

Nykredit



The Nykredit Group's Anti-
corruption Policy

August 2021



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Approved by the Boards of Directors of

- Nykredit A/S on 18 August 2021
- Nykredit Realkredit A/S on 18 August 2021
- Totalkredit A/S on 17 August 2021
- Nykredit Bank A/S on 16 August 2021
- Nykredit Portefølje Administration A/S on 16 August 2021
- Nykredit Leasing A/S on 16 August 2021
- Nykredit A/S on 19 August 2021

Document owner: Group Legal

1. BACKGROUND AND PURPOSE

Nykredit has zero tolerance for any type of corruption, in natural alignment with our business concept "Financial Sustainability", which implies that Nykredit operates on the basis of a sharply defined ethical framework and long-term relations.

The UN Global Compact initiative and its 10 principles for corporate enactment of core values in the areas of the environment, human rights, labour standards and anti-corruption, which Nykredit has adopted, also declare that businesses should counter corruption in all its forms, including financial exploitation and bribery (the 10th principle).

Denmark is among the least corrupt countries in the world. But nonetheless, situations may arise that lead people to doubt what is right and what is wrong.

Nykredit's Anti-corruption Policy is aimed at ensuring that all staff support conduct and work ethics characterised by the highest standards of personal and organisational integrity, internally as well as externally in our dealings with all types of customers and business partners.

Nykredit's Anti-corruption Policy is supplemented with other internal guidelines, business procedures and policies.

2. SCOPE

2.1 *What is corruption?*

Corruption is defined as abuse of entrusted power for private gain and is best known as bribery, fraud, embezzlement or blackmail. Corruption does not need to involve money changing hands; it could also involve positive discrimination, special protection, extra service or shorter case processing times.

This Policy includes Nykredit's general anti-corruption principles. It also describes a number of specific activities/areas where the risk of corruption is particularly high. Examples include:

- bribery and secret commission,
- the provision or receipt of improper gifts, entertainment or food etc (see the guidelines for independence and receipt of gifts etc),
- political donations,
- facilitation payments,
- unfair preference of the immediate family and friends (nepotism, see the guidelines on nepotism),
- activities that involve or may involve conflicts of interest (see business procedures on conflicts of interest), and
- money laundering.

The activities may to a certain extent overlap, and the list is not exhaustive.

2.2 *Who is bound by this Policy?*

This Policy applies to the management and staff of all companies in the Nykredit Group.

3. PRINCIPLES OF ANTI-CORRUPTION

No staff or members of the Boards of Directors of companies of the Nykredit Group may participate in activities which could be construed as corrupt.

Nykredit may become indirectly responsible for the conduct of our business partners when they act on behalf of Nykredit. This could be, for example, representatives, consultants, estate agents, contractors, suppliers, joint ventures, associates and other intermediaries. Business partners with whom Nykredit enters into an agreement to act on our behalf must be vetted beforehand. This could involve questions about their views on corruption, a and request for an anti-corruption policy or similar.

Management of the individual business areas and companies of Nykredit must draw up additional rules and procedures for vetting business partners, where appropriate. This could also be relevant to consider in relation to existing business partners. The managements of the individual business areas and companies of Nykredit are obliged to continuously review their areas of responsibility to identify, prevent and manage risks of corruption. In this connection, managements must assess whether any rules and procedures adopted to identify, prevent and manage conflicts of interest within their areas of responsibility remain correct and adequate. In areas of responsibility where activities are associated with other countries than Denmark, special focus should be given to whether these countries have other and perhaps even stricter requirements than Denmark.

Management and staff of companies of the Nykredit Group are expected to use their common sense and sound judgment and should as a minimum be able to answer the following questions in the affirmative:

- Does the activity respect the prohibitions on bribery laid down in the Danish Penal Code, as described in this Policy?
- If your duty of confidentiality did not prevent you from telling your close circle of friends and family about the activity, would your conscience allow it?
- Could the activity be mentioned in news media without detriment to Nykredit's reputation?

Nykredit's compliance with this Policy is ensured through codes of conduct, advice and communication, including access to the staff portal and the onboarding portal.

4. BRIBERY

We will not give or receive any type of bribery.

Bribery is the offer or receipt of a gift, loan, fee, reward or other advantage to or from a person, incentivising dishonesty, illegality or a breach of trust. This could be both in the form of money and/or other benefits. Benefits received through third parties, for example, representatives, consultants, estate agents, contractors, suppliers, joint ventures, associates and other intermediaries acting on Nykredit's behalf, are considered indirect bribery.

Public officials who accept such benefits are said to receive a "bribe", and private persons are said to receive "secret commissions". In this Policy we use the term "bribery", as it is the most well-known.

Both the person offering the bribe and the person receiving it can be held criminally liable. If the benefit is in Nykredit's interest, Nykredit may also be punished by a fine. Furthermore, other persons in Nykredit, for example a manager or senior executive, could be held criminally liable, if he or she knew or encouraged offering the bribe.

A facilitation payment is a small bribe in the form of a small amount of money paid to facilitate or expedite the performance of a routine transaction. For example, this could be a small amount of money paid to public or government officials to incentivise them to perform their job or to complete it within a realistic timeframe.

In Nykredit we never make payments which could be characterised as facilitation payments.

If you experience an attempt of or receive a request for bribe, you are obliged to refuse and contact Group Legal for a legal opinion.

5. GIFTS, ENTERTAINMENT AND FOOD

We will neither directly nor indirectly request or accept gifts or other benefits that may be deemed as an attempt to impact the performance of our functions or duties or exercise of judgment.

6. POLITICAL CONTRIBUTIONS

We will neither directly nor indirectly provide financial support to politicians or political parties.

7. NEPOTISM

We will not favour our friends, family or other close relations in connection with employment, procurement and conclusion of other types of agreements.

8. CONFLICTS OF INTEREST

We will avoid conflicts – real or potential – between our personal interests and those of Nykredit.

9. MONEY LAUNDERING

We participate actively in measures to prevent money laundering.

10. UNCERTAIN WHAT TO DO?

If you are uncertain about the ethical or legal approach to a situation, you must contact HR or Group Legal before proceeding.

11. FOCUS AREAS

Despite the low risk of corruption in the Group, potential risk areas should still be regularly spotlighted. These include, in particular

- receipt/offer of improper gifts,
- nepotism,
- other conflicts of interest, as well as
- money laundering.

12. PROCEDURE FOR DEVIATION FROM OR NON-COMPLIANCE WITH THE POLICY

Non-compliance with this Policy must be reported to your immediate manager who can discuss any sanctions with HR. Non-compliance may have employment consequences.

13. REPORTING

HR annually reports to the Boards of Directors of Nykredit A/S, Nykredit Realkredit A/S, Totalkredit A/S, Nykredit Bank A/S, Nykredit Leasing A/S, Nykredit Portefølje Administration A/S and Nykredit Mægler A/S on any breaches of the Policy.

14. APPROVAL OF AND CHANGES TO THE POLICY

This Policy is revised annually or when decisions are made that necessitate an update.