

Supplier Code of Conduct

JUNE 2020

APPROVED BY THE DANSKE BANK GROUP'S BUSINESS INTEGRITY COMMITTEE

Introduction

At the Danske Bank Group, we are committed to driving sustainable progress and positive impact in the societies that we are part of – and we are also committed to operating our business sustainably, ethically and transparently. This is reflected in our Societal Impact & Sustainability Policy and in our commitments to initiatives including the UN Global Compact, the UN Sustainable Development Goals (SDGs) and the Paris Pledge for Action on climate change. We consider responsible supplier relationships to be an important element in this regard, and our aim is therefore to cooperate with suppliers that share these ambitions. To this end, the Danske Bank Group takes criteria relating to environmental, social and ethical standards into account when selecting and evaluating suppliers. We strive to maintain constructive relations based on dialogue and improvement.

Danske Bank's Supplier Code of Conduct (the Code) defines our requirements for suppliers in terms of their responsible business conduct and their responsibilities towards the communities where they operate. It is essential that our suppliers as a minimum comply with all applicable national laws and regulations and also meet the requirements set out in the Code.

The Code is built on internationally recognised agreements that promote companies' management of adverse effects on human rights, labour rights, environmental protection and anti-corruption practices. These include the following initiatives supported by the Danske Bank Group:

- UN Global Compact
- OECD Guidelines for Multinational Enterprises
- UN Guiding Principles on Business and Human Rights
- the Universal Declaration of Human Rights
- the ILO Declaration of Fundamental Principles of Rights at Work
- relevant ILO conventions

Scope

The Code applies to all Danske Bank's suppliers that deliver goods and services to any of the Danske Bank Group's business units and subsidiaries.

Obligations of suppliers and subcontractors

The Code is a total supply chain initiative, and the Group's suppliers are responsible for setting the same or comparable standards for their subcontractors. It is the responsibility of the suppliers to ensure that their subcontractors are informed of the Code, have appropriate due diligence measures in place and uphold the requirements.

Requirements for doing business with the Danske Bank Group

To meet the following requirements, suppliers are expected to have in place policy commitments, continuous monitoring and follow-up actions to mitigate negative impact:

1. Labour and human rights

1.1. Anti-discrimination

The supplier does not discriminate on the basis of ethnicity, religion, race, skin colour, nationality, social origin, age, disability, health status, gender, sexual orientation, membership of trade unions or political views.

1.2. Working conditions

The supplier ensures that working conditions, hours, rest periods, leave and wages are in accordance with local regulations and industry practice and are at a level that enables a fair standard of living according to local conditions. In addition, wages may not be withheld as a disciplinary sanction.

1.3. Right to privacy

The supplier respects its employees' right to privacy when it gathers or stores personal information.

1.4. Freedom of association

The supplier respects its employees' right to organise themselves and negotiate collective wage agreements. If independent trade unions are discouraged or restricted, the supplier enables workers to gather independently to discuss work-related issues.

1.5. Forced labour

The supplier is to apply measures to prevent human trafficking or any type of forced labour. This includes work on a forced contract, slavery and other forms of work that are undertaken against a worker's will or choice.

1.6. Child labour

The supplier is not associated with exploitative forms of child labour – such as labour that damages children's physical or mental health or prevents them from going to school. When

employing young workers, suppliers must act in accordance with the International Labour Organization's standards.

2. Health and safety

2.1. Working environment

The supplier provides a healthy and safe working environment and prevents accidents and injuries related to the physical and mental environment through proper training and preventive measures. The supplier must treat all employees with dignity and respect and secure a workplace free from harassment, abuse and violence.

3. Environment

The environmental commitments set out in this Code are subject to the principle of proportionality, using a risk- and impact-based approach. The requirements are therefore to be applied in a manner that is appropriate, taking into account the supplier's size and type of operation and the nature, scope and complexity of its activities.

3.1. The supplier works continually to comply with local environmental law.

3.2. The supplier has a policy commitment to address environmental considerations.

3.3. The supplier has an environmental management system that is either certified in accordance with ISO 14001 or includes at least the following:

- a policy commitment to address environmental considerations
- follow-up on observance of prevailing environmental legislation
- identification and ongoing monitoring of the company's most significant environmental impact issues
- actions to improve the company's environmental impact
- internal audit

3.4 Environmental requirements

The Danske Bank Group has specific [environmental requirements for products](#), e.g. hardware and office supplies. The supplier must comply with the requirements relevant for the specific contract.

4. Business integrity

4.1. Anti-corruption and bribery

The supplier ensures a high level of business integrity and complies with all applicable laws and regulations concerning bribery, corruption, fraud, intellectual property rights, money laundering, tax evasion, and competition through supplier policies or guidelines

concerning conflicts of interests, gifts and hospitality.

4.2. Complaint mechanism

The supplier provides a complaint mechanism for managers, workers and communities to report workplace grievances.

Compliance

In cases where a supplier does not comply with the Code as expected by Danske Bank, we will initiate a dialogue in order to clarify the circumstances. If following this dialogue the supplier is unable to comply with the Code, a corrective action plan must be agreed.

We reserve the right to audit suppliers' and in some cases subcontractors' compliance with the Code and the correctness of the information given by suppliers.

If a supplier 1) has given incorrect information, or 2) if the non-compliance by the supplier cannot be remedied, or 3) if the supplier cannot implement the required improvements in order to become compliant within the agreed timeline, we reserve the right to end our business relationship. The supplier is not entitled to any compensation for such termination. The supplier is solely responsible for all expenses incurred for complying with the Code.

The supplier has a duty to proactively report to Danske Bank's Group Procurement department regarding any deviation from this Code.