

# Whistleblowing Policy

SEPTEMBER 2018

## 1. Purpose

In Danske Bank Group (the Group) employees are encouraged to raise their concerns of failures to comply with applicable laws and regulation, and concerns of breach of internal standards, irregularities, criminal offences, including fraud and sexual harassment to which the Group's employees might become aware (below referred to as 'Wrongdoings').

Recognising that protecting the integrity of the Group requires a scheme supporting easy access to report Wrongdoings to the management for their attention or intervention, the Group has established a whistleblowing scheme (below referred to as 'the Whistleblowing Scheme').

The Whistleblowing Policy is designed to meet the legal requirements of the European Capital Requirements Directive.

The Whistleblowing Scheme is an alternative to other approaches to raising concerns of Wrongdoings and should under no circumstances discourage employees from raising their concerns to their colleagues and superior.

The Whistleblowing Scheme is managed by Group Compliance, who must have effective and robust processes in place, to ensure that all reported Wrongdoings are properly dealt with. Within the framework of this Policy, the Head of Group Compliance sets the details of those processes.

Below, 'Whistleblower Report' refers to any report by which an employee or a member of the Group's management raises a concern about a potential Wrongdoing by using the Whistleblowing Scheme.

## 2. Scope and application

The Policy applies to all employees, all functions, all units in the Group, and all regulated legal entities once adopted by their Senior Management. In case the Group Policy conflicts with local requirements, Senior Management of the subsidiary can approve the Group Policy with deviations. Any material deviations from the Group Policy must be reported to the Board of Directors of Danske Bank A/S, as well as the administrator of the Information Management Policy.

## 2.1 What can be reported?

The Whistleblowing Scheme can be used to report any concerns of potential Wrongdoings. It is not a requirement for using the scheme that a potential Wrongdoing would cause financial losses for the Group, expose the Group's reputation, or the like. Consequently, any potential Wrongdoing no matter its potential financial and non-financial impact for the Group is suitable for being reported under the Whistleblowing Scheme.

Employees should be encouraged to report their concerns of Wrongdoings, even when uncertain if the said Wrongdoing is an actual or potential irregularity, criminal offence or breach of regulation, laws or internal standards.

## 2.2 What cannot be reported?

Concerns or issues about personal matters such as dissatisfaction with salary or other employment terms, collaboration challenges, violations of working environment standards, e.g. the Group's smoking or alcohol guidelines, are out of scope of the Whistleblowing Scheme and should not be reported in the Whistleblowing Scheme. Such concerns or issues should be reported to a superior or HR. Where a report about such concerns and issues are directed to Group Compliance under the Whistleblowing Scheme, the concern will be handed over to the relevant function for further actions.

## 3. Governance

Whistleblower reports must be directed to Group Compliance, unless the reported Wrongdoing is in relation to Group Compliance. In this case, the report should be directed to Group Internal Audit, who must involve the Chairman of the Audit Committee in the investigation of the same.

### 3.1 Facilities to get access to the Whistleblowing Scheme

Group Compliance must establish and create easy access for the Group's employees and members of the Group's management to the Whistleblowing Scheme. This includes access for all employees to report in the language they choose.

As a minimum, the following facilities should be available:

- An IT-based toolkit, which must be accessible from the Group's intranet site or by linking to a URL-address, which must be accessible from an Internet-browser at a private or corporate personal computer.
- A postal address.
- A telephone hotline.

The IT-based toolkit referred to above must be a standalone system independent from other IT-systems in the Group, and the IT-operations of the toolkit shall be performed separately.

The IT-based toolkit must not register the IP address or computer ID being used by any whistleblower, and all data transmissions and storage must be encrypted. Only persons in Group Compliance having responsibilities for managing the Whistleblowing Scheme must have access to the it-based toolkit (and Group Internal Audit if relevant).

In addition to the internal channels listed above, certain local Financial Supervisory Authorities also have a Whistleblowing scheme (i.e. an independent reporting channel), which may be used by the Group's employees and members of the Group's Management to report potential wrongdoings.

## 4. Target group

All employees of the Group and all members of the Group's management must have easy access to use the Whistleblowing Scheme. In addition, all employees of the Group and all members of the Group's management might potentially become the subject of a Whistleblower Report.

This Policy also applies to external partners to the extent this is agreed with them. In such cases, a link to the Whistleblowing Scheme should be integrated in the written agreement with the external business partners.

## 5. Anonymity and Protection

### 5.1 Anonymity

A whistleblower should have the opportunity to remain anonymous and all systems under the Whistleblowing Scheme should be set up to ensure this.

### 5.2 Protection of the whistleblower

The identity of the whistleblower must not be disclosed to any persons not involved in the investigation of the concern raised by the whistleblower. This also applies in situations, where the whistleblower has chosen not to be anonymous.

Appropriate measures must be taken to legally safeguard whistleblowers.

### 5.3 Notification obligation

Where a Whistleblower Report is about an individual, Group Compliance is obliged to notify the individual according to local regulation. The timing for providing this notification is set by Group Compliance under due consideration to relevant aspects for planning and execution of the investigation of the concern raised by the whistleblower.

## 6. Investigation

When receiving a Whistleblower Report, Group Compliance must make an immediate screening of the contents for the purpose of uncovering, whether the Wrongdoing reported is unfounded, false or should be subject to further investigation.

Where the Wrongdoing reported is assessed to be suitable for further investigation, Group Compliance must initiate the investigation and ensure relevant stakeholders, capable to contribute with relevant and/or expert knowledge during the phase of investigation, are involved. Stakeholders involved might be other employees in the Group and/or external investigators or Internal Audit, cf. further below.

The persons involved in the investigation are referred to as 'the Investigation Team' below.

Persons exposed to a potential conflicts of interest and/or having any personal relationship with individuals referred to/named in a Whistleblower Report (if known) must not be involved in the investigation at any time. External investigators, e.g. law firms, audit firms and/or consultants, can be invited to join the Investigation Team. The Investigation Team should not involve Internal Audit as a primary decision-maker, but only as a clarifying contributor when deemed necessary.

The investigation must be conducted and finalised as soon as possible. The key conclusions from the investigation and the outcome of the investigation must be summarised in a Whistleblower Completion Report, cf. section 9.

## 7. Escalation

The Group has an Escalation Policy stating the requirements for appropriate and timely internal reporting of potentially problematic cases across Danske Bank Group.

The requirements in the Escalation Policy must always be considered when the Group receives a whistleblower report, no matter which channels this is raised through.

## 8. Ad hoc committee

Where a Whistleblower Report concerns one or more individuals, Group Compliance must assess the need for establishing an ad hoc committee responsible for providing support and advice to the Investigation Team. The ad hoc committee is empowered to challenge the Investigation Team and request further investigations and should continue to remain in existence, as long as the committee assesses this to be needed.

If an ad hoc committee is established it should as, a minimum, comprise of:

- Two (2) participants from Group Compliance
- One (1) member from HR Legal and
- One (1) member from the Executive Board or the designated deputy

Where a Whistleblower Report concerns one or more members of the Board of Directors, the Audit Committee or the Executive Board an ad hoc committee must be established, with the following persons:

- Whistleblower Report concerning one or more members of the Executive Board apart from the CEO - the Chairman of the Board of Directors or the Chairman of the Audit Committee together with the CEO;
- Whistleblower Report concerning the CEO - the Chairman of the Board of Directors or the Deputy Chairman together with the Chairman of the Audit Committee;
- Whistleblower Report concerning the Chief Audit Executive - the Chairman of the Board of Directors or the Deputy Chairman together with the Chairman of the Audit Committee;
- Whistleblower Report concerning the Chairman of the Board of Directors - Deputy Chairman of the Board of Directors and Chairman of Audit Committee
- Whistleblower Report concerning the Deputy Chairman of the Board of Directors - Chairman of the Board of Directors and Chairman of Audit Committee
- Whistleblower Report concerning the Audit Committee Chairman - Chairman of the Board of Directors and Deputy Chairman of the Board of Directors
- Whistleblower Report concerning other members of the Board of Directors - Chairman of the Board of Directors or Deputy Chairman of the Board of Directors together with the Audit Committee Chairman

The mandatory members of the Ad hoc committee can decide to include internal or external participants as members of the committee or as advisor to the Ad hoc committee.

Where a Whistleblower Report concerns one or more members of the Executive Board, the Audit Committee and/or the Board of Directors, an ad hoc committee must be established and the Head of Group Compliance must be involved in the investigation and join the ad hoc committee.

Furthermore, the following persons has the mandate to appoint who will replace the relevant member of the Executive Board in the ad hoc committee:

- The CEO - if the Whistleblower Report concerns one or more members of the Executive Board apart from the CEO;
- The Chairman of the Board of Directors - if the Whistleblower Report concerns the Chief Audit Officer, the CEO and/or a member of the Board of Directors;
- The Chairman of the Audit Committee - if the Whistleblower Report concerns the Chairman of the Board of Directors.

## 9. Completion of a Whistleblower case

When the Investigation Team (and, where relevant, the ad hoc committee) has completed their investigations, a Whistleblower Completion Report must be prepared. This report will include the key conclusions from the investigation and the outcome of the investigation, including the name of the person/team responsible for implementing appropriate and relevant actions to be taken.

When the Whistleblower Completion Report has been completed, no further follow-up actions on the report under the auspices of the Whistleblowing Scheme will be taken.

## 10. Reporting

Group Compliance conduct semi-annual reporting to the ExBoard and the Audit Committee on the number of Whistleblower Reports received and the outcome of the investigation conducted by Group Compliance.

## 11. Review

This Policy must be reviewed by Group Compliance at least once a year. Any changes to the policy must be endorsed by the Audit Committee and approved by the Board of Directors.