

Nordea sector guideline for the gambling industry

**Approved by Nordea Bank's Sustainability and Ethics Committee
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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.

Nordea is committed to conducting business responsibly and to integrating environmental, social and governance (ESG) criteria into the credit and investment decision-making processes. Nordea is a signatory to:

- the UN Global Compact,
- the Principles for Responsible Investments (PRI),
- the Principles for Responsible Banking (PRB) and
- the Glasgow Financial Alliance for Net Zero.

1.1 Nordea's sustainability targets

Sustainability is at the core of our strategy. We have an important responsibility in the transition towards net zero. Sustainability is an integrated part of our value proposition to customers, how we run the bank, organise our internal operations and manage our risks. We want to make a difference together with our customers and support them in making sustainable choices, contributing to a sustainable society.

To reach this goal Nordea has set the objective to become a bank with net-zero emissions by 2050 at the latest. To read more about our sustainability targets, including more detailed 2025 targets, please visit [Nordea.com](https://www.nordea.com).

2 Scope of the sector guideline

This sector guideline apply to Nordea's procurement and financing and they are applicable to companies arranging games of chance for money. Nordea does not have any procurement from companies in the scope of this guideline.

2.1 Definitions

Requirement: Nordea restricts financial services to customers that are in breach of these requirements.

Expectation: Nordea expects customers within the scope of this guideline to adhere to the expectations and engages to encourage customers to take concrete remediating actions.

3 Governance

Sector guidelines are approved by Nordea's Sustainability and Ethics Committee and shared with Nordea's Group Leadership Team and Board Operations and Sustainability Committee. The relevant 1st line of defence is responsible for implementing the guidelines into their processes, such as risk and credit decisions. The control function in the 2nd line of defence is responsible for the oversight of the application of the guidelines.

This guideline apply to all new financing activities. Existing customers' adherence to the requirements is verified through ongoing active engagement and may require the collection of documents such as policies, permits or certificates. Controls of adherence are implemented according to a risk proportionality approach.

3.1 Due Diligence and sanctions

Nordea is committed to ensuring that it complies with all applicable sanctions laws and regulations globally. Nordea follows the sanctions regimes of the EU, UN, US, and the UK on a group-wide basis, subject to applicable local laws and regulations. In addition to the sanctions that are applied on a Group-wide basis, all Nordea entities are required to comply with sanctions that are applicable within their jurisdiction.

Nordea has an onboarding and periodic refresh process which is designed to help identify and manage Financial Crime, including sanctions, risks. This process also includes the application of enhanced due diligence (EDD) with regards to customers which are deemed to have a higher risk or active in an industry with a higher risk. For further reading please see Nordea.com for Nordea Sanctions Risk Management Policy Statement¹ and Nordea AML/CTF/ATE Policy Statement².

4 The Gambling Industry

4.1 Nordea position

Nordea has a Financial Crime programme for the consideration and onboarding of potential customers in the Gambling Industry. Nordea considers it important that any customer in the Gambling Industry has a Financial Crime programme in place in line with local legal obligations, that is designed to manage the risk appropriately.

Nordea considers it important that our customers within the Gambling Industry have a strong track record and make efforts to prevent, mitigate or remediate negative impacts. For this purpose, Nordea sets the requirements and expectations described in the sections below.

4.2 Nordea requirements

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 its clients to operate in accordance with international norms and laws, regulations and rules set by the national governments and gambling authorities as well as having supporting policies established. 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.

¹ <https://www.nordea.com/en/doc/nordea-sanctions-risk-management-policy-statement-0.pdf>

² <https://www.nordea.com/en/doc/nordea-aml-ctf-ate-policy-statement-0.pdf>

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 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.

4.3 Nordea expectations

In addition to the national legislations and internationally recognized norms and standards Nordea expects that gambling companies have a Code of Conduct and a Compliance function 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 recommends its customers in the Gambling Industry to be active members in industry initiatives and associations and adhere to their responsible gambling standards.