

Corporate Social Responsibility (CSR) Policy

Purpose

EKF has a commercial and ethical responsibility for ensuring maximum sustainability in the transactions we are party to. Based on the international rules applicable in this domain, we set standards for ourselves, our customers, partners and suppliers. Based on risk management and accountability within CSR, we work with our customers and other stakeholders on joint value creation. In addition, we work internationally for consistent strict CSR requirements from Danish and international financial institutions, thereby contributing to consistent competitive terms for the benefit of our customers.

Background

Within the frameworks of the Act on EKF Denmark's Export Credit Agency, our CSR efforts are informed by international standards to ensure that EKF advocates sustainable Danish export practices. EKF's CSR Policy defines how EKF fulfils statutory obligations and meets international standards for environmental and social factors as well as anti-corruption.

Applicability

The CSR Policy applies to everyone within EKF. Internal guidelines and business procedures pertaining to social and environmental factors, anti-corruption and tax practices are to be prepared in compliance with this CSR Policy.

Definitions

CSR

Denotes how companies demonstrate corporate responsibility in relation to society at large by integrating regard for social aspects, especially human rights, the environment and anti-corruption in their business activities.

International standards

- › OECD guidelines and principles of relevance to CSR, notably OECD Multinational Enterprise Guidelines and OECD Common Approaches
- › UN principles and guidelines, notably the UN Global Compact's principles on human rights, the rights of workers, the environment and anti-corruption as well as the UN Guiding Principles for Business and Human Rights.¹
- › Equator Principles
- › Laws and principles established by the Danish Government, the EU and the OECD
- › IFC Performance Standards for Environmental and Social Sustainability (Performance Standards).
- › The World Bank's EHS Guidelines and Sector Guidelines

Description

¹ (human rights are defined in accordance with the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights. These are known collectively as the International Bill of Human Rights)



Joint value creation

EKF's own CSR efforts and those of our customers are to create value for our customers, society at large and EKF. Based on EKF's extensive experience of assessing and managing CSR in the projects it supports, EKF will cooperate with our customers proactively to ensure that EKF's customers and other stakeholders have access to information on what is expected in order to safeguard international export credits. EKF will thereby work to ensure that any CSR-related risks posed to customer transactions are preventable. In so doing, EKF's transactions create value for companies, employees and local communities.

A risk-based approach to environmental and social due diligence

EKF has integrated its CSR due diligence with its role as an export credit agency. With a risk-based approach to environmental and social due diligence, EKF works to ensure that potential adverse impacts are addressed at an early stage of a transaction lifecycle. Throughout that lifecycle, EKF works to facilitate the best possible cooperation with our customers and other stakeholders on our transactions and to thereby strengthen environmental and social due diligence.

Risk management and responsibility

All transactions are reviewed systematically to assess their potential environmental, human rights and social impacts, and the environmental and social due diligence factors integrated in the risk assessment of EKF's transactions are submitted for review by the EKF Credit Committee. EKF monitors the projects it supports to ensure their compliance with the international guidelines and standards. This is informed by EKF's risk-based approach.

As a financial undertaking, EKF's role is to issue guarantees and loans. In that role, EKF will seek to exercise its influence as early as possible, that is, before EKF incurs exposure, in order thereby to promote environmental and social due diligence in managing supported projects. This also serves to ensure that projects are capable of meeting EKF requirements over the long term.

EKF attaches importance to ensuring that transactions in which EKF is involved are both legally compliant and in conformance with generally accepted standards in their tax practices. EKF does not support projects displaying aggressive tax planning or that violate anti-corruption principles. This is assessed on a case-by-case basis. Aggressive tax planning involves transactions with no genuine content, and that are undertaken mainly for the purpose of gaining tax advantages.

Transparency and cooperation

We are open and transparent, and inform stakeholders about our CSR efforts, while protecting the confidentiality of our customers. We engage in proactive dialogue with our stakeholders on CSR. Through this stakeholder dialogue, EKF aims to create transparency surrounding EKF's CSR efforts and CSR progress in each project supported.

Through our undertakings, we cooperate with our customers on CSR in their projects. We examine our customers' business areas in order to put in place the best possible procedures for our CSR due diligence for each transaction to ensure that our customers enjoy good standing in interactions with their customers and other stakeholders.

EKF publishes information about category A projects 30 days prior to taking a decision on supporting a given project.

The application of CSR principles



EKF works to ensure consistent and ambitious application of CSR principles. The object is to ensure that companies meet consistent strict CSR requirements from Danish and international financial institutions, and thereby enjoy consistent terms of competition.

Reporting and documentation

EKF reports annually to the UN Global Compact, OECD and Equator Principles Association on EKF's CSR efforts. In addition, EKF reports on CSR pursuant to Sections 99.a and 99.b of the Danish Financial Statements Act, which is approved by the EKF Board of Directors.

EKF's own internal affairs

In its own business conduct, EKF complies with environmental, social and corporate governance principles. As a knowledge-intensive organisation, EKF employees are crucial assets, and we give high priority to job satisfaction, development and work-life balance. We monitor our own environmental footprint and work continuously to limit negative impacts. EKF gives high priority to the integrity of its business activities, and adheres to the same principles and requirements we set for our customers and partners.

References

External CSR commitments:

- › Act on EKF Denmark's Export Credit Agency
- › The Danish Government's Action Plan for Corporate Social Responsibility
- › Danish Financial Statements Act
- › Consolidating Act No. 1022 of 13 August 2013 on Measures to Prevent Money Laundering and Financing of Terrorism
- › Executive Order on Written Internal Rules Pursuant to the Money Laundering Act
- › UN Global Compact
- › UN Guiding Principles for Business and Human Rights
- › OECD Guidelines for Multinational Enterprises
- › OECD Recommendation of the Council on Common Approaches for Officially Supported Export Credits and Environmental and Social Due Diligence ("Common Approaches")
- › OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions
- › OECD Principles and Guidelines to Promote Sustainable Lending Practices in the Provision of Official Export Credits to Low income Countries

External CSR commitments assumed voluntarily by EKF:

Berne Union Guiding Principles
Equator Principles