developed for each business area. In 2006 there were 3 937 participants at 430 management training and organisational development seminars.

In DnB NOR, managers are closely evalu-

ated through a variety of measures. One of the factors measured in the employee satisfaction survey is perceived employee satisfaction with one’s immediate superior. In 2007, the aim is a rise of 1.5 points from 2006 in the satisfaction score relating to one’s immediate superior, to 69 points (of a possible 100). The satisfaction target regarding how the individual employee rates his or her immediate superior’s guidance has been set at 68 points. This is one point higher than the 2006 score.

Diversity, mobility and equality

Diversity means having courage to believe that being different is a strength. In DnB NOR, we believe that diversity promotes better decision-making.

Diversified recruitment

Parallel to the implementation of measures to retain the Group’s more senior employees, targeted recruiting is also a priority. Strategic workforce planning is an important means to reach the Group’s future business and competence targets.

We are present at career events held at colleges and universities, and in 2006 we were ranked as Norway’s second most attractive employer among business and engineering students. (See page 21 for more detailed information).

115 persons of foreign nationality work in DnB NOR in Norway. We advise many types of customers and therefore promote the recruitment of employees with diverse educational and ethnic backgrounds. In 2006, this was put into practice through a large-scale recruitment offensive in Retail Banking, see top of page. In 2007, a comprehensive

2) *Course participant figures do not exist for employees working in the Group’s international units.*

A questionnaire sent to employees in autumn 2006 charted user patterns and preferences for the Group's vacation properties.



recruitment strategy will be launched, aiming, among other things, to ensure increased diversity among employees.

Local procedures are followed when recruiting employees outside Norway. Generally, vacancies are advertised in the local press or through recruitment agencies. Certain international posts are also advertised within the Group.

Increased mobility

Secondment for longer or shorter periods is one of several measures implemented to increase internal mobility.

The Career Change Centre, originally established to assist employees made redundant during the merger phase, is now used as a tool to increase internal mobility. Today, the majority of those who contact the centre have not been made redundant, but are employees who require guidance in choosing a new career path for various reasons. In 2006, 139 employees completed a stay at the Career Change Centre in 2006.

Developing talent

Competition for the most talented employees is intensifying. Growth is a talent programme whose participants are 74 key employees from across the entire Group. The programme lasts 18 months and makes active use of secondment within the Group. Half of the participants are women.

In 2006, we recruited 13 trainees from universities and colleges in Norway and abroad. Trainees are closely followed up during the 18-month secondment period in different group units and thus gain a broad understanding of DnB NOR's operations. Diverse educational and ethnic backgrounds characterise the 125 trainees who have been

recruited since the scheme was started in 1994. In 2007, the target is to recruit 16 new trainees, and the stated aim is that half of those recruited should be women.

Committed to equal opportunities

54 per cent of employees in DnB NOR are women, 46 per cent are men. Equal opportunities for men and women with respect to salary and career development are given high priority in the Group.

Management recruitment should also reflect diversity considerations. Nevertheless, the proportion of women in executive positions is currently lower than our objectives. At year-end 2006, the proportion of women managers (levels 1–4) in DnB NOR was 26 per cent, representing an improvement of five per cent from 2005. Five of the eleven members of the Board of Directors are women.

The Group has initiated a number of measures to reach the target of 30 per cent women managers at levels 1–4 by 2009. For example, at least 50 per cent of participants on all talent programmes should be women, priority should be given to female candidates subject to equal qualifications and all vacancies should be advertised internally.

Crescendo

DnB NOR's management has, however, acknowledged that the Group must do more than this and has therefore developed a separate talent programme called Crescendo for women managers. Crescendo is a musical term meaning "to increase in loudness or force".

The first Crescendo programme will commence in February 2007 and within one year will equip ten of the Group's most competent female senior executive candidates with the skills to take on greater managerial responsibilities. Each participant will also be matched with a partner at senior management level. Crescendo aims to improve cooperation between men and women in group management.

Four managers in DnB NOR also participate on the Norwegian Financial Services Association's training programme for women, FUTURA, which was launched in spring 2006.

Health, safety and environment

DnB NOR works systematically and has a long-term perspective within the areas of health, safety and environment (HS&E). The objective is to create a good, safe working

Proportion of men and women in the organisation

	Men	Women
Gender distribution in the Group	5 594	6 593
Gender distribution at management levels 1–4	74%	26%
Average fixed salary – full-time position in Norway (NOK)	494 159	388 286



133 popular vacation properties

DnB NOR employees can choose between 133 rental vacation properties for an inexpensive break. This is a popular fringe benefit in the Group.

"In 2006, we registered a total of 16 000 rental days. We offer many attractive properties ranging from cabins in the Norwegian mountains to apartments near Nice in France and on the Canary Islands," says Knut Brokhaug, property manager.

◀ *Kronetun at Blefjell in Telemark is one of the many popular mountain cabins at the disposal of DnB NOR employees in the eastern part of southern Norway.*

Random collection

Referring to the many mergers, Knut Brokhaug explains that the geographic composition of the vacation properties is a result of historical coincidence.

"In autumn 2006, we sent all employees an electronic questionnaire to chart user patterns and preferences. We now know what 6 000 employees want," says Brokhaug.

NOK 10 million

In March 2007, the committee in charge of the vacation properties will map out a future strategy.

"Our objective is to offer a fairer system for all employees given that the Group views the vacation properties as a central fringe benefit," says Brokhaug.

In 2006, operating costs for the vacation properties totalled NOK 10 million.

environment and to reduce sickness absence and occupational injuries. The HS&E system is an integrated part of DnB NOR's quality system.

Group management in DnB NOR is responsible for the working environment and for ensuring that managers set HS&E targets in the same way as for other operational areas where expectations are linked to profits. All DnB NOR employees in Norway have access to a user-friendly HS&E manual from the intranet.

Combating sickness absence

In 2006, sickness absence in DnB NOR was 5.35 per cent, against 5.09 per cent in 2005.

The short-term sickness absence rate is generally low, whereas the Group has a greater improvement potential with respect to reducing long-term sick leave (defined as more than 16 days). The figures also conceal variations between the different business areas and departments. Sickness absence levels are higher in departments with routine tasks than where employees have greater opportunities to influence their own working days. Furthermore, sickness absence is higher among women than among men. In particular, women between 30 and 39 years and from 50 years and older have higher sickness absence rates.

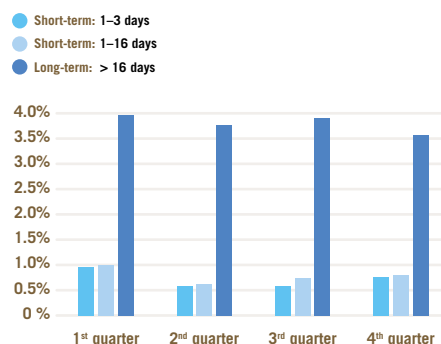
The target for 2007 is to reduce average sickness absence in DnB NOR to below 5 per cent. It is also group policy to assist employees who, due to various reasons, are unable to contribute to the same extent during certain periods of their working life.

Shared responsibility

In order to prevent and reduce long-term absence, in 2006 it was emphasised that

Sickness absence according to length of absence

Percentages of total man-days lost through sickness



following up employees on sick leave is a managerial responsibility. However, employees have been given greater responsibility for keeping in contact with their immediate superior during the entire sick leave period. Employees now also have a more active role in drawing up a follow-up plan together with their immediate superior.

DnB NOR has long been an inclusive workplace, which means that the Group is committed to implementing systematic measures to reduce sickness absence. DnB NOR is often referred to in talks given by the Norwegian Labour and Welfare Organisation as a good example of how a company can assist employees on sick leave in returning to work.

Measures against workplace bullying

Taking into account that bullying is a general problem in society, following an initiative by the Group's chief joint consultation and working environment committee, a project

Sickness absence rates are higher in departments with routine work tasks than where employees have greater opportunities to influence their own working days.

has been started to propose measures to prevent bullying within DnB NOR. In 2007, this project will also be followed up by the Group's chief safety representative.

Physically fit

DnB NOR encourages its employees to keep physically fit. In spring 2006, the Norwegian Minister of Health emphasised the importance of this strategy when she called upon employers to facilitate activities promoting healthy and active employees.

DnB NOR has its own exercise facilities or provides access to other fitness centres at several locations around Norway. The Group also has active company sports clubs based in the largest towns where DnB NOR is represented. The largest company sports club, Oslo/Akershus, has as many as 38 different sports groups.

For certain groups of employees with sedentary work, DnB NOR offers fitness programmes during working hours. Approxi-

DnB NOR helps its employees keep physically fit.



mately 350 employees participate in such fitness programmes in Oslo and 100 in Bergen. These initiatives have given very positive results among the employees. DnB NOR also offers an occupational health service and provides ergonomic adjustments of work stations where required.

In 2007, DnB NOR will implement the following measures to stimulate physical activity:

- bicycle stands and changing rooms at several of the Group's offices
- more exercise rooms run by DnB NOR or access to other fitness centres close to employees' workplaces or homes
- energy exercises or exercise breaks where this is appropriate

Sport and cultural activities

Through the Group's sponsorship agreements, DnB NOR employees have access to cultural activities in their leisure time. We wish to strengthen team spirit across the organisation through both sporting activities and cultural events.

Enthusiasts among the employees run choirs, an art club and other cultural groups.

No attempted robberies in 2006

In 2006, a total of 32 occupational injuries were reported, with seven employees exposed to threats. The other reported injuries were minor or moderate. No employees were exposed to robberies in 2006.

HS&E training

DnB NOR's aim is that working environment training will give managers and safety representatives the necessary insight and knowledge to comply with the Working Envi-

ronment Act and DnB NOR's working environment policy. In 2006, 31 managers and 56 safety representatives completed such training programmes.

In addition, in 2006, courses and drills in coping with bank robberies were held for 465 employees, threat management training courses for 37 employees, safety courses for 209 employees and disaster recovery exercises for a total of 110 employees. A special programme has also been worked out for employees who are summoned as witnesses in trials relating to DnB NOR's operations.

Salary

DnB NOR salaries are based on performance, qualifications and market factors.

The pay system is based on the following two main components:

- fixed salary
- variable salary in the form of non-recurring payments, market-driven bonuses, performance-based pay and acting allowances

Pension and insurance

DnB NOR has a very favourable defined-benefit occupational pension scheme which supplements payments from the National Insurance Fund for employees in Norway. The Group also has an extensive insurance scheme, which together with the pension scheme is intended to contribute to financial security if events arise which could influence the employee's or the family's financial situation. These schemes are an important part of the conditions of employment and a key element in the Group's HR policy.

Selected targets and measures 2007

Increase the average retirement age to above 62 years.

Reduce average sickness absence to below 5 per cent.

Establish a principal recruitment strategy to, among other things, increase diversity in the Group.

Implement Crescendo, a development programme for women senior executive talents.

Ensure appropriate competencies through targeted competence development for managers and employees. Success will be measured by:

- a score of 70 (1–100) in the employee satisfaction survey for 'perceived satisfaction with competence development possibilities'
- the certification of 1 300 investment and financial advisers in Retail Banking
- a coordinated talent strategy for the entire Group

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N/A: Not available.

N/R: Not relevant for DnB NOR.

* Information available in the DnB NOR Group's financial annual report.

** Indicators included in the financial services sector supplements, mostly concerning environmental and social performance, are available at www.dnbnor.com/csr. For more information on the Global Reporting Initiative (GRI), see www.globalreporting.org.

To the stakeholders of DnB NOR ASA

Independent assurance report with limited assurance

We have been engaged by the management of the DnB NOR Group to conduct an independent review of "DnB NOR and society 2006" (the Report).

We have conducted our review in accordance with the requirements for assurance engagements with limited assurance in the Norwegian standard on assurance engagements SA 3000 "Assurance Engagements other than Audits or Reviews of Historical Financial Information" issued by the Norwegian Institute of Public Accountants (approved in September 2005). The procedures for gathering sufficient appropriate evidence in a limited assurance engagement are limited relative to a reasonable assurance engagement.

We have conducted an independent review of the Report. DnB NOR's group management is responsible for the Report. Our responsibility is to express our opinion on the Report based on our independent review.

In this review, we have used relevant criteria in the sustainability reporting guidelines issued by the Global Reporting Initiative (GRI). General areas of focus for the stakeholders of DnB NOR have also been taken into consideration. We consider these reporting criteria to be relevant and sufficient to review the Report.

Our review has involved the following activities:

- Assessing the acceptability of the reporting principles used;
- Performing analytical procedures to assess the quantitative data;
- Reviewing obtained documentation supporting the quantitative data and assertions made in the Report, and re-examining significant estimates and

calculations made in preparing the Report;

- Conducting supplementary interviews with employees of the DnB NOR Group who have had a key role in preparing the parts of the Report where the risk of material errors have been considered as high
- Assessing the content of the Report against relevant criteria for sustainability reporting guidelines issued by the Global Reporting Initiative.

We have in our review not assessed the implementation of and compliance with instructions, policies and procedures mentioned in the Report. The interviews referred to in the Report have not been a part of our review.

We believe we have collected sufficient appropriate evidence as a basis for our opinion.

Because the above procedures do not constitute either an audit or a review made in accordance with Norwegian Standards on Auditing, we do not express any assurance that the report does not contain material errors.

Based on the procedures performed in this report, nothing came to our attention that leads us to believe that the information in the Report in all material respects is not in accordance with relevant criteria in the sustainability reporting guidelines issued by the Global Reporting Initiative.

Oslo, 9 March 2007
PricewaterhouseCoopers AS

Geir Julsvoll
Partner

Points of view?

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