

# Responsibility Policy

OCTOBER 2017

## 1. Purpose

We are committed to responsible business practices and believe that the integration of ethical, social, environmental and economic perspectives is key to running a sustainable long-term business. We recognize that we have an impact on society and the environment and that we play an important role in the transition towards a more sustainable future.

We want to be recognised as the most trusted financial partner while at the same time acting in accordance with our core values, delivering on our customer promise and creating long-term value for all our stakeholders, including the societies of which we are a part.

We conduct our business in a responsible and transparent manner and are committed to respecting internationally recognised principles for environmental protection, human and labour rights, business ethics and anti-corruption. These principles also provide a shared framework for our relations and dialogues with stakeholders. Furthermore, we foster financial stability by running a sound and profitable business and making our expertise available for the societies of which we are a part.

This Responsibility Policy (the Policy) governs and outlines Danske Bank Group's approach to and principles for conducting our business in a responsible and transparent manner.

## 2. Scope and application

The Group Policy applies to all employees, all functions, all units in Danske Bank A/S, and all regulated subsidiaries once adopted by their Senior Management. In case a Group Policy conflicts with local requirements, the Senior Management of the regulated subsidiary may approve a Group Policy with deviations. Any material deviations, including deviations, which conflict with the overall business model and/or the risk profile and risk appetite of Danske Bank A/S, must be reported to Executive Board via the administrator of the Information Management Policy and the Policy administrator. The Executive Board shall report such material deviations to the Board of Directors of Danske Bank A/S.

This Policy is supplemented by other more detailed Group policies.

## 3. Target group

This Policy applies to all employees, functions and units in Danske Bank A/S, and all separate legal entities once adopted by their executive management and/or Board of Directors, as relevant.

It is the responsibility of each manager of a Business Unit or Group Function to ensure that this Policy is implemented and complied with where relevant within his/her respective area of responsibility.

#### 4. Objectives and priorities

This Policy is a set of general objectives and principles that are integrated in Danske Bank Group's daily decision-making process through strategies, policies, targets, business procedures and processes. Our approach is to integrate corporate responsibility in our core business through:

- *Contributing to society*

We want to contribute to growth and prosperity through the products and services we deliver and by innovating the financial infrastructure. We are committed to conducting our business in a responsible and transparent manner, to making our expertise available for the benefit of the societies of which we are a part and to engaging with all our stakeholders through collaboration and dialogue. We do this, amongst others, by helping to build financial confidence in children and youth and at start-ups, ensuring a responsible transition to future financial services and engaging in community activities.

- *Responsible customer relationships*

We build long-term responsible customer relationships through proactive advice with a high level of integrity, through easy and secure access to financial products and services, through a high level of information security and measures to prevent financial crime, and through responsible investment and lending practices.

We invest with respect to international principles for human rights, labour rights, the environment and anti-corruption. We integrate environmental, social and governance (ESG) considerations in our investment practices, and will act as active owners when necessary, through engagement, for example, and strive for transparency.

We ensure that loans and credit facilities are granted on the basis of a professional credit assessment, which includes making sure that our customers understand the implications of taking out loans. We extend credit with respect for international principles for human rights, labour rights, the environment and anti-corruption and include ESG considerations in our lending activities. We do not conduct business with customers whom we believe disregard or deliberately violate these principles.

- *Responsible employer*

We are a responsible employer: We base our actions on our core values, provide challenging and meaningful work, and give our employees the opportunity to develop and grow. We sustain a healthy and safe working environment and a collaborative culture where our employees feel engaged, and where our leaders are expected to role model our values, drive customer centricity, and inspire their employees to succeed. We want to promote diversity and a global culture, ensure equal opportunity and eliminate discriminatory treatment, while protecting our employees' privacy, right to freedom of association and collective bargaining and right to raising concerns without fear of retaliation.

- *Environmental footprint*  
We achieve a strong environmental performance by working systematically to limit the negative environmental impact of our business operations. We strive to minimise the environmental impact of our operations and reduce our CO<sub>2</sub> emissions through energy and environmental management in accordance with the ISO 14001 standard.
- *Responsible supplier relationships*  
We want to ensure responsible supplier relationships by integrating environmental, social and ethical standards and by focusing on impact and risk. We aim at maintaining constructive relations based on dialogue and improvement and expect of our suppliers that they share our adherence to international principles for human rights, labour rights, the environment, and anti-corruption and set similar standards for their supply chain. Furthermore, we integrate environmental requirements if a product potentially has an adverse environmental impact in order to strengthen both our financial and environmental performance.

Furthermore, we foster financial confidence in society, enable people to make sound financial decisions, work to ensure a responsible transition to future financial services and promote easy and secure access to products and services.

## 5. Governance

The Board of Directors receives updates on corporate responsibility measures annually from the Executive Board and has final Policy ownership. The responsibility for development and integration of the Corporate Responsibility (CR) strategy lies with the Executive Board, which has appointed a Business Integrity Board (BIB). The BIB is chaired by the CEO and includes members at executive level from both business divisions and Group functions. The BIB makes formal recommendations on the CR Strategy and oversees the implementation of CR decisions and processes.

Implementation of the CR strategy is the responsibility of the relevant business divisions and Group functions with support from the Corporate Responsibility department. The Corporate Responsibility department is responsible for coordination across the Group, for the implementation of selected initiatives and reporting on progress.

## 6. Reporting

The Group reports annually on its responsibility activities and performance by publishing a Corporate Responsibility report assured by an independent third party. The Corporate Responsibility Report is available on [www.danskebank.com](http://www.danskebank.com). The annual reporting adheres to Danish and European legal requirements for non-financial reporting as well as the standards of the UN Global Compact's communication on progress reporting.

## 7. International commitments

We support the following international commitments that enable businesses to operate in a more responsible manner. The Group supports:

- The UN Global Compact
- The OECD Guidelines for Multinational Enterprises
- The UN Guiding Principles on Business and Human Rights
- The UN-backed Principles for Responsible Investments (UNPRI)
- UN Environmental Program Finance Initiative (UNEPFI)
- The Universal Declaration of Human Rights
- The ILO Declaration of Fundamental Principles of Rights at Work

Additional industry-specific international principles and conventions guide our activities and expectations towards customers, portfolio companies and business partners. For more information, please see our Position Statements on credit and investment procedures on [www.danskebank.com](http://www.danskebank.com).