

## UN Global Compact Communication on Progress Danske Bank Group 2009

In August 2007 the Danske Bank Group joined the UN Global Compact – the world's most extensive initiative for corporate social responsibility. As a voluntary, multi-stakeholder initiative, the UN Global Compact brings together all relevant actors – government, business, labour and civil society – to advance universal principles in the areas of human rights, labour standards, the environment and anti-corruption. By joining the Global Compact, we wish to demonstrate our continuing commitment to advancing the ten principles of the Global Compact in our policies, programmes and business operations.

In August 2009, we submitted the Group's first "Communication on Progress" to Global Compact.

The present Communication on Progress consists of Danske Bank's Corporate Responsibility 2009 report and this document. It covers calendar year 2009. Below we have given brief descriptions of the Group's policies, programmes, agreements and activities that help promote the principles of the Global Compact. The activities are organised under the principles of the Global Compact that they apply to. More information on these activities can be found on the Group's Web site and in the Corporate Responsibility 2009 report.

### Human rights

**1. Businesses should support and respect the protection of internationally proclaimed human rights.**

In 2008, the Group launched its Financial Literacy and Education Investment Programme, which is intended to raise the general level of financial literacy among children, adolescents, students and young families.

The programme includes developing new products, advisory services, educational materials, events and grants to stimulate financial skills and knowledge. We also develop surveys and research on an ongoing basis to gain a better understanding of the challenges and opportunities related to financial literacy.

Read more about [the Financial Literacy and Education Investment Programme](#)

**2. Businesses should make sure that they are not complicit in human rights abuses.**

In 2008, the Group introduced a policy for socially responsible investment (SRI) to ensure that customers' funds are not placed in companies that violate internationally recognised standards.

We conduct a stringent screening process to determine whether to exclude individual companies. The screening process is based on the internationally recognised guidelines of the UN Global Compact (1999), UN Human Rights Norms for Business (2003) and OECD Guidelines for Multinational Enterprises

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(1976). The SRI screening is performed by Ethix SRI Advisors. In 2009 the screening led to the exclusion of 24 companies because of violations of human rights.

Read more about [socially responsible investment](#)

In 2009, we decided to expand our supplier standards by establishing an overall framework for responsible sourcing in order to identify social, ethical and environmental risks across the supply chain. The framework will allow us to actively promote our suppliers' compliance with international standards and guidelines and to limit our own business risks.

In 2010, we will identify our strategic suppliers and related risks. On the basis of this inventory, we will formulate a responsible sourcing policy and establish an adequate framework for managing suppliers. We will also establish a responsible sourcing board to ensure a systematic review of the Group's suppliers.

Read about [responsible sourcing](#)

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## Labour standards

### **3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.**

In September 2008, the Danske Bank Group signed an agreement with UNI Finance, a part of the international labour union, UNI Global Union. The framework agreement describes the Group's commitment to ensuring fundamental employee rights. The agreement also ensures that fundamental human rights are being observed in countries where there has been a history of child labour or forced labour.

Read more about [the agreement](#)

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### **4. Businesses should uphold the elimination of all forms of forced and compulsory labour.**

See principle 3.

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### **5. Businesses should uphold the effective abolition of child labour.**

See principle 3.

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### **6. Businesses should uphold the elimination of discrimination in respect of employment and occupation.**

The Danske Bank Group works to ensure that it does not discriminate against employees because of ethnic background, gender, age, sexual orientation or religion. We believe that diversity is a strength that helps to ensure the Group's access to the most talented employees. We therefore work deliberately to promote inclusion.

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The Group's senior policy was introduced in 2006 to assist employees in managing the concluding stage of their careers.

In 2007, the Group launched a programme to prepare women for management positions and increase attention on the management potential of the Group's female staff. The first group completed the Women in Progress programme in 2008. The second group completed the one-year programme in May 2009.

Read more about [the Group's work on diversity and inclusion](#)

## Environment

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**7. Businesses should support a precautionary approach to environmental challenges.**

The Danske Bank Group's Climate Change Strategy, developed in 2007, is an example of how the Group exercises a precautionary approach to environmental and climate challenges. The climate strategy commits the Group to take action against climate change.

Read [the climate strategy](#)

Read [the Group's environmental policy](#)

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**8. Businesses should undertake initiatives to promote greater environmental responsibility.**

The Danske Bank Group gives much consideration to environmental factors in its choice of suppliers and products. We have developed business procedures and environmental standards for suppliers and selected products, and suppliers must make a commitment to live up to our requirements.

Read [the Group's environmental policy](#)

Read about [supplier standards](#)

In 2008, the Group's leasing company, Nordania Leasing, launched a new environmental programme for its corporate car leasing business. The programme includes reporting on emissions from cars, environmental ratings of cars, and advice on how to set up an environmentally friendly car policy.

Read about [Nordania Greenfleet](#)

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**9. Businesses should encourage the development and diffusion of environmentally friendly technologies.**

We strive to make our customers aware of opportunities to reduce their energy consumption. Since we finance the purchase and renovation of homes, it makes sense for us to promote knowledge about energy-saving home improvements.

Read about [climate-friendly homes](#)

The Group also offers a range of investment options that take defined codes of ethics into consideration and contribute to the development of environmentally friendly technologies.

Read about [investing in climate](#)

## Anti-corruption

### **10. Businesses should work against corruption in all its forms, including extortion and bribery.**

The Group has developed a code of conduct on corruption and bribery. The code presents a set of guidelines to ensure that the Group and its employees avoid corruption in all its forms, including extortion and bribery.

Read the [Code of conduct](#)

We also try to diminish money laundering in cooperation with the authorities. Read about [money laundering](#)

As part of its good corporate governance practices, the Danske Bank Group gives employees the opportunity to be whistleblowers. If an employee has any knowledge of irregularities, they must be reported. The Group wants to establish and maintain an environment that encourages the free flow of information. This also applies to the security of employees who report a suspicion and protection against retaliatory measures towards them. Reports and questions that are received through the whistleblower system are therefore treated confidentially. The responsibility for managing whistleblowing in the Group lies with the heads of the legal and internal audit departments.

Read about [whistleblowing](#)

Finally, we have established a function to assist the management in ensuring that the Group complies with laws, regulations and ethical standards.

Read about [compliance](#)

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February 4, 2010.