

Statement on Modern Slavery Act

DANSKE BANK GROUP
1 FEBRUARY 2019

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. For more than 145 years, we have helped people and businesses in the Nordics realise their ambitions. Today, we serve more than 3.2 million personal, business, institutional and wealth management customers in 16 countries, including the United Kingdom and Northern Ireland, and in addition to banking services, we offer life insurance, pension, mortgage credit, wealth management, real estate and leasing services and products. Our vision is to be recognised as the most trusted financial partner and to drive sustainable progress and positive impact in the societies we are part of.

Policies and commitments

We are committed to respecting human rights, and we work to combat any kind of modern slavery in our business and our supply chains. National legislation, our core values and international agreements lay the basis for how we conduct our business in a responsible and transparent manner.

We observe and support 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

Danske Bank Group has a number of supporting policies and statements specifying our environmental, social and governance (ESG) commitments. These include our Societal Impact & Sustainability Policy, Sustainability 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. In addition, our subsidiary company Northern Bank Limited has a separate Modern Slavery Act Policy governing local practices.

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:

For our employees

- 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.
- To the extent it is legally acceptable, we demand permits of residence and work permits from our employees in all the countries where we operate to ensure that they live and work legally in the country in question.
- Employees can report possible wrongdoings through our whistleblower scheme.

For our suppliers:

- Our due diligence process includes assessing relevant modern slavery risk in our supply chain and ensures suppliers 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.

For our customers:

- When lending, we consider the purpose for which the funds will be used and check for ESG issues. We do this to ensure that our customers' conduct is in accordance with our Credit Policy and Societal Impact & Sustainability Policy and the international principles we endorse.
- If our assessments show that continuing a customer relationship is contrary to our principles, we engage in dialogue and seek solutions in collaboration with the customer.

For our investments:

- We integrate ESG as a factor alongside financial factors into our investment processes. This includes thorough research of our portfolio companies as well as screening to identify ESG risks. All risks are researched, assessed and addressed by our portfolio managers through active dialogue and engagement.

Training

We have several training programmes to ensure that employees adhere to our policies and procedures, including e-learning modules on compliance, anti-money laundering and whistleblowing. Every year, all employees who engage with personal customers must complete a mandatory e-learning programme that covers Know Your Customer procedures. Procurement, investment and credit employees undergo training specifically on ESG matters relating to their business.

Key actions 2018

With relevance to the Modern Slavery Act, we published a position statement on human rights in 2018. The position statement provides guidance to how Danske Bank works to protect and respect human rights in our operation and through our business relationships with companies we procure from, lend to and invest in. Furthermore, we have strengthened the ESG data platform to support our research for making better-informed investment and lending decisions, revised tools supporting ESG assessments on the lending side and increased the number of full-time employees working with ESG and sustainability across Danske Bank. All of which enables a more robust framework for detecting, eliminating

and avoiding slavery and human trafficking in our business. For our subsidiary company Northern Bank Limited this is achieved through our risk management framework.

More insights

You can find more information on our business and conduct in our Annual Report 2018, Corporate Responsibility Report 2018 and Corporate Responsibility Fact Book 2018 as well as on our website, danskebank.com.

Approval

This statement covers the financial year 1 January 2018 to 31 December 2018.

A handwritten signature in blue ink, appearing to read 'Karsten Dybvad', is positioned above the printed name and title.

Karsten Dybvad
Chairman, Board of Directors