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CR ORGANISATION / STAKEHOLDER DIALOGUE / THE GROUP IN SOCIETY /  
CUSTOMERS / EMPLOYEES / ENVIRONMENT / SOCIETY



# CORPORATE RESPONSIBILITY 2008



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Healthy business and a healthy society go hand in hand. This has become quite evident in the past year. It is therefore only natural that we wish to invest in the communities we are part of.

# Investing in the future

In 2008, we changed the name of our social, ethical and environmental activities from Corporate Social Responsibility (CSR) to Corporate Responsibility (CR). With this new term, we wish to indicate that our concerns extend beyond issues of social responsibility. The change is thus closely linked to our efforts to steadily integrate our principles of responsibility into both our business strategy and all our operations. We are especially committed to contributing to responsible economic growth, a cleaner environment and good conditions for our employees.

For instance, we implemented a policy for Socially Responsible Investment (SRI) to ensure that the Group does not invest customers' assets in companies that violate internationally recognised standards for human and labour rights, the environment and anti-corruption. The Group also entered into a framework agreement

with UNI Global Union, the international labour union. The agreement clearly states our commitment to fundamental employee rights in all parts of our business. These initiatives demonstrate our firm support for the UN Global Compact and its 10 principles.

In today's global economy, societies' competitiveness and progress depend on a high level of education. For this reason, in 2008 we launched the Financial Literacy and Investment in Education Programme. The first product offered under the programme, the Parent Study Loan, provides specially tailored advisory services and a loan on very favourable terms to students with children.

Despite these financially unstable times, the Group is determined to stay on course and stand by our overall CR objectives, such as our

goal of achieving carbon neutrality by the end of 2009.

In 2008 we moved closer to reaching this ambitious goal. The efforts were kicked off by an internal campaign to reduce energy consumption. Employees throughout the Group participated in the campaign, demonstrating a strong commitment to minimising our environmental impact. Next year, we will continue to supply resources to reach our goal of carbon neutrality and thus to help create a cleaner future.

Peter Straarup,  
Chairman of the Executive Board



OPERATIONS IN 14 COUNTRIES / 804 BRANCHES / 5 MILLION BANKING CUSTOMERS / 23,624 EMPLOYEES

# A look inside



READ MORE ABOUT OUR VISION AND MISSION AT [WWW.DANSKEBANK.COM/ABOUT](http://WWW.DANSKEBANK.COM/ABOUT)

With more than 23,000 employees, 5 million retail customers and operations in 14 countries, the Danske Bank Group has a considerable impact on the local communities that it is part of. The Group focuses on retail banking by offering a wide

range of financial services, including insurance, mortgage finance, asset management, real estate and capital markets products.

The Group's vision is to create a unique banking model that can

be used in all the markets where we operate. This model enables us to run a retail business spanning national borders and branded divisions. It also allows us to take advantage of our experience to continually develop and improve the

KEY FACTS	2008	2007
<b>Business operations (DKr m)</b>		
Total income	43,043	45,063
Operating expenses	28,726	25,070
Profit before tax	2,229	19,306
Tax	1,193	4,436
Net profit	1,036	14,870
<b>Customers</b>		
Banking customers, end of year (millions)	5.0	5.0
Percentage of loans and advances to retail customers, end of year (%)	40	40
Number of branches, end of year	804	842



products and services we offer our customers.

The Danske Bank Group serves personal and business customers through banks with nationwide branch networks. Our mission is

to become the best local financial partner. In order to reach this goal, we build financial partnerships and customer relationships on our core values and a thorough knowledge of customers' circumstances, needs and desires. We always strive to

strike a balance between what we offer and what we receive in return. This approach is reflected in the Group's CR policy. Read the CR policy on our Web site at [www.danskebank.com/responsibility](http://www.danskebank.com/responsibility).

KEY FACTS	2008	2007
<b>Employees</b>		
Number of full-time employees, end of year	23,624	23,632
Percentage of women in workforce (%)	58	57
Percentage of women in management (%)	34	31
Employee satisfaction and motivation (scale 0-100)	72	72
Absence due to illness (avg. number of illness days per employee)*	6.6	7.1
<b>Environment</b>		
Energy consumption (MWh per employee)*	8.1	7.8
Total transport by air (km per employee)*	1,841	1,813
CO <sub>2</sub> emissions (tonnes per employee)**	3.5	2.9
<b>Society</b>		
Donations to society (DKr m)	28	29
Hours of voluntary work (hours)	5,189	5,200

\* Excluding the Baltic states and Finland.

\*\* Data for 2007 cover Denmark, Sweden, Norway, Ireland and Northern Ireland.

Data for 2008 include estimated figures for Finland, Poland, Germany, Luxembourg and the Baltic states.





# About this report



SEE [WWW.DANSKEBANK.COM/RESPONSIBILITY](http://WWW.DANSKEBANK.COM/RESPONSIBILITY) FOR A GRI INDEX AND CR FACT BOOK

At the Danske Bank Group we are committed to applying principles of responsible behaviour to all our activities both as a financial institution and as an employer. This third report on corporate responsibility describes our efforts to reach this goal by focusing on the social, ethical and environmental challenges and opportunities at the core of our business, including the following:

- Integrating CR principles into products and services
- Promoting employee health
- Raising the level of financial education and literacy in our markets

The presentation of the Group's CR activities and results in the past year is organised around four main areas: customers, employees, environment and society. As the principles for responsibility are gradually incorporated into our business, however,

our initiatives begin to create synergies between the various areas. For example, our environmental activities involve and affect both customers and employees. In these cases, the activities are described where they best fit into the overall context.

## **Making the connection**

The UN Global Compact and the Global Reporting Initiative (GRI) are voluntary programmes that play complementary roles in promoting organisational accountability and improved performance. Since 2007, the Group's reporting on corporate responsibility has been organised in accordance with the GRI Sustainability Reporting Guidelines (G3). The guidelines help ensure that our reporting presents our stakeholders with a balanced, complete and comparable description of our CR performance. The G3 Guidelines also provide a tool for measuring our progress and communicating

our performance in the context of the Global Compact principles. On our Web site, [www.danskebank.com/responsibility](http://www.danskebank.com/responsibility), we publish a Global Reporting Initiative (GRI) index that corresponds to the relevant principles of the Global Compact.

This report covers all branded divisions in the Danske Bank Group and is intended primarily for investors, analysts and corporate customers with an interest in the Group at a strategic level. For more information about the scope of this report, reporting principles and calculation of data, see page 35 of the report and the specific reporting principles on our Web site and in the CR Fact Book.

For further details on the Group's financial results and risk management, see the Annual Report 2008 and Risk Management 2008.



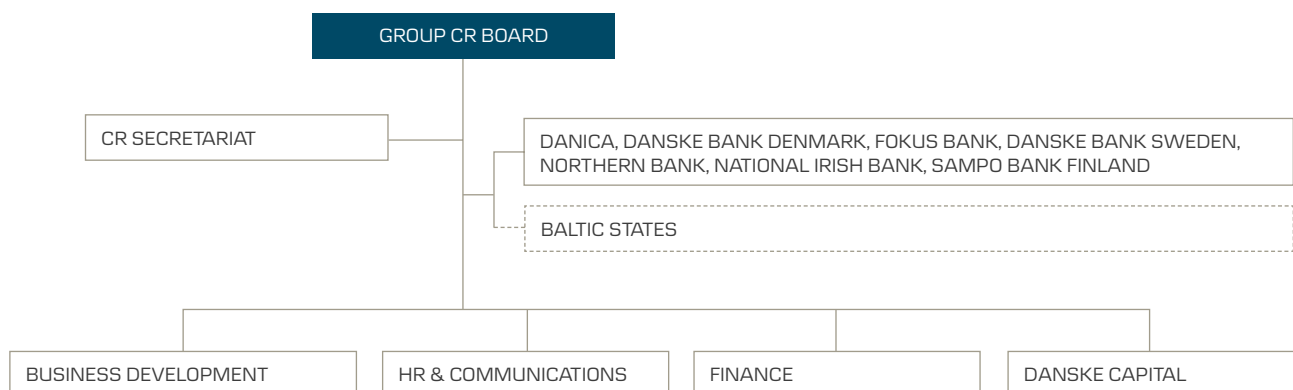
# CR organisation

The CR Secretariat, which is located at the Group's head office in Copenhagen, is responsible for developing the Group CR strategy, co-ordinating activities and reporting on the Group's CR performance to stakeholders.

CR boards at Fokus Bank, Danske Bank Sweden, Northern Bank, National Irish Bank, Sampo Bank

Finland, Danske Bank Denmark and Danica Pension in Denmark ensure that the Group CR policy and action plans are implemented locally in the various business units. The local CR boards are responsible for defining their units' specific objectives and initiatives within the framework of the Group CR strategy, for following up on the implementation of the initiatives, and for maintain-

ing the environmental management system (EMS). The boards report to the CR Secretariat on their progress towards specific goals. With the establishment of CR boards in the Baltic states in 2009, most branded divisions will be responsible for the local implementation and development of the Group's CR policies and programmes.





# Stakeholder dialogue

In order to ensure the relevance and continual development of our CR initiatives, we consult both internal and external stakeholders and give serious consideration to their needs, expectations and concerns. Whenever appropriate, we enter into partnerships with public authorities and networks that can provide important knowledge and a strong platform for developing and implementing our CR initiatives.

For example, the Financial Literacy and Education Investment Programme and its various initiatives were developed in collaboration with many stakeholders, primarily in the fields of training and education, such as the public school systems and parents' and students' organisations. Stakeholder participation ensures that the Group stays abreast of financial literacy issues (for example, new legislation and school curricula) and also that the

Group's initiatives are as relevant, professional and beneficial as possible for the specific target groups.

## Expert involvement

All the Group's financial literacy initiatives were developed in co-operation with specialists in relevant fields. For example, experts took part in the development of Moneyville, a Web site for children aged 5 to 7 that was launched in August 2008. Likewise, national students' organisations were involved in developing the advisory programme for the Group's new loan product for students with children, the Parent Study Loan.

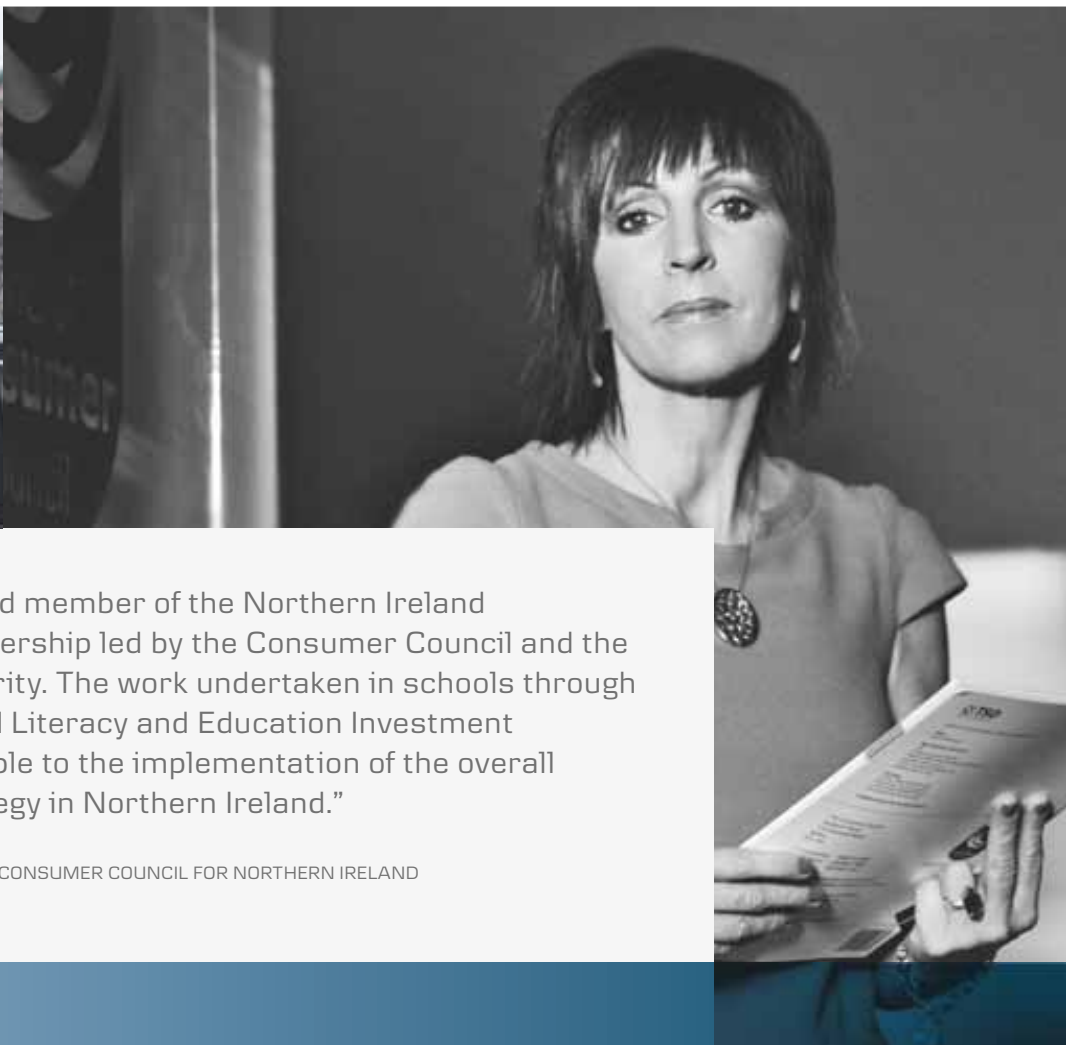
Moneyville was reviewed by expert panels in Denmark, Sweden, Norway, Northern Ireland and Ireland to ensure its appropriateness and educational relevance for the intended age group. The panels consisted of four types of specialist: a media

researcher, a child psychologist, a representative of an organisation that validates online media, and a representative of a teachers' organisation. To support the Web site, the Group also created teaching materials for pupils aged 5 to 7 adapted to the school curriculum. This material was developed by the national teachers' organisations.

## Partnerships in Ireland and Northern Ireland

In Northern Ireland, Northern Bank is a long-standing and active member of Business in the Community and works closely with the organisation on the bank's community and environmental commitments. This year Northern Bank also became a business champion of Business in the Community's new Business Action on Health Campaign and has signified a commitment to focusing on workplace health and well-being.





“Northern Bank is a valued member of the Northern Ireland Financial Capability Partnership led by the Consumer Council and the Financial Services Authority. The work undertaken in schools through Northern Bank’s Financial Literacy and Education Investment Programme is very valuable to the implementation of the overall Financial Capability Strategy in Northern Ireland.”

ELEANOR GILL / CHIEF EXECUTIVE, THE CONSUMER COUNCIL FOR NORTHERN IRELAND

National Irish Bank in Ireland works closely with two national organisations to promote staff volunteering. Both organisations provide staff with an opportunity to work with school pupils and coach them in general life skills, particularly in the area of financial literacy.

#### Customer and employee surveys

Every year, the Danske Bank Group carries out surveys to monitor the satisfaction of our most important stakeholders. Since 2007, we have asked both our customers and employees how they view the Danske Bank Group as a responsible business. We also ask employees whether they consider the Group a workplace that takes responsibility for its employees beyond what can normally be expected. In 2008, the employee score on this issue was 69 out of 100. The results of the customer survey showed considerable variations among business

units. While National Irish Bank was at the top of the sector range in Ireland, Sampo Bank was at the bottom of the Finnish sector range, presumably because of the problems that customers experienced during and immediately after the migration in Easter 2008.

#### Memberships and media

Our participation in various networks and in national and international conferences is yet another source of input for the continual development of the Group’s CR initiatives. We track media reports to understand emerging issues; conduct surveys among employees and customers; and use tools, including industry-specific sustainability questionnaires such as the Dow Jones Sustainability Indexes and FTSE4Good Index, to understand the latest trends in the field.

#### 2008 Highlights

- Launched financial literacy products and services
- Introduced SRI policy and screening
- Started implementing climate strategy
- Signed framework agreement with UNI Finance (UNI Global Union)
- Set up local CR boards at Danske Bank Denmark, Danica Pension Denmark and Sampo Bank Finland
- Received award for the Corporate Social Responsibility 2007 report



# The Group in society

As a financial institution, the Danske Bank Group is there when people use their credit cards for shopping, when they apply for a loan, and when they save up for their retirement. We are there when companies start up, invest capital and expand, and also when the Danish state pays its bills and transfers funds. All these activities bring great responsibility, a responsibility that we are proud of and do our best to live up to by applying our core values in our daily work. In other words, our responsibility entails a strong commitment to our stakeholders.

## **Creating long-term value**

Every day, the Danske Bank Group performs important tasks such as

facilitating deposits, lending and payments and providing advice about pensions, mortgage loans, savings and investments. We thus play an important role in the creation of long-term value for our customers as well as in maintaining a healthy market economy.

In these financially unstable times, we are committed to maintaining a strong, reliable business for the benefit of our customers, our shareholders, our employees and society at large. We strive to achieve this by providing effective financial services, while always seeking to conduct our business with integrity and with respect for our surroundings. This approach is reflected in our process for extending loans and credits, for

example. In each case, the Group undertakes a careful evaluation of the customer's financial situation in order to obtain an in-depth understanding of the risks and opportunities. Sometimes this means we must refrain from extending loans to particular customers. From a longer perspective, however, our expertise and responsibility in credit assessment and advice can help customers avoid financial default. In order to provide sound financial support for our customers, we therefore maintain our credit standards during both prosperous times and difficult ones.

Like any other business, we have an obligation to continually develop our products and services to meet the needs and demands of our custom-

## GROUP CORE VALUES

INTEGRITY / COMMITMENT / ACCESSIBILITY / EXPERTISE / VALUE CREATION



## 2009 objectives

- 1** Spread knowledge about personal finance
- 2** Improve customers' financial skills
- 3** Reach carbon neutrality
- 4** Promote employee health

ers. Well-informed consumers motivate and drive this development. It is in the interest of both the Group and society as a whole that we invest in raising the level of financial knowledge in our markets. In 2008, we therefore launched the Financial Literacy and Education Investment Programme, which encompasses a range of activities, products and services to be implemented in the coming years.

### **Climate change: A shared responsibility**

Finding and implementing solutions to the effects of climate change are a common responsibility shared by businesses and governments as well as individuals. At the Danske Bank Group, therefore, we endeavour to share our knowledge about climate change with customers, employees and other stakeholders in order to help advance solutions to climate-related problems.

A transition to a low-carbon future demands a change in our mindset and in how we act in business and in our daily lives. As a large enterprise, the Group has the opportunity to engage with stakeholders to share knowledge on how to face the challenge of climate change.

CLIMATE STRATEGY / 2007

In 2008, the regional offices of Danske Bank Denmark invited corporate customers to environmental conferences focusing on themes such as the consequences of volatile oil prices and the related challenges and opportunities in the investment markets. At the events, investment experts from the Bank also introduced two new investment products that give customers access

to more than 25 companies within solar energy and energy efficiency. The conferences were received with great interest among the Bank's corporate customers.



## Customers

# Innovation and social responsibility

Commitment to our customers is the core of our business. We therefore strive to show this commitment in our daily work and measure it in customer surveys. The Group has a commitment not only to financially stable customers but also to selected customer groups who are financially vulnerable. In the Group's Financial Literacy and Education Investment Programme, we integrate business innovation and social responsibility by creating products that benefit financially vulnerable groups.

In August 2008, the Group launched its first socially responsible banking product, which is intended for students with children. This group is among the most financially vulnerable in our society, with little time for work in addition to their parental duties and their studies. The product is a competitively priced loan called Parent Study Loan. Along with the loan we offer a spe-

cial advisory programme focused on improving financial literacy among the recipients in Denmark, Sweden, Norway and Northern Ireland.

The interest rate on the Parent Study Loan is only 2% p.a., and the loan amount is limited to DKr1,000 per month for a maximum of six years. The monthly limit is intended to ensure that students undertake a sustainable amount of borrowing and avoid overspending. After the course of study and the disbursement of the loan, students will have a two-year grace period at the same low interest rate of 2% p.a. Repayment will take place over three years at the lowest personal interest rate available at the local Danske Bank unit.

### **An investment in the future**

We introduced the study loan in order to help student-parents finish their studies within the prescribed

study period without incurring excessive debt from expensive consumer loans. Through the programme, the Group is investing millions of kroner in the quality of life and the education of students with children.

The Parent Study Loan was launched in Denmark, Sweden, Norway, Ireland and Northern Ireland in 2008. These five markets have a total of around 115,000 students with children. Their need for financial support as well as advice was verified in one of the most extensive surveys ever made of the financial situation of students with children. The survey was commissioned by the Danske Bank Group and conducted by Capacent Epinion, which in June 2008 polled more than 2,000 students, including 500 students with children, to determine how student-parents perceive their financial situation.





“For students with children – assuming they receive sound financial advice – taking out a Parent Study Loan may be more sensible than working longer hours to support themselves. Working is good to a certain extent, but an excessive amount will either prolong the period of study or cause the student to drop out.”

PER CHRISTIAN ANDERSEN / CHAIRMAN OF THE BOARD, DANISH STATE EDUCATIONAL GRANT AND LOAN SCHEME AGENCY

Generally, students with children feel that they are under financial pressure. Nearly 75% experience stress about their financial situation because they cannot make ends meet. Some 48% of the student-parents responded that they sometimes or often must say no when their children want to attend recreational activities, and 39% stated that they cannot afford to give their children the varied and healthy food they wish to. In conclusion, we find that the Parent Study Loan can help students with children pursue their academic ambitions without putting themselves deeply in debt. Of course, we also see this as a long-term business investment that can foster loyalty and credibility among current and future customers.

#### Focus on the next generation

Young adults constitute society's - and the Group's - future resources. So it is crucial that the next gen-

eration of customers attains a good understanding of financial matters. What is more, the current trend among our customers aged 18 to 25 is negative. We therefore need to undertake measures that answer their needs and also increase their satisfaction with the Group.

For 2009, we are planning new initiatives for students and young adults from 18 to 25 years old. For example, we will launch an online advisory programme to improve financial literacy skills on issues of particular interest to young adults. We will use surveys and research

to identify the most important gaps that need to be filled in young adults' financial knowledge. We will also target financial issues relevant to this age group, for example mortgages, credit cards and consumer loans. We will conduct meetings with 18 to 25 year olds in order to determine these focus areas. With more than 3 million young adults across our markets in this age group, there should be strong demand for these initiatives. With this new advisory programme, we aim to make social responsibility and business innovation go hand in hand.

“If we don't do something to address the fact that our customer group is ageing, we're going to run out of customers at some stage.”

LIAM SMYTH / BRANCH MANAGER, NORTHERN BANK.



ACTIVITIES 2008	RESULT
Implement and develop the Financial Literacy Programme	○
Develop a socially responsible product	○
Introduce eBanking facilities for mobile phones in Norway and Finland	○
Implement new, improved method for surveying customer satisfaction	○

## Meeting the 2008 objectives

### Greenfleet moves ahead

In January 2008, Nordania Leasing, the Group's leasing company, launched Nordania Greenfleet, an environmental leasing programme focused on reducing both CO<sub>2</sub> and SO<sub>2</sub> emissions from company car fleets as well as overall fuel costs. Greenfleet comprises a series of services, including online environmental fleet reports and advice on developing environmentally friendly car policies. Nordania also offers customers guidance on developing incentives that reward employees financially for choosing environmentally sound company cars.

Greenfleet was received with much interest among Nordania's customers. Major companies with large car fleets were especially interested in the programme, which in many cases will reduce fuel costs and car-

bon emissions by 10-15%. Some of the companies already have access to the online environmental reports and have begun developing new "green" car policies in collaboration with Nordania.

### Calculations and courses

Later in 2008, two new features were added to the environmental programme. At Nordania's Web site, customers can make generic calculations of possible fuel cost reductions and CO<sub>2</sub> and SO<sub>2</sub> emissions reductions. Nordania also launched a series of educational courses (Greenfleet Drive and Greenfleet Safety) in which employees are taught how to drive company cars with greater attention to the consequences for the environment.

### Promoting health at Danica

In recent years, the market for employer health insurance in Denmark has increased more than tenfold.

One in five employees at businesses with *Danica Sundhedssikring* health insurance uses the insurance at least once a year. Five years ago, only one in 14 employees did. This reflects an increasing need for such insurance. And even if *Danica Sundhedssikring* ensures rapid access to examination and treatment and covers the expenses for employees, companies still suffer from their employees' absence. But they can reduce the number of lost work days substantially.

As the old saying goes, an ounce of prevention is worth a pound of cure. And that is the simple idea behind *Danica Sundhedsfremmer* (Danica Health Promoter), which was launched in 2008. This programme provides businesses and individual employees with the knowledge and tools to make a concerted effort to avoid bad lifestyle habits and illnesses. It has three components:



SEE [WWW.DANSKEBANK.COM/RESPONSIBILITY](http://WWW.DANSKEBANK.COM/RESPONSIBILITY) FOR A FULL OVERVIEW OF CUSTOMER OBJECTIVES AND ACTIVITIES IN 2008



a health check-up, a health analysis and a health guide. In addition, employees have access to a health portal offering various services and tools to motivate them to adopt a healthier way of life.

#### Customer satisfaction

High-quality customer experience and satisfaction are vital for any business. The Group measures customers' general satisfaction regu-

larly. In 2008, we implemented the Moment of Truth survey as an internal method of improving customer experience in advisory meetings. This entails asking customers about their experiences and satisfaction right after the meetings.

In 2009 we will focus on identifying best practices and sharing them with individual teams in the Group. The objective is that the ongoing im-

provements should steadily increase customer satisfaction and become evident in the annual customer survey.

Customer satisfaction data from Sampo Bank for January to June 2008 show a large drop in the level of satisfaction immediately after the migration, mainly because of technical problems which involved online banking and card transactions.

#### CUSTOMER SATISFACTION (SCALE OF 0-100, RETAIL/CORPORATE)

	2008	2007
Danske Bank Denmark	73/76	72/76
Fokus Bank, Norway	68/67	71/-
Danske Bank Sweden	81/80	73/75
National Irish Bank, Ireland	73/70	-
Northern Bank, Northern Ireland	71/70	-
Sampo Bank, Finland	69/61	-



## Overview of the SRI process



### Responsible investment

The Danske Bank Group has faced increasing demands from customers that we address environmental, social and ethical issues in the investments we make on their behalf. As a bank and a pension and life insurance provider, we wish to generate the best possible returns for our customers. We also believe that responsible behaviour is a precondition for long-term value creation in a company. For these reasons, in 2008 we introduced a policy for socially responsible investment (SRI).

The policy aims to ensure that the Group does not invest customers' assets in companies that violate internationally recognised standards for human and labour rights, the environment and anti-corruption. It applies to products with which the Group manages the investment of customer funds.

The Swedish company Ethix SRI Advisors screens the Group's portfolios on a regular basis. The screening includes companies in the MSCI World and the MSCI Emerging Markets indices and the largest companies listed on the Nordic stock exchanges. The process is based on internationally recognised guidelines presented by the UN Human Rights Norms for Business (2003), the UN Global Compact (1999) and the OECD Guidelines for Multinational Enterprises (1976). In addition, the screening takes into account a number of international conventions reflecting developments in the SRI field, for example conventions on cluster munitions and antipersonnel mines.

#### Dialogue for improvement

If a company is accused of a sustained, severe violation of the guidelines, Ethix will investigate the charges. Throughout the pro-

cess, Ethix seeks a dialogue with the company and other relevant parties. The process includes the opportunity for the company to present its own version of the case and to determine whether the company is taking steps to stop the violation and prevent a recurrence.

The Danske Bank Group SRI Board receives the results of Ethix's analyses and decides whether to exclude the company or continue the dialogue. In 2008, 13 companies were screened out. The Group engaged in dialogue with a number of other companies.

#### Supporting the SRI agenda

The Danske Bank Group wishes to support a diversified debate on socially responsible investing. For this reason, the Group became a founding member of Dansif, a network for sharing knowledge and discussing SRI issues.





SEE [WWW.DANSKEBANK.COM/RESPONSIBILITY](http://WWW.DANSKEBANK.COM/RESPONSIBILITY) FOR A FULL OVERVIEW OF CUSTOMER OBJECTIVES AND ACTIVITIES IN 2008



Dansif was inspired by the European Social Investment Forum (Eurosif), whose mission is to address sustainability in the financial markets through networking, research

and lobbying. Unlike Eurosif, Dansif is an organisation devoted exclusively to knowledge sharing. Dansif will be launched in early 2009.

#### CUSTOMER OBJECTIVES 2009

Use the Group's knowledge and position to address corporate responsibility in the financial markets

Launch socially responsible products and advisory programmes for designated vulnerable groups

Ensure that the Group's products and advisory programmes meet the needs of the next generation of consumers

Ongoing implementation of Moment of Truth method of surveying customer satisfaction

#### GOALS AND ACTIVITIES 2009

Co-found and launch Dansif, the Danish version of the European Social Investment Forum (Eurosif). The launch is scheduled for early 2009.

Launch an online advisory programme for 18-25 year olds.

Conduct research and surveys as a basis for new initiatives.

Enter into stakeholder dialogue with experts and organisations.

Implement and distribute knowledge from the best-performing units to units performing at the average level and below.



## Employees

# A healthy business with healthy employees

It is common knowledge that people who are generally healthy live longer, become ill less often, and are more productive than people who are not healthy. Also, a workplace that is known for taking good care of its employees will attract the best-qualified people.

Statistics warn us, however, that a growing trend in negative lifestyle habits such as lack of exercise and an unhealthy diet will pose challenges for the sustainability of both businesses and entire societies. With a staff composition similar to that of society at large, the Danske Bank Group is also affected by this trend. While the Group does not measure employee health directly, the national workplace assessments carried out annually or every two years in some units suggest that health issues may also be prevalent in the Group. In 2007, for instance, workplace assessments in Sweden

and Denmark revealed that 11% of the employees rated their own health condition as “poor”.

### **A setting for health promotion**

Health is essentially an individual matter, and the Danske Bank Group accepts it as such. But there is also a growing consensus that the workplace and working conditions are decisive factors in employees’ opportunity to choose a healthy lifestyle, and today many governments and organisations encourage private companies to participate in preventive measures and to proactively introduce health-enhancing initiatives.

At Danske Bank Group we recognise the role of the workplace in health promotion and want to help find solutions to the health problems employees might experience. We already have many health-promoting initiatives at the individual units;

they include exercise programmes and opportunities, health check-ups, healthy canteen food and intranet campaigns.

### **Focus on health management**

We have been lacking an overall framework for health management in the Group. In 2009, we will therefore strengthen our efforts in this field at the group level.

The Group’s internal work on health promotion will be based on Danica Health Promoter, a new programme that Danica Pension, our life and pension company, developed for its business customers. In 2009, this employee health programme, which combines individual measures such as health check-ups with company-wide activities, will be offered to all Danica Pension staff. The Group will also evaluate existing initiatives to gather information about the workplace as a setting for health



“The workplace directly influences the physical, mental, economic and social well-being of workers and in turn the health of their families, communities and society. It offers an ideal setting and infrastructure to support the promotion of health of a large audience.”

WORLD HEALTH ORGANISATION (WHO)

promotion. On this foundation, we will implement health-promoting activities in additional units.

#### **Work-life balance**

The Danske Bank Group is convinced that a healthy workplace requires not only a good physical and psychological working environment but also a culture of flexibility and inclusiveness. This kind of setting is also conducive to a good work-life balance, which will remain a focus area for the Group.

We have recently developed a number of policies and programmes to help promote a healthy work-life balance for our 23,000 employees. For instance, a stress management policy and a senior policy were implemented in the Danish units in 2007 and in Norway, Sweden, Ireland and Northern Ireland in 2008.

#### **A health award**

In August 2008, Sport for All Finland, an organisation that promotes health through physical activity, presented its “Active Workplace Award” to Sampo Bank Finland.

Sampo’s fitness programme is based on systematic, long-term efforts to support employee well-being. The award cited the programme’s effectiveness in all key areas, such as ready availability of sports services for the entire staff, wellness programmes and health management training for managers. During preparations for the migration to Danske Bank’s IT platform in spring 2008, Sampo Bank introduced extra

activities, including a “Well-being at Work” campaign. This effort resulted in a 40% increase in the number of employees who joined exercise programmes.

#### **Fitness grants in Norway**

Fokus Bank in Norway is another unit that made a big effort to promote employee health in 2008. The bank offers each employee NOK2,500 towards participation in fitness activities such as team sports, weightlifting and dance lessons. Combined with a new health campaign in 2009, the bank expects this programme to make a positive difference in employees’ exercise habits.

“When the Group puts health on its agenda, that reminds me to take better care of mine.”

HARALD LAURITS LYNUM / FOKUS BANK



SEE [WWW.DANSKEBANK.COM/RESPONSIBILITY](http://WWW.DANSKEBANK.COM/RESPONSIBILITY) FOR A FULL OVERVIEW OF EMPLOYEE OBJECTIVES AND ACTIVITIES IN 2008

ACTIVITIES 2008	RESULT
Increase the number of female managers and executives	○
Implement stress management policy internationally	○
Implement senior policy internationally	○
Complete competency profiles for all employees	○

## Meeting the 2008 objectives

### Promoting diversity

“Women in Progress”, which was launched in 2007, is a programme designed to increase the number of female managers and executives. In May 2008, 19 employees completed the programme, and later in the year 17 new participants enrolled. So far, 50% of the participants have obtained managerial positions. Danske Bank Sweden will launch a similar programme in September 2009.

The fundamental goal of the programme is to promote diversity. This goal applies to senior employees as well, and in 2008 the Group expanded its senior policy internationally. Northern Bank has no senior policy, but the staff is covered by the bank’s Equal Opportunities policy.

For the Group, however, employee diversity is not an end in itself. It

must be accompanied by inclusiveness, defined as efforts to make the best use of all employees and their individual competencies.

This requires an ability on the part of managers to manage a variety of employees. It also requires flexibility for employees so that they can manage both their day-to-day work-life balance and their careers in accordance with the changing needs of successive life stages. The Group has planned activities to evaluate flexibility and inclusiveness in 2009.

### Competency development

Job profiles are a tool for measuring an employee’s competencies against his or her job requirements. They thus lay a foundation for determining what kinds of professional and personal development may be relevant for the employee. By the end of 2008, 70% of the staff in units that have implemented the profile

system had a competency evaluation based on their job profiles. We consider this process to be of mutual interest for the Group and employees. Targeted competency development increases the staff’s employability and thus improves both their ability and the Group’s capacity to adapt to changes.

A new pilot project in Retail & Logistic Services, one of the Group’s support functions, is an example of the Group’s work to ensure the staff’s employability.

Increased digitalisation and developments in activities related to the real estate market could make a number of tasks in Retail & Logistic Services change or disappear. The project, named “Insight”, offers the departments’ employees an opportunity for an in-depth evaluation of their competencies through feedback about their personal profiles,





## EMPLOYEE OBJECTIVES 2009

Promote employee health

Ensure employee competency and career development

Ensure diversity and inclusion

## GOALS AND ACTIVITIES 2009

Introduce Danica Health Promoter for all employees in Danica Pension.

Register employee skills in competency profiles and continue international implementation.

Evaluate inclusion and flexibility at the Group's units.

Conduct activities that promote the Group's position on and examples of diversity and inclusion.

consultations with career advisers and dialogue with their immediate superiors. This provides the employees with a foundation for adapting to changes by proactively planning their careers.

### Safety and security

While the amount of money that thieves get from bank robberies is both small and declining, these incidents continue to pose a risk in the daily lives of the Group's branch office staff, and they are extremely stressful.

Unfortunately, the number of robberies increased in 2008. Some 37 robberies took place in the Group, with Danske Bank Denmark accounting for 89% of them. This rise bucks the downward trend in robberies of recent years that had been achieved by limiting cash disbursements and reducing the amount of cash available in the branches.

According to a security assessment, the rise can be explained partly by what analysts designate as "a segment of irrational thieves" who still associate banks with easy cash and are not necessarily deterred by such precautions.

Developing new preventive measures therefore remains a key concern for the Group. These include security checks of branch offices, a trial instalment of safety locks and increased video surveillance. Since a new law in Denmark recently allowed outdoor surveillance of branch premises, we set up 174 cameras in 2008, and by 2009 all branches in Denmark are expected to have outdoor surveillance.

### Ensuring employee rights

In September 2008, the Danske Bank Group signed an agreement with UNI Finance, a division of UNI Global Union, the international

labour union. The framework outlines our commitment to ensuring fundamental employee rights within areas such as equal remuneration, competency development and safety as well as the right to association.

The Group is thus upholding a long tradition of close dialogue with unions on these areas, for instance regarding competency development to ensure the employability of our employees. These practices in turn allow the Group to become more flexible when it needs to adjust the organisation and the employees' competencies to meet business challenges.

The agreement also demonstrates the Group's commitment to integrating and promoting the UN Global Compact's ten universal principles on human rights, working conditions, environmental protection and anti-corruption.



#### CR COORDINATOR STEFAN THESSLUND SUMS UP THE MIGRATION TRAINING ACTIVITIES IN SAMPO BANK:

- 20,000+ training days
- 3,400 people trained
- 300 new workstations for training and 5 new training centres
- 130 people participating in preparations
- 100 eLearning courses and 500 modules
- 60 hours of training per person on average
- 350 guides recruited and trained to assist with the network
- 30 target groups with specific learning plans
- 20 types of telemeeting for group learning
- 20 classroom training modules

### A long journey

The biggest event for Sampo Bank's staff in 2008 was the migration to the Group's shared IT platform at Easter. Employees participated in a training project of unparalleled scope in the early months of the year.

The migration to the Group platform was one of the largest IT projects ever carried out in northern Europe. Although the migration of data went well, Sampo Bank faced a number of unexpected system problems in the first months after Easter that resulted in regrettable inconveniences for customers. During these problems, which involved mainly online banking and card transactions, Sampo Bank's image took a beating that also affected employees, who nevertheless kept up a positive spirit. Even though the employees worked under extremely challenging conditions while serving customers with the new sys-

tems, the integration process did not affect the total number of sick leaves or the bank's ability to retain and attract employees.

#### Training volume at a new level

During the autumn of 2008, the bank took various steps to improve system stability and service quality. In addition to their regular work, all Sampo Bank staff underwent training in the new systems and procedures both before and after the migration day. In addition to many hours of onsite and eLearning sessions, the employees also practiced learning by doing with the support of around 350 Danske guides.

Communications was an equally important part of the migration process. Efforts were made to keep the Finnish employees informed of the changes in systems and procedures. The most important information channel for Finnish employees during and after the migration pro-

cess was the intranet portal, which carried webcasts as well as news articles.

#### Employee satisfaction

Every year, the Danske Bank Group measures employee satisfaction in all divisions. The annual survey of employee satisfaction in late 2008 showed an overall level of satisfaction and motivation that is stable at a high level in comparison with the sector benchmark. But the survey of Sampo Bank employees, obviously influenced by the challenges Sampo Bank faced after the migration, showed a level of satisfaction and motivation below the Group average. Therefore, in autumn 2008, the Group launched initiatives to regain the trust of both staff and customers. The steps taken to improve system stability and service quality, along with product and marketing activities, have put us on track to restore staff confidence and regain our market position.



SEE THE CR FACT BOOK AT [WWW.DANSKEBANK.COM/RESPONSIBILITY](http://WWW.DANSKEBANK.COM/RESPONSIBILITY)  
FOR MORE EMPLOYEE DATA AND A BREAKDOWN BY COUNTRY



EMPLOYEE DATA	GROUP 2008	COMMENTS	GROUP 2007	COMMENTS
<b>Staff diversity</b>				
Number of full-time employees, end of year	23,624		23,632	
Percentage of women in workforce (%)	58		57	
Percentage of women in management (%)	34		31	
Average age	42		42	
Average years of service	15		15	
<b>Work-life balance</b>				
Women working part-time	2,698		2,812	Ex BAL
Men working part-time	358		408	Ex BAL
Avg. No. of maternity leave days (days per employee on leave)	165	Ex BAL, FI	195	Only DK
Avg. No. of paternity leave days (days per employee on leave)	43	Ex BAL, FI, NI	45	Only DK
Leaves of absence granted for other reasons (No. of employees granted leave of absence during year)	474	Ex BAL, FI	485	Ex BAL, FI
<b>Health and safety</b>				
Absence due to illness (Avg. No. of days lost through illness per employee)	6.6	Ex BAL, FI	7.1	Ex BAL, FI
No. injuries or post-traumatic stress related to robberies*	194		102	
No. other physical or psychological injuries	127	Ex NO, BAL	89	Ex NO, BAL, FI
<b>Competency development</b>				
Opportunities for professional and personal development as perceived by the employees (scale of 0-100)	74		73	
<b>Employee satisfaction</b>				
Employee satisfaction and motivation (scale of 0-100)	72		72	
Employee loyalty (scale of 0-100)	78		79	
Employee turnover (%)	8.4	Ex FI	8.9	Ex BAL, FI

\*The number of injuries may increase because of further notifications.



## Environment

# Continuing to improve our impact

Climate change represents the single largest environmental challenge today, and it will affect our customers, our employees, our shareholders and the societies where we operate. At Danske Bank Group, we believe that the financial sector must take some responsibility for finding solutions to the climate problem just as other industries, governments and the general public must do their parts. We are therefore committed to confronting the climate challenge in our operations and our business and through dialogue with stakeholders.

In 2007, the Group set an ambitious goal to neutralise its carbon emissions by December 2009. In 2008, we took the first steps in implementing the Group's climate strategy. With the initiatives we have now developed, we are well on our way to reaching the objectives set out in the strategy.

### A change from within

The Danske Bank Group cannot solve the climate problem on its own, but with more than 23,000 employees, we can make a real difference. It is therefore only natural that we start by making a change from within.

In our first initiative to reach carbon neutrality, we launched a large energy campaign involving all employees in Denmark, Sweden, Norway, Ireland, Northern Ireland and Luxembourg. It was intended to increase awareness of the relation between energy consumption and carbon emissions and to make good energy habits a part of the employees' everyday life – both at the office and at home. The campaign generated several creative ideas and proved that there is great potential for reducing the Group's energy consumption. In Denmark, two departments challenged each other to

a contest to see which of them could save the most power by remembering to turn off lights, computers and screens that were not being used. In three weeks, the departments reduced their total energy consumption by almost 12%. In future, the challenge is to maintain these new energy habits and achieve the Group's goal of carbon neutrality.

### Reducing our footprint

Reducing our energy consumption through behavioural change is one thing, but we also need to find new solutions and technologies to improve the energy efficiency of our buildings and IT systems and to reduce the need for travel. In order to strengthen these initiatives, the Group hired a specialist in energy efficient operations to co-ordinate the efforts and set a goal for the Group's reduction of energy consumption. The goal has been set at a 10% reduction of the energy con-





sumption in the Group's activities in Denmark over the next five years. The Group aims to achieve this objective through renovation, replacement of ventilation equipment and improvements in energy efficiency at the branch offices.

#### Projects for carbon neutrality

The portion of the Group's emissions that cannot be reduced will be offset by carbon credits purchased from external projects. In 2008, we set up agreements on four projects that we will participate in over the next three years. The projects follow internationally verified standards

that ensure high quality, such as the Gold Standard, VCS and VER+. All four projects involve renewable energy forms such as wind power, biogas and biomass and thus represent real emission savings. The projects also contribute to sustainable local development, for example, by facilitating small-scale projects that support local employment.

Currently 50% of the Group's offset portfolio has received the Gold Standard label, which represents the most demanding standards and is endorsed by 47 NGOs. We chose to hold the level to 50% rather than

seeking 100% compliance in a market that is currently experiencing excess demand for Gold Standard.

#### Towards a low-carbon future

Yet another important part of the solution to the climate problem is promoting reliable market signals on the price of fossil fuels and greenhouse gases. The Danske Bank Group has therefore decided to offer trading in carbon allowances, also known as EU allowances or EUAs, in 2009. The allowances, which are specific to the EU emission-trading scheme, are equivalent to one tonne of carbon dioxide.

PROJECT NAME	TECHNOLOGY	COUNTRY	STANDARD
Rudaiciai Wind Power Park	Renewable energy, wind	Lithuania	VER+
Wind Power Project in the Region of Marmara	Renewable energy, wind	Turkey	Gold Standard
Household Biogas Plant Project	Renewable energy, biogas	India	Gold Standard
Energy Generation from Rice	Renewable energy, biomass	India	VCS



## ACTIVITIES 2008

## RESULT

Reduce Group resource consumption and carbon emissions	
Increase the environmental awareness of employees	
Implement the environmental management system in Denmark, Ireland, Northern Ireland, Sweden and Norway	

## Meeting the 2008 objectives

The implementation of the climate strategy was the focus of the Group's environmental efforts in 2008.

Measures to reduce our environmental impact include changing employee attitudes and behaviour to reduce energy consumption and offsetting emissions through investments in carbon credit projects. See [www.danskebank.com/responsibility](http://www.danskebank.com/responsibility) for more information on the individual projects.

### Employees reduce emissions

After the Group's internal energy savings campaign, the units in Denmark joined the "1 tonne less" campaign, an initiative of the Danish Ministry of Climate and Energy. All employees of Danske Bank Denmark, Danica Pension and Realkredit Denmark were encouraged to pledge to reduce their personal carbon emissions by cutting down on daily

energy consumption. More than 1,600 employees responded, promising to reduce carbon emissions by a total of 2,232 tonnes per year.

### Video meetings across borders

Another initiative that helps to reduce the Group's environmental impact is our investment of DKK30 million in TelePresence meeting facilities. In 2008, the Group established 14 studios for TelePresence meetings in order to reduce travel time and costs and to increase efficiency. The meetings made their debut during the Sampo Bank migration project, when project participants used studios in Copenhagen and Helsinki. In the beginning, the facilities were used mainly for internal meetings by Group executive management and the management of the Shared Services Centre. As of November 2008 the studios were made available to all employees.

We estimate that the initiative will achieve annual cost savings of DKK10 million in the Group's total travel budget. The Group has set a goal to reduce CO<sub>2</sub> emissions from travel by 15% over the next two years.

### Digital communications

The Group is digitalising its communication with customers. This will save expenses as well as paper and CO<sub>2</sub> emissions from the transport of paper. From 2007 to 2008, the number of customers using digital documents increased by 70% and the number of digital documents increased by around 250%.

### A greener drive

Rising fuel prices and the Group's focus on the environmental impact of automobiles led to an adjustment of the Group's policy for company cars. Buying cars that emit large amounts of CO<sub>2</sub> is neither finan-



SEE [WWW.DANSKEBANK.COM/RESPONSIBILITY](http://WWW.DANSKEBANK.COM/RESPONSIBILITY) FOR A FULL OVERVIEW OF ENVIRONMENTAL OBJECTIVES AND ACTIVITIES IN 2008



cially nor environmentally sound. The revised car policy is based on the EU eco-labelling scheme that rates cars from A to G according to total fuel consumption and carbon emissions. According to the Group policy, company cars must generally be in classes A to E. The Group policy constitutes a set of minimum requirements that the individual divisions can make more restrictive if they wish. For example, Nordania Leasing has defined a number of environmental requirements for its own fleet of 72 vehicles. With the new requirements, Nordania expects the fleet's carbon emissions to drop by as much as 15% and fuel consumption to decline as well.

#### Expanding the EMS

The Group environmental management system (EMS) helps us stay focused on steady improvements in resource consumption, waste reduction and recycling. In 2007 the

system was implemented in Norway, Sweden, Ireland and Northern Ireland. In late 2008, we began setting up the EMS in the Finnish and Baltic operations. The implementation is scheduled for 2009. When the implementation is completed, the EMS will cover 100% of Group operations.

In spring 2008, the Group conducted internal audits to ensure compliance with the system. The audits discovered areas in which the standard had not been fully implemented. The Group worked on these areas during the summer and autumn. A follow-up audit was done in autumn 2008 to check on their status, and it showed that the various units had made great progress in implementing the standard. In the coming year, the Group will focus even more intensively on environmental improvements. The implementation of ISO standard

14064 will be the next step in raising our environmental performance.

#### Smart square metres

Every year, the Group's mortgage credit institution, Realkredit Danmark, presents the Smart Square Metres Award to Danish businesses that invest in developing, establishing and renovating their physical settings and functional design. In 2008, the theme of the award was CO<sub>2</sub> emissions reduction. It was a requirement that the reduction should be directly linked to the buildings' physical and functional design. In addition to the actual building, internal and external installations were also taken into consideration. Nineteen businesses across the country were nominated for the award, which was presented on January 7, 2009. The winner was H<sub>2</sub> College for its carbon-neutral youth housing.





## ENVIRONMENTAL OBJECTIVES 2009

### Group objectives

Extend and develop environmental management system (EMS)

Continual development of environmental management system. Implement environmental management in Finland and the Baltic states.

Increase supplier requirements

Examine the possibility of requiring that the top 100 suppliers have implemented environmental management.

Implement climate strategy

Achieve carbon neutrality by December 2009.  
Map possible areas for energy reduction in units outside Denmark.  
Reduce the Group's CO<sub>2</sub> emissions from travel by 15% over the next two years.

Increase the environmental awareness of the employees

Carry out internal awareness activities about the Group's environmental policy and climate strategy.

### Selected national objectives

Denmark

Reduce energy consumption by 10% within five years.

Ireland

Reduce ozone-depleting gases by 50% by end of 2009.

Northern Ireland

Recycle 50% of non-confidential waste by end of 2009.

Norway

Reduce paper consumption by 10%.

Sweden

Ensure that 85% of company cars are non-petrol by 2009. The goal for 2010 is 100%.

Finland and Baltic states

Implement environmental management system in 2009.





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FOR MORE ENVIRONMENTAL DATA AND A BREAKDOWN BY COUNTRY



ENVIRONMENTAL IMPACT	GROUP 2008	COMMENTS	GROUP 2007	COMMENTS
<b>Resource consumption *</b>				
Electricity consumption (MWh)	78,801		77,000	
Electricity consumption per employee (kWh/FTE)	4.2		4.2	
Heat consumption (MWh)	70,931		65,054	Ex NO
Heat consumption per employee (MWh/FTE)	3.8		3.6	Ex NO
Water consumption (m <sup>3</sup> )	82,838		67,233	Ex NO, NB, NIB
Water consumption per employee (litre/FTE)	34,701		13,637	Ex NO, NB, NIB
Total transport by car (1000 km)	19,616		17,321	Ex NB, NIB
Transport by company car (1000 km)	3,696	Ex NO, NB	2,709	Ex NB, NIB
Transport by own car (staff) (1000 km)	15,919		14,612	Ex NB, NIB
Total transport by air (1000 km)	34,194		33,383	
Transport by air per employee (km/FTE)	1,841		1,813	
Transport by domestic flight (1000 km)	5,394		4,748	
Transport by international flight (1000 km)	28,800		28,635	
Total paper consumption (tonnes)	3,278		3,799	Ex NO
Paper consumption per employee (kg/FTE)	176		206	Ex NO
<b>Emissions **</b>				
CO <sub>2</sub> emissions (tonnes)	65,234		54,059	
CO <sub>2</sub> emissions per employee (tonnes/FTE)	3.5		2.9	

\* Data for 2007 cover Denmark, Sweden, Norway, Ireland and Northern Ireland.

\*\* Data for 2007 cover Denmark, Sweden, Norway, Ireland and Northern Ireland. Data for 2008 include estimated figures for Finland, Poland, Germany, Luxembourg and the Baltic states.



Society

# Aiming to close the knowledge gap

We believe, that a society's competitiveness and progress depend on its investment in education. That is why the Danske Bank Group, in 2008, launched its Financial Literacy and Education Investment Programme with the objective of contributing to the production of an essential resource in the global economy – knowledge. The programme is aimed at promoting student achievement by increasing access to education and educational quality.

As personal finance products on the market increase in number and become increasingly complex, it is even more important that young people can fully understand them and look for the best value and the most suitable products.

**Challenged by the knowledge gap**  
Danske Bank Group and the Zapera research institute recently conduct-

ed a study in six countries (Northern Ireland, Ireland, Denmark, Sweden, Norway and Finland) on the level of financial literacy among 18 and 19 year olds and their parents. The survey examined the subjects' level of understanding of financial terms and concepts, such as interest, APR and borrowing options. The results indicate clearly that many young adults, and often their parents as well, have difficulty with financial and banking terminology as well as budgetary matters.

The knowledge gap in society needs to be closed – and at an early age. The Danske Bank Group wants to encourage young children to become interested in learning the basics about money, so we commissioned Zapera to carry out the largest study ever made in our markets of 5-7 year olds' attitudes towards money. In the study, we asked parents to assess their children's inter-

est in money, their understanding of money, the value money represents for them, and their influence on how their own and their family's money is spent.

The study confirms that 5-7 year olds are generally very much interested in money. More than 60% of parents responded that their children often ask questions about money and its value. In addition, 43% of the children in this age group receive pocket money. This may explain why 92% of the parents think their children would benefit from learning more about money. Some 77% of them would prefer to find educational material for their children on the Internet.

## **Learning about money**

All children can benefit from learning more about personal finance. The study showed, however, that parents with low incomes are more



“Now my children understand much better that you have to work in order to be able to do different things. And most important, they understand that you must work a lot and for a long time to be able to afford all the things you want.”

JOHANNA HOLST / COMMUNICATIONS CO-ORDINATOR, DANSKE BANK SWEDEN

interested than others in having their children be taught about finance at school. To meet the need for free educational material, Danske Bank launched Moneyville, a Web site that teaches children aged 5 to 7 the basics of money. Moneyville was developed in collaboration with various experts, including a media researcher, a child psychologist and a representative of a teachers' organisation. The site is the main element of the first phase in the Group's financial literacy initiatives for children and youth. In 2009 and 2010, we will create new Web sites and activities for young people aged 8 to 15.

#### **Supporting financial confidence**

In Northern Ireland, Northern Bank has been committed to fostering confidence with counting and numeracy and to supporting financial capability as an essential life skill for some time. The bank is a mem-

ber of the Northern Ireland Financial Capability Partnership, run by the FSA and the Consumer Council. It began working with financial skills in society during Maths Year 2000 – a government initiative to raise numeracy standards – and it's still going strong.

Northern Bank runs a number of community programmes, including Money Talks, with Citizens Advice; Time 2 Count, in partnership with Business in the Community; and Science Counts, in partnership with W5, the discovery centre. These programmes support both primary and intermediate education in Northern Ireland, bringing to life subjects that can otherwise be challenging for children and young people, and giving Northern Bank employees an opportunity to share their expertise in the communities where they work.

#### **Raising awareness**

As our research shows, there is a need for financial literacy initiatives in the Group's markets. We believe that public debate and increased awareness of financial literacy issues can motivate people, especially the next generation of consumers, to improve their financial skills. The best way for us to communicate this message to society is through the media. We have shared the results of our research with the media, and this led to more than 100 press articles as well as many news and cultural programmes on television and radio across the Group's markets.

We are the first bank in northern Europe to create a coherent financial literacy programme that reaches people from childhood to parenthood. Our various initiatives are long-term investments in loyalty, credibility and financial knowledge among current and future customers.



## ACTIVITIES 2008

## RESULT

Launch a long-term programme for improving financial literacy	○
Involve relevant stakeholders in the development of products and activities	○
Conduct activities with special focus on children and socially vulnerable families	○

### Meeting the 2008 objectives

In 2008, financial literacy came onto the political agenda in both the US and the EU, presumably because of the worldwide financial crisis. Several initiatives have been discussed in the EU and the OECD as well as in national governments. There is wide agreement that citizens need assistance in forming and maintaining healthy financial habits.

As mentioned earlier in this report, we want to improve the level of financial literacy because there is a need for it and also because it is good business. Our financial literacy activities bring opportunities to create new products and services that benefit our business as well as our customers and society at large.

The Group launched the Financial Literacy and Education Investment Programme in January 2008. Our

goal for the programme in 2008 was to initiate activities with a special focus on children and young people. With this programme, we are working directly on the need for financial education. The programme hereby supports and adds value to the various initiatives from the EU and international organisations.

### Visit Moneyville

Moneyville consists of a number of fun games and features that teach

“It is immediately apparent that Danske Bank has not spared any expense. The graphics and audio are fine, and the material for parents and teachers is of high quality. They have made a world for children free of marketing. I hope this approach marks a new trend. If you think that teaching children the value of money is a worthwhile endeavour, then this is a product for you. Hurry and try it out!”

BO ABRAHAMSEN / GAME EDITOR, THE DANISH BROADCASTING COMPANY





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children where money comes from, how to save it, how to understand its value, and how to set priorities for spending it.

The Web site is not only for the Group's customers but is open and free for everyone. Likewise, the children are not exposed to Danske Bank Group brands while they play. There are no logos or marketing material, no use of characters used in marketing, and no links to the bank's commercial Web sites.

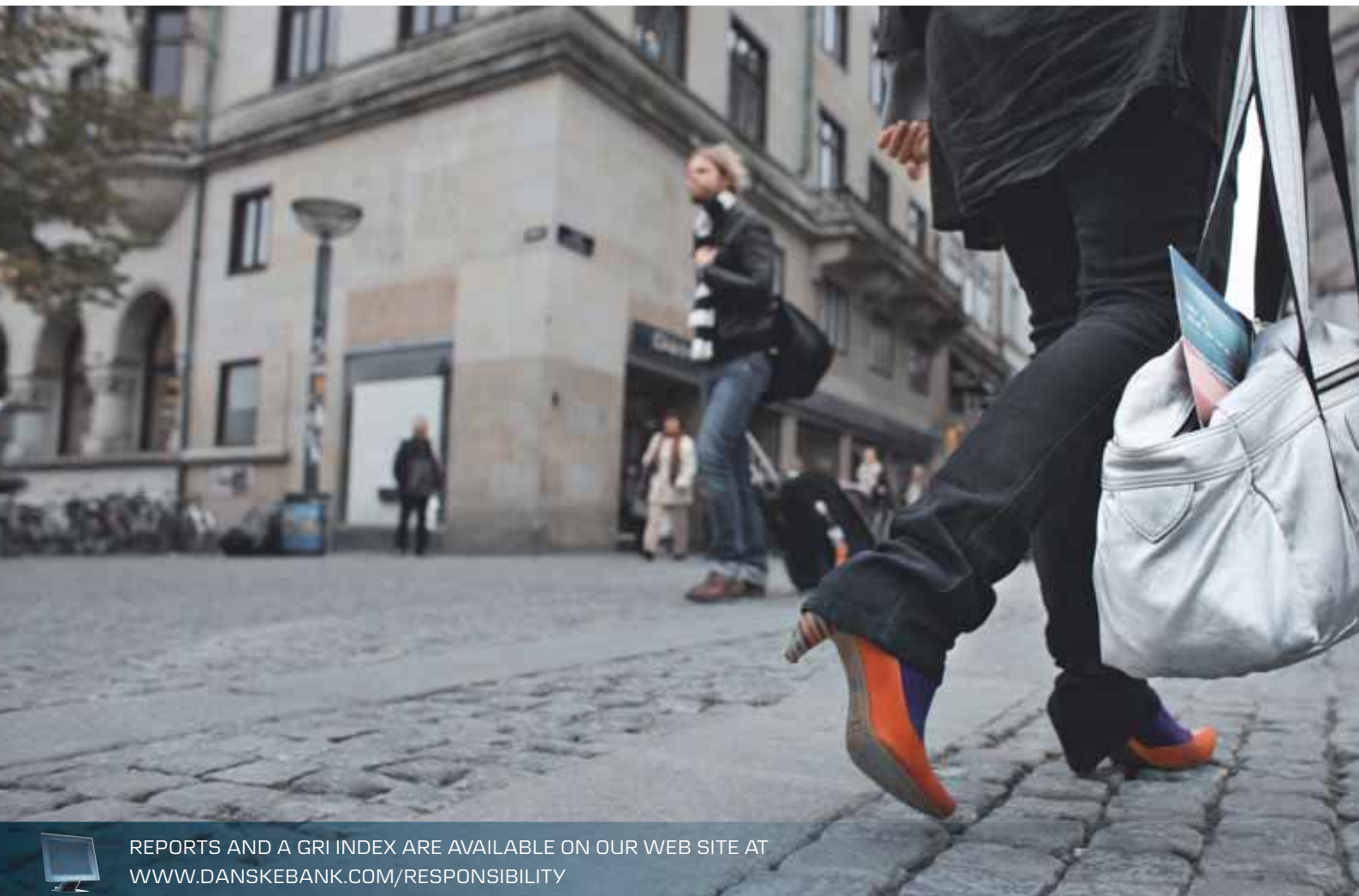
#### **Parent and teacher initiatives**

The only place where Danske Bank is named as being responsible for Moneyville is in marketing material aimed at parents and teachers and in the explanatory sections of the site for parents and teachers. The parents' section consists of exercises and recommendations on how parents can contribute to their children's financial education.

From 2008 to 2010, we will focus on financial literacy and education initiatives aimed at children, young people, teachers and parents. Our initiatives include developing new products, advisory services, educational materials, events and grants to improve financial skills and knowledge. We will also develop surveys and analyses to provide insight into the challenges and opportunities related to financial literacy.

The section for schools and other institutions offers material for classroom use and other resources for teachers. In 2009, the Group will roll out its Train-the-Teacher project, which is intended to

prepare teachers to teach financial skills. For the project, advisors from the Group will collaborate with outside experts to develop an eLearning course on financial literacy for teachers.



REPORTS AND A GRI INDEX ARE AVAILABLE ON OUR WEB SITE AT  
[WWW.DANSKEBANK.COM/RESPONSIBILITY](http://WWW.DANSKEBANK.COM/RESPONSIBILITY)

## OBJECTIVES FOR SOCIETY 2009

Expand the Group's Financial Literacy Programme

Develop an initiative in which Danske Bank employees take an active role in promoting financial literacy in society

Ensure that the Financial Literacy Programme meets the needs of the next generation of consumers

Conduct activities that can raise awareness of financial literacy

## GOALS AND ACTIVITIES 2009

Expand Moneyville with new features for 8-9 year olds.

Develop an online learning universe for 10-15 year olds to be rolled out in schools.

Develop a Train-the-Teacher eLearning facility drawing on expertise and knowledge within the bank.

Conduct research and surveys, and enlist the participation of relevant experts and organisations in the work.

Raise awareness of the need for financial literacy through publicity about research and initiatives.



VALUE DISTRIBUTION	2008 DKr m	2008 %	2007 DKr m	2007 %
Income	30,955	100	44,376	100
Suppliers	14,873	48.1	10,823	24.4
Employees	11,936	38.6	12,307	27.7
Management	31	0.1	47	0.1
Governments	3,078	9.9	6,329	14.3
Shareholders (Net profit for the year)	1,036	3.3	14,870	33.5

See CR Fact Book for the full calculation of the value distribution.

## Economic footprint

In 2007, we started reporting on the Group's economic footprint, that is, the mutual value created through our various interactions with stakeholders and the communities where we operate. Adding value takes many forms. It can be the return we provide to our shareholders, the sound advice that we give our customers or the knowledge that our employees bring to work.

### Shareholders

Because of the Group's participation in the Danish state guarantee scheme, the Group may not pay dividends or repurchase shares for a period of two years. Therefore, no dividends will be paid to shareholders for 2008.

### Customers

In 2008, the Danske Bank Group had 5.0 million customers and generated DKr30,955 million in income.

### Suppliers

In 2008, the Group's payments to suppliers amounted to DKr14,875 million.

### Employees

In 2008, employees received DKr11,936 million in salaries (including pensions and social benefits). In addition, the Group's investment in training and education benefits employees and ensures their employability.

### Governments

In 2008, the Group's corporation taxes amounted to DKr1.193 million, corresponding to an effective tax rate of 54%. Governments also benefited indirectly from the personal taxes of DKr3,898 million paid by Group employees.

### Communities

The Group made donations of DKr28 million in 2008. This number is a little lower than in 2007, partly

because exchange rates in many of our markets declined in 2008.

## Reporting principles

The Corporate Responsibility 2008 report covers the CR activities of the Danske Bank Group, including subsidiaries, in 2008. Detailed information about the calculation of data presented in this report appears on our Web site at [www.danskebank.com/responsibility](http://www.danskebank.com/responsibility).

As in 2007, we have selected the content of this report in accordance with the Global Reporting Initiative's G3 guidelines. A GRI index with references to relevant information in the report and on our Web site is available at [www.danskebank.com/responsibility](http://www.danskebank.com/responsibility).

For more detailed information about our application of the G3 Guidelines, please see the GRI index.

