

United Nations  
Global Compact Office

Our ref PEJE/SOLA

4 April 2011

## Letter of Commitment and Communication on Progress

In December 2008, Nykredit adopted the UN Global Compact programme. Nykredit's business concept of financial sustainability describes our way of conducting business. Long-term relations and being aware of our social responsibility are integral parts of our business. Consequently, it is only natural for me to confirm Nykredit's continued adherence to the 10 Global Compact principles and their propagation.

Allow me to present a brief overview of the most significant achievements of our Communication on Progress "About Nykredit 2010 – Financial sustainability". The report is mentioned in our annual report, which was published at the same time.

### Human Rights

The Mary Foundation, Mødrehjælpen, Landsforeningen af Kvindekrisecentre and Nykredit are partners in a project offering free and independent personal, financial and legal counselling to battered women and other vulnerable women. This project was launched in 2009 and expanded in 2010 to cover a larger part of Denmark. Nykredit also continued its mentor scheme, New Network, under which volunteer staff members share their knowledge and networks with job-seeking citizens of non-Danish origin (Principle 1).

In 2009 Nykredit adopted a sustainable investments policy, incorporating environmental considerations, social responsibility and corporate governance into the investment process. In continuation of this policy, Nykredit has adopted the six UN Principles for Responsible Investment (UNPRI), submitting our first Communication of Progress in 2010. At Nykredit we screen our investments and commit to active ownership. This does not merely include joining forces with other stakeholders, when relevant, but also the opportunity to carry out proxy voting in order to exert our influence at the companies' general meetings (Principle 2).

Nykredit makes a special effort in relation to financially troubled customers, one measure being a hotline offering customers advice on how to put their finances in order on an anonymous basis. This effort is designed to minimise Nykredit's own losses as well as to help customers avoid long-term financial difficulties.

In addition to this, Nykredit sponsors a number of humanitarian organisations.

## Labour Standards

Nykredit recognises the right to collective bargaining and is an active participant in the Danish industrial relations framework (Principle 3). Nykredit has adopted a purchasing policy incorporating demands for reasonable labour standards and working environment, including the elimination of child and forced labour, into all supplier contracts (Principles 4 & 5).

We consider staff diversity a resource and were thrilled to see Ismail Kaplan, Function Manager at Nykredit, receive the Integration Ministry's annual award for non-ethnic Danish business managers. Furthermore, Nykredit has supported and adopted the Danish government's Charter for more women in management and is determined to increase our percentage of women executives at all management levels by 2015. Nykredit has also joined Operation Chain Reaction, the Danish government's recommendations for more women on supervisory boards (Principle 6).

## Environment

Nykredit has adopted an environmental policy according to which Nykredit not only recognises the challenge but also pledges to be at the forefront of environmental improvement. For one thing, Nykredit aims to reduce its carbon footprint by 10% from 2008 to 2011 (Principle 7).

Nykredit's subsidiary Totalkredit has further developed and implemented its web-based analysis tool allowing homeowners to identify the energy savings potential of their property and even offering an inspection of the home by an energy consultant. In addition, Nykredit has expanded the opportunities of financing wind power in Denmark (Principle 9).

Nykredit has joined the Carbon Disclosure Project (Principle 8).

Our Communication on Progress "[About Nykredit 2010 – Financial sustainability](#)" and the [GRI index](#) provide more information about Nykredit's results, measures and other initiatives. Enjoy the read and thank you for your interest.

Yours sincerely



Peter Engberg Jensen  
Group Chief Executive  
Nykredit