

# Statement on Modern Slavery Act

DANSKE BANK GROUP  
2 FEBRUARY, 2017

---

## Introduction

Danske Bank Group supports the UK Modern Slavery Act 2015 and its objective to eradicate forced labour and human trafficking. We want to be recognised as a trusted financial partner acting in accordance with our core values while taking into account internationally recognised principles for environmental protection, human and labour rights, business ethics and anti-corruption. This includes improving business practices to combat modern slavery.

## About Danske Bank Group

Danske Bank Group is a Nordic universal bank with strong regional roots and close ties to the rest of the world. We serve more than 3.4 million personal, business and institutional customers in 16 countries, and in addition to banking services, we offer life insurance, pension, mortgage credit, wealth management, real estate and leasing services and products.

## Policies and commitments

We are committed to respecting human rights, and we work consistently to combat any kind of modern slavery in our business and our supply chains. International agreements lay the basis for how we conduct our business in a responsible and transparent manner. We endorse a number of initiatives of relevance to the Modern Slavery Act:

- UN Global Compact
- OECD Guidelines for Multinational Enterprises
- UN Guiding Principles on Business and Human Rights
- UN-supported Principles for Responsible Investment
- The Universal Declaration of Human Rights
- UN Environment Programme Finance Initiative
- The ILO Declaration of Fundamental Principles of Rights at Work
- The Global Framework Agreement on Human Rights and Corporation with Unions

In addition to our Responsibility Policy, we have a number of supporting policies and statements specifying our environmental, social and governance (ESG) commitments, including our Responsible Investment Policy, Credit Policy, Code of Conduct for employees, Anti-Money Laundering Policy, Supplier Code of Conduct, Whistleblower Policy and position statements on industries with high ESG risks.

## Processes and procedures

We have processes and procedures in place to ensure that human rights risks are identified, assessed and addressed. They include the following:

- We screen our portfolio companies in collaboration with our screening and research partners to ensure that their conduct is in accordance with our Responsible Investment Policy and the international standards we endorse.

- When lending, we screen customers to ensure that their conduct is in accordance with our Credit Policy and the international standards we endorse.
- When tendering new contracts, we assess suppliers to ensure they comply with our responsibility standards. We clarify our requirements in a Supplier Code of Conduct, which also states that suppliers are responsible for setting the same or comparable standards for their subcontractors.
- We have HR management procedures in all countries where we operate to ensure that all employees are recruited lawfully, and we work closely with unions in order to ensure compliance.
- Employees can report possible wrongdoings through our whistleblower scheme.
- Our working environment management system enables us to identify cases involving working environment issues, discrimination and the like.

#### Training

We have several training programmes to ensure that employees adhere to our policies and procedures, including e-learning modules on compliance, whistleblowing and our Code of Conduct. Every year, all employees who engage with personal customers must complete a mandatory e-learning programme entitled "Licence to Operate" that covers Know Your Customer procedures and anti-money laundering measures. Procurement, investment and credit employees undergo training specifically on ESG issues.

#### Key actions 2016

In 2016, we conducted a high-level, group-wide risk assessment to better understand the possible effects of our business activities on matters involving human rights issues such as forced labour and human trafficking. The assessment was made in collaboration with the Danish Institute for Human Rights on the basis of the UN Guiding Principles on Business and Human Rights.

The assessment resulted in recommendations to expand our coverage of human rights issues in policies and procedures and to strengthen our internal knowledge and capacity regarding human rights issues - including issues related to modern slavery. We are following up on the recommendations and will continue these efforts in 2017.

In 2016, we also took the following actions relevant to the Modern Slavery Act:

- Updated our Responsibility Policy and Supplier Code of Conduct to specify our commitment to respecting human rights.
- Published five industry-specific position statements clarifying how we work in these industries with screening, ESG risk analysis and engagement with our customers, business partners and the portfolio companies we invest in.
- Improved our responsible sourcing process by clarifying the requirements for suppliers and launched a new risk assessment process.
- Expanded the human rights coverage, including coverage of forced labour, in the supplier assessment questionnaires we administer in collaboration with a third party.

#### More insights

You can find more information on our business and conduct in our Annual Report 2016, Corporate Responsibility Report 2016 and Corporate Responsibility Fact Book 2016 as well as on our website, [danskebank.com](http://danskebank.com).

#### Approval

This statement covers the financial year 1 January 2016 to 31 December 2016.



Ole Andersen  
Chairman, Board of Directors