

Nordea

# Nordea Sector Guideline for the Gambling Industry



## 1. Introduction

The Board of Directors of Nordea Bank has adopted a Code of Conduct for Nordea Bank Abp and its subsidiaries, including branches and representative offices. It applies to all people working for Nordea.

The Code of Conduct is primarily based on the ten principles of the UN Global Compact and sets out the general principles for how we aspire to work at Nordea and guides us in our business relationships. The Code of Conduct is supplemented by more detailed internal rules, policies and guidelines.

This is the Sector Guideline for Nordea's business with the Gambling Industry, which, in this sector guideline, means companies arranging games of chance for money operating under a permit from a government or a governmental authority. The guideline is approved by the Chair of the Business Ethics and Values Committee, chaired by the (Group Chief Executive Officer).

## 2. Environmental, Social and Governance

Nordea is committed to conducting business responsibly and to integrating environmental, social and governance (ESG) criteria into the decision-making process.

Nordea performs ongoing due diligence (ODD) on all customers and enhanced due diligence (EDD) with regards to customers that are assessed to have a higher risk.

Nordea's Policy for Anti-Money Laundering (AML) and Counter Terrorist Financing (CTF) risk management sets the framework and minimum standard for Anti-Money Policy for Anti-Money Laundering and Counter Terrorist Financing risk management. According to the above-mentioned policy the Know-Your-Customer process is a key element in all AML/CTF activities.

Nordea does not facilitate business with individuals, corporations or countries that are subject to relevant sanctions. Nordea has detailed processes for capturing potential violations of sanctions to ensure that transactions do not breach relevant sanctions imposed by UN, EU, USA and applicable local regulators. Nordea has dedicated task groups and constant training in place.

## 3. Requirements and Regulations

Recognizing the social and governance concerns pertinent to the gambling industry – including issues such as the protection of vulnerable customers, prevention of underage gambling, protection of customer

data, prevention of fraudulent behaviour and unfair gambling, as well as aggressive and misleading marketing, Nordea requires and expects its clients and portfolio companies to operate in accordance with international norms and laws, regulations and rules set by the national governments and gambling authorities as well as to have policies established to support this. Nordea only provides banking services to gambling companies licensed by one of the four Nordic relevant government authorities.

The gambling industry is governed by several regulations and national legislation that set out the requirements to obtain and maintain licenses for operating gambling business' both for private and state-owned companies.

In the Nordic countries the principal authorities and principal legislation governing gambling are:

**Denmark:** The Danish Gambling Authority (Spillemyndigheden) and the The Act on Gambling

**Finland:** Gambling is a state monopoly governed and gambling is directed by the Finnish Lotteries Act. Gaming operator Veikkaus has exclusive rights to organize

games on the continent of Finland. In the Åland Islands the gaming is operated by Ålands Penningautomatförening (PAF).

**Norway:** Gambling is a state monopoly governed by the Norwegian Gaming Authority (Lotteri- og stiftelsestilsynet) and the Gaming Scheme Act.

**Sweden:** The Swedish Gambling Authority (Spelinspektionen) and (The Game Act).

## 4. Engagement

In addition to the national legislations and internationally recognized norms and standards. Nordea also expects that gambling companies have a Code of Conduct and Compliance functions in place, ensuring ethical business practices and striving for best practices for responsible gambling. Also, programs should be in place for detecting gambling addiction and providing players with tools for limiting their gambling and self-exclusion.

Nordea is committed to review, engage and have a dialogue to ensure that Nordea's customers and portfolio companies adhere to this Sector Guideline.