



DNB Modern Slavery Act Statement for the financial year 2022

Introduction

This statement is made pursuant to the UK Modern Slavery Act 2015 on behalf of the DNB Group. The statement outlines the steps DNB has taken to mitigate the potential risk of modern slavery occurring in its business and supply chain.

About DNB

DNB is Norway's largest financial services group and one of the largest in the Nordic region in terms of market capitalisation. DNB offers a full range of financial services, including loans, savings, advisory services, insurance, and pension products for retail and corporate customers. DNB is a major operator in several industries and is one of the world's leading shipping banks. DNB also has a strong position in the energy sector, and the fisheries and seafood industry. Through its subsidiaries and branches, DNB is present in a number of countries across Europe, North and South America and Asia.

DNB's approach

DNB respects the UK Modern Slavery Act and its objective to eliminate forced labour and human trafficking. DNB supports and participates in several global initiatives and complies with international responsible business conduct guidelines. This provides a basis for learning and knowledge sharing and for exerting influence. DNB is committed in its support of the principles set forth in the United Nations Declaration of Human Rights. We follow the United Nations Guiding Principles on Business and Human Rights ("Guiding Principles"). Furthermore, our governing principles and corporate sustainability policy define how DNB should conduct its business, and our Code of Conduct conveys the manner in which DNB's employees are expected to behave.

DNB is a signatory to and/or member of several initiatives and organisations that support and develop responsible business conduct standards and guidelines. We have listed those we deem relevant to the prevention of modern slavery in the following:

- United Nations Sustainable Development Goals
- United Nations Global Compact
- The OECD's guidelines for multinational enterprises
- The UN Guiding Principles on Business and Human Rights
- Principles for Responsible Banking (PRB)
- Principles for Responsible Investment (PRI)
- Global Reporting Initiative (GRI)
- The Equator Principles
- The Norwegian forum for responsible and sustainable investments (Norsif)
- The Responsible Ship Recycling Standard (RSRS)

Processes and procedures

DNB has established governing principles, policies, standards, instructions and processes to ensure that risks related to human rights are identified and addressed. We would like to highlight the following:

1. DNB's Group Policy for sustainability is approved by the Board of Directors and define DNB's responsibility to *inter alia* respect Human Rights.

2. DNB has included corporate responsibility and sustainability as a part of the risk assessment process when granting credit. The inclusion of corporate responsibility, and human rights, to this assessment, is described in the [CSR-ESG risk assessment tool](#) has been developed, and several CSR-ESG sector guidance documents (e.g. Energy, metals and mining, seafood). The sector guidance documents can be found in the [DNB Sustainability library](#).
3. Assessments of ESG factors are part of the Group's investments analyses and decisions and are governed by the [Group instructions for responsible investments](#). The instruction shall ensure that DNB does not contribute to the infringement of human or labor rights, corruption, serious environmental harm or other actions that could be regarded as unethical. It shall also ensure that assessments of risks and opportunities related to ESG (Environment, Social and Governance) factors are integrated in the investment management. The instruction directs all activities in DNB Asset Management AS and other companies in the DNB Group. DNB's expectations within certain risk areas have been described in a series of published documents, and we have specific [expectations document covering Human Rights](#) that provide guidance related to human and labour rights.
4. In 2022, DNB in Norway purchased goods and services for approximately NOK 10.2 billion. Of around 4 930 suppliers, 131 accounted for approximately 80 per cent of the Group's purchasing costs. The main purchasing categories are IT solution development and operation, marketing and consulting services, and goods and services related to properties and office equipment. 87 per cent of our suppliers (in number) are from the Nordic countries, the UK, or the US. Procurement in DNB is guided by the DNB Policy on Supplier Management in which one of the policy chapters regards responsible supply chains. DNB's suppliers are required to accept [The DNB Code of Conduct for Business Partners](#) which outlines DNB's expectations regarding human and labour rights, environmental and ethical conduct. The Code specifically states that "Forced, bonded (including debt bondage) or indentured labour, involuntary or exploitative prison labour, mental or physical coercion, slavery or trafficking of persons is not permitted." All suppliers are assessed in DNB's third party risk management system, where ESG is one of the areas being assessed. Suppliers from higher risk countries or sectors are subjected to a more detailed assessment. Selected suppliers (based on risk, strategic importance or purchasing cost) are further followed up through third party evaluations (Eco Vadis) and on-site supplier audits.
5. DNB has established human resource policies and standards that ensure that employees are recruited lawfully and treated fairly. Employees can also report possible wrongdoings and reprehensible conduct through our whistleblower system. DNB have standards in place to ensure a safe working environment, and to promote equality and diversity.

Training

DNB's employees receive training to warrant that DNB's governing principles, policies and standards are followed. Online training modules is utilized to provide online training to all employees, and the courses on governance, Code of Conduct, and Corporate Responsibility in DNB are all mandatory.



Key actions 2022

In 2022, DNB has performed the following activities relevant to the Modern Slavery Act:

1. Asset Management:

- DNB Asset Management's Responsible Investments team engaged with companies on human rights, labour rights and children's rights. We had 113 dialogues with companies on human rights related issues in 2022.
- At the end of 2022 29 companies were excluded from DNB Asset Management's investment universe due to breaches to our investment guidelines related to human and labour rights; 4 of which were new exclusions in 2022. Of the 29 excluded companies, four companies were excluded also due to environmental concerns, for example by disposing of decommissioned vessels by sending them to be broken up for scrap on beaches.
- DNB Asset Management disclose in accordance with the Norwegian Transparency ACT. See page 56-57 in the Annual Report 2022 on responsible investments.

2. Supply chain:

- We improved internal processes and parts of the sustainability management system in the supply chain as a result of the Norwegian Transparency Act that entered into force on 1 July 2022.
- In 2022, we updated DNB's ethical guidelines for business partners.
- Any party that signs a contract with DNB is subject to a risk assessment in TPRM before signing the contract, and then at regular intervals during the contract period. In 2022, we further enhanced the mapping of risk associated with sustainability in the TPRM system. We included more sustainability-related questions, updated the industry risk list and introduced measures to obtain more information about other links in the supply chain when this is considered material.
- Out of 346 supplier assessments (new assessments or reviews of existing assessments) that were completed in 2022, 8 per cent were considered to entail higher inherent risk and had to undergo a more thorough assessment before a final decision was made.
- DNB's ethical guidelines for business partners are generally included as an appendix to supplier contracts. 84 per cent of current suppliers that are registered in DNB's contract database have made a commitment to comply with these guidelines.
- For suppliers that are deemed to entail a higher risk and for our more strategic suppliers, we use the EcoVadis platform to monitor and assess the suppliers' sustainability work. At the end of 2022, suppliers that together account for 63 per cent of DNB's relevant supplier costs had an average score of 62/100, which is better than the average of 45 on the platform in general.
- For more on the sustainable supply chain work in 2022, see DNB's annual report for 2022 page 159 and DNB's Sustainability Factbook page 30.
- In 2022, DNB, at Group level, carried out two on-site inspections of suppliers. After an audit has been completed, we engage in dialogue with the suppliers, to make sure that any deviations and suggested improvements are handled in a satisfactory manner.

3. Lending:

- In 2022, 16 projects were financed in accordance with the equator principles. The projects were in sectors such as solar power, wind power, power grids and battery storage.



- More than 1500 corporate clients with credit exposure above NOK 50 million were risk assessed using our ESG risk assessment tool. Risks to Human Rights and decent working conditions in our client's core business and supply chains are key aspects we look at.
- Responsible Ship Recycling Standard: We achieved our ambition of 100 per cent of our loan agreements having responsible ship recycling clauses. The ambition was maintained and expanded to include new offshore loans, and the target has also been reached there.

Insight

DNB's approach to corporate responsibility and sustainability is further detailed in the [Annual report 2022](#), the [Sustainability Factbook](#), and DNB Asset Management's approach to responsible investments and activities related to this is outlined on the [DNB website](#) and in the [Annual report for Responsible Investments](#) for 2022. More information on our work is available in DNB's [Sustainability Library](#).

Approval

This statement covers the financial year 1 January 2022 to 31 December 2022, and was approved by the board of DNB ASA on 15.06.2023.

A handwritten signature in black ink, reading 'Olaug Svarva'. The signature is written in a cursive, flowing style.

Olaug Svarva
Chair of the Board DNB ASA