



Let's get GDPR right at Danske Bank!!

November 21st, 2017

Getting GDPR right at Danske Bank requires a great deal of collaboration!!



Agenda

-  Danske Bank's Approach
-  GDPR data mapping
-  GDPR Solution Portfolio
-  Collaborative Implementation

GDPR History within The Danske Bank Group

The first remarks on the new regulation are presented in Danske Bank Group. The regulation is subject to many political discussions and a concrete set of rules seem far away. It is advised to follow the development of the regulation in order to assess the consequences for Danske Bank Group.

A project has been established in Group IT in order to initiate and anchor the implementation work surrounding the GDPR. Challenges in terms of scope, extend and funding within the business are arising.

The GDPR was formally approved in the European Parliament in April, with a 2 years and 20 day implementation deadline..

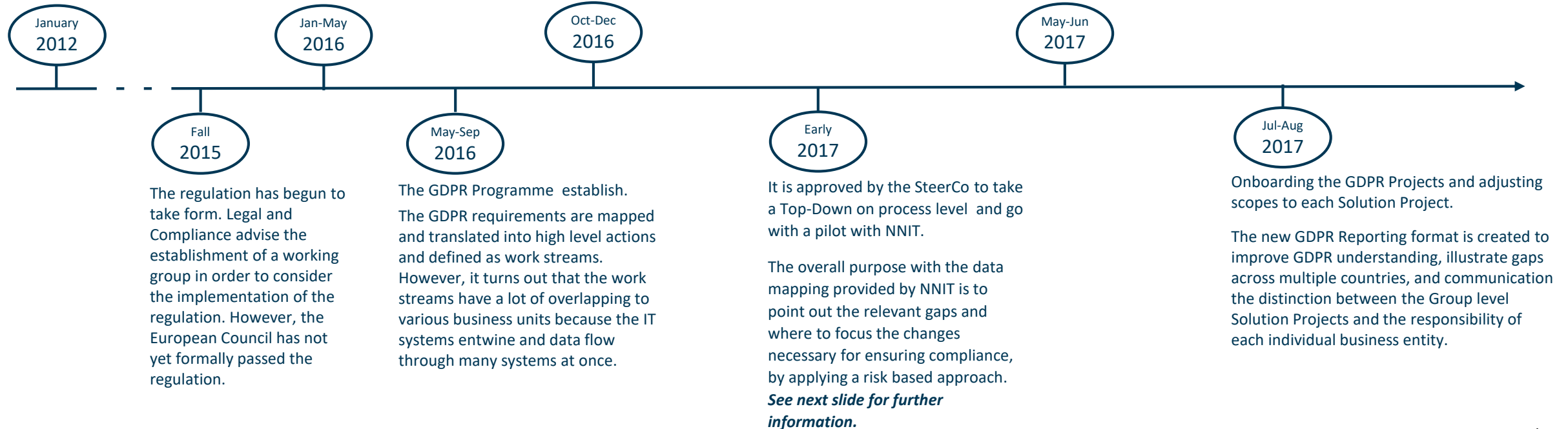
In order to avoid double work, considerations point to replace these work streams with autonomous projects that are able to work across the units and countries. It is an element that the implementations process must be conducted using a risk based approach and with the least disturbance of the business and in the most cost efficient way. In addition, an angle toward Danske Bank Group's customers must be taken into consideration.

The GDPR SteerCo is established.

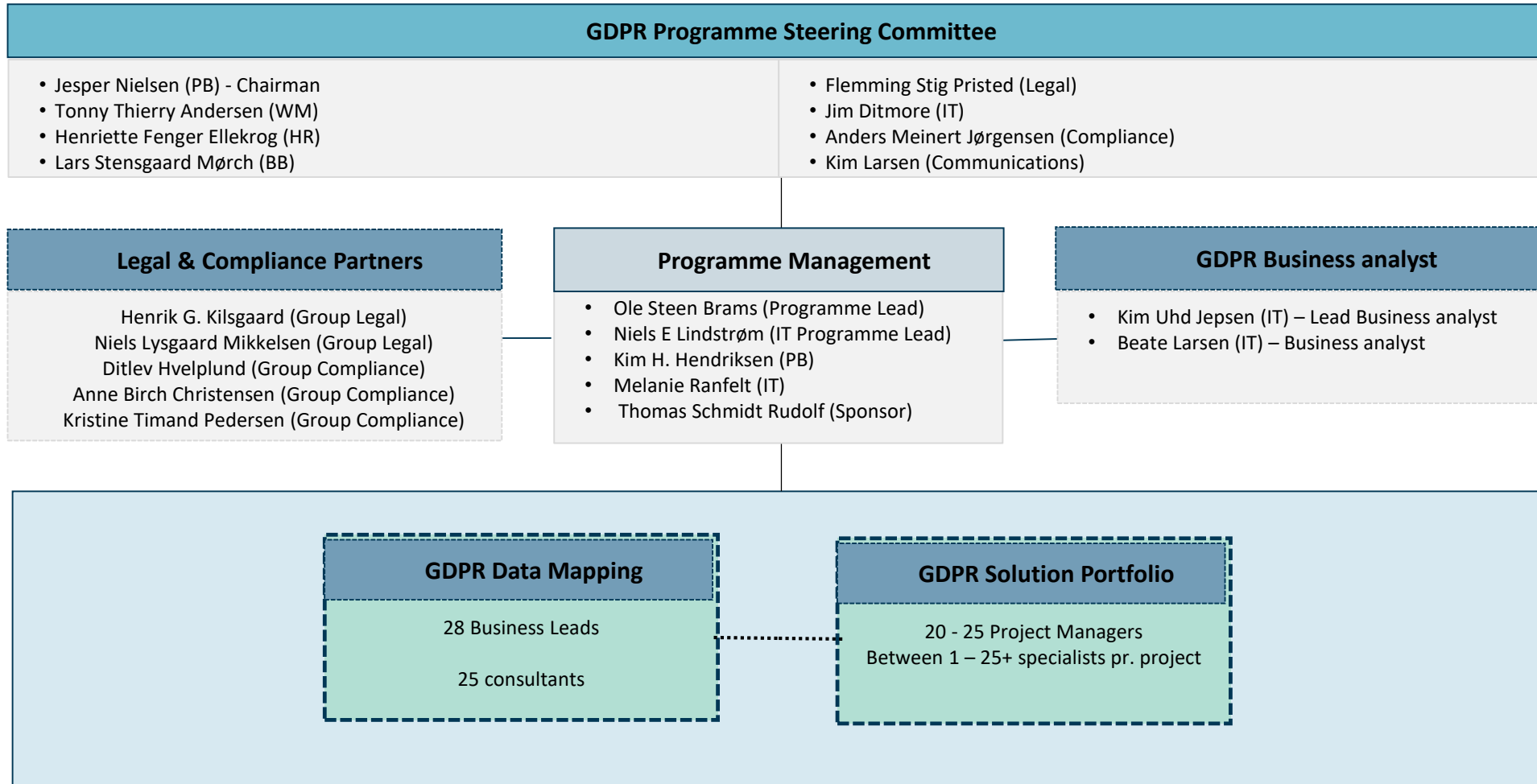
In order to create an overview the Program now works with the Program Map as a guidance for the activities that are initiated. In addition, documents now include the legal requirements converted into actual actions and traceability of the link between decisions and solutions/initiatives.

NNIT has presented the first drafted version of gab analysis, which does not identify all of the GDPR risks

The first GDPR Solution Project is approved and initiated.



The GDPR Programme is anchored in Personal Banking, with a Steering Committee consisting of all Executive Board members except Thomas Borgen.

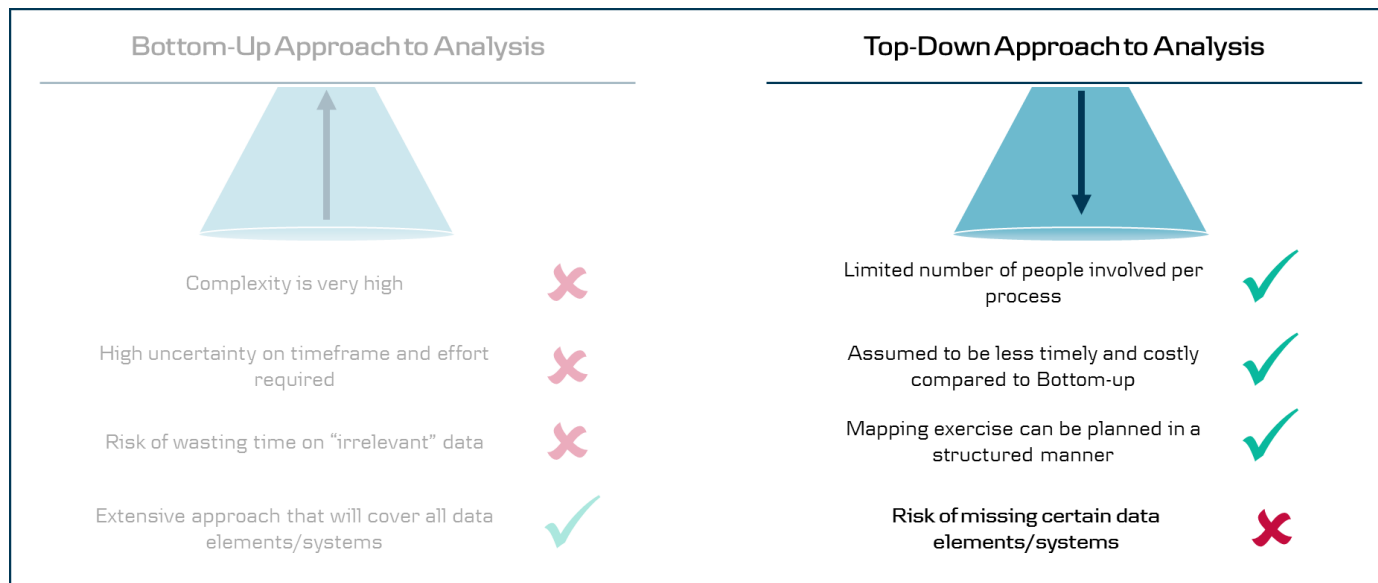









Danske Bank's GDPR data mapping approach

Danske Bank has explored various approaches to the GDPR data mapping in order to identify the most suitable approach. After exploring a bottom up and IT driven scanning approach the GDPR Programme selected a Top-Down Approach and utilizing the consultants from NNIT to support the group wide GDPR data mapping.

The overall purpose with the data mapping is to document the processes that contain personal data, the legal basis for processing it and to identify, which systems the data is processed in, and finally to document the surrounding organizational and technical security controls. The Top down approach was selected to ensure quick progress and must be viewed as a starting point to document, where Danske Bank's business entities and the GDPR programme must collaborate to take steps to further clarify and investigate the appropriate solutions to ensure compliance.

As a result of the selecting the interview based approach delivered by NNIT, Danske Bank has accepted the fact that the data quality will never reach 100% and that this report will not be able to deliver a completely exhaustive gap report. It is, however, the best solution available at the time of this reporting.

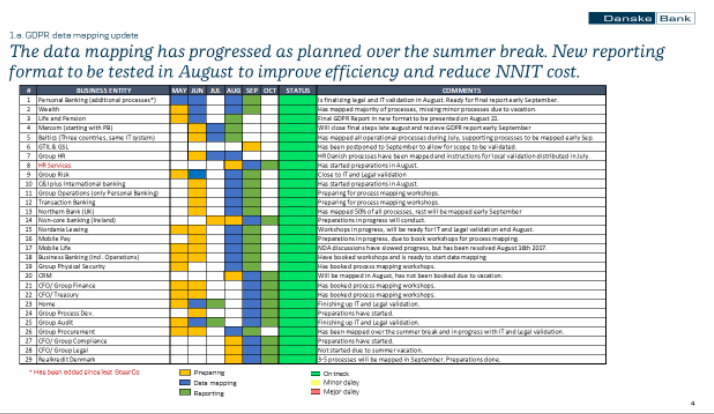


External Solutions	
	<ul style="list-style-type: none"> High level of GDPR understanding Solution for the whole group, reasonable price
	<ul style="list-style-type: none"> No defined solution, no dedicated tools Good GDPR understanding
	<ul style="list-style-type: none"> Specific tool for data stream analysis High cost but many derived benefits
	<ul style="list-style-type: none"> Very detailed and complex solution Not suitable for large organisations
	<ul style="list-style-type: none"> High level of GDPR understanding Complex solution, difficult to scale
	<ul style="list-style-type: none"> High level of GDPR understanding Based on spreadsheets, hard to maintain and scale
	<ul style="list-style-type: none"> Detailed, very complex solution Difficult to implement and maintain

GDPR Programme components

The three GDPR Programme Pillars

1. Group wide data mapping

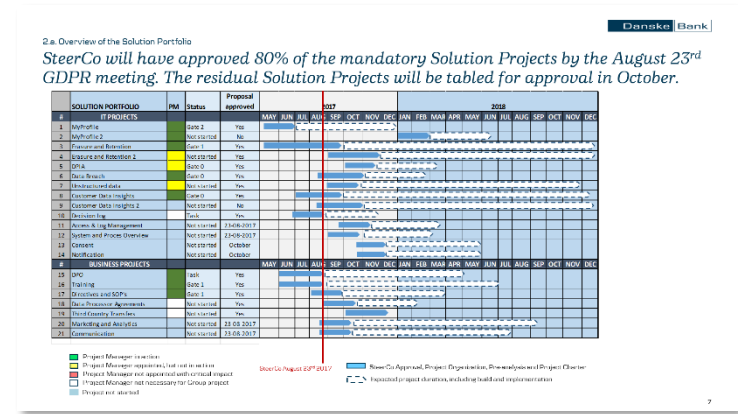


The data mapping has been carried out on a risk based approach, where the sequence of each business entity is decided by their amount of personal data and level of complexity.

The Group wide data mapping is conducted by each business unit with the assistance of both GDP and NNIT Consultants.

The team has facilitated the data mapping workshops and collected the GDPR data in a GDPR Tool.

2. Group wide Solution Projects



The Group wide Solution Projects are approved by Danske Bank GDPR Steering Committee consisting of the entire ExBo, minus Thomas Borgen.

Once a project manager has been allocated she co-creates a project charter, which is to be approved by the Project Steerco, on which the GDPR Programme is always represented.

3. Business unit level projects



The Group wide Solution Projects are designed to cover the entire Group. This is not feasible in every case, because some business entities run on separate IT platforms, demanding local GDPR Projects.

These will also be monitored by the GDPR Programme to ensure that the entire Group reaches the desired compliance levels.

GDPR data mapping update

Danske Bank has applied a risk and capacity based approach to our data mapping. Starting with the entities with the largest amount of personal data and complexity.

#	BUSINESS ENTITY	MAY	JUN	JUL	AUG	SEP	OCT	STATUS	COMMENTS
1	Personal Banking (additional processes*)	■	■		■	■		■	Is finalizing legal and IT validation in August. Ready for final report early September.
2	Wealth	■	■		■	■		■	Has mapped majority of processes, missing minor processes due to vacation.
3	Life and Pension	■	■		■	■		■	Final GDPR Report in new format to be presented on August 21.
4	Marcom (starting with PB)		■	■	■	■		■	Will close final steps late august and receive GDPR report early September
5	Baltics (Three countries, same IT system)		■	■	■	■		■	Has mapped all operational processes during July, supporting processes to be mapped early Sep.
6	GTIL & GSL					■		■	Has been postponed to September to allow for scope to be validated.
7	Group HR		■	■	■	■		■	HR Danish processes have been mapped and instructions for local validation distributed in July.
8	HR Services				■	■	■	■	Has started preparations in August.
9	Group Risk	■	■		■	■		■	Close to IT and Legal validation
10	C&I plus International banking		■		■	■		■	Has started preparations in August.
11	Group Operations (only Personal Banking)		■		■	■		■	Preparing for process mapping workshops.
12	Transaction Banking		■		■	■		■	Preparing for process mapping workshops.
13	Northern Bank (UK)		■		■	■		■	Has mapped 50% of all processes, rest will be mapped early September
14	Non-core banking (Ireland)			■	■	■	■	■	Preparations in progress will conduct.
15	Nordania Leasing	■	■		■	■		■	Workshops in progress, will be ready for IT and Legal validation end August.
16	Mobile Pay		■		■	■		■	Preparations in progress, due to book workshops for process mapping.
17	Mobile Life	■	■		■	■		■	NDA discussions have slowed progress, but has been resolved August 16th 2017.
18	Business Banking (incl. Operations)	■	■		■	■		■	Have booked workshops and is ready to start data mapping
19	Group Physical Security	■			■	■		■	Has booked process mapping workshops.
20	CRM				■	■	■	■	Will be mapped in August, has not been booked due to vacation.
21	CFO/ Group Finance	■	■			■		■	Has booked process mapping workshops.
22	CFO/ Treasury	■	■			■		■	Has booked process mapping workshops.
23	Home	■	■	■		■		■	Finishing up IT and Legal validation.
24	Group Process Dev.		■			■		■	Preparations have started.
25	Group Audit	■	■	■		■	■	■	Finishing up IT and Legal validation.
26	Group Procurement	■	■		■	■		■	Has been mapped over the summer break and in progress with IT and Legal validation.
27	CFO/ Group Compliance				■	■	■	■	Preparations have started.
28	CFO/ Group Legal				■	■	■	■	Not started due to summer vacation.
29	Realkredit Denmark				■	■	■	■	3-5 processes will be mapped in September. Preparations done.

* Has been added since last SteerCo

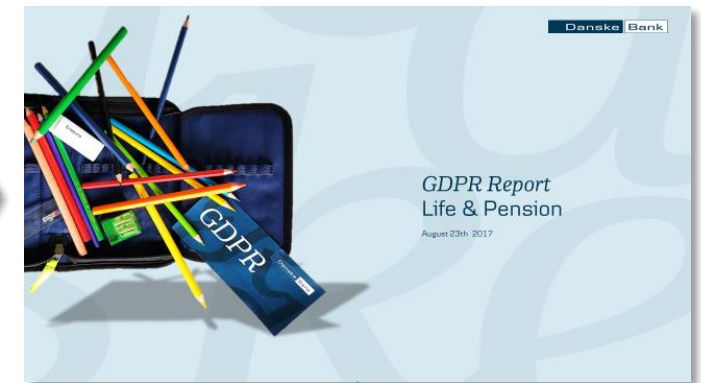
■	Preparing	■	On track
■	Data mapping	■	Minor delay
■	Reporting	■	Major delay

Danske Bank Group's New GDPR Reporting Format has been introduced in August 2017 in order to move beyond communicating gaps enabling immediate action.



New GDPR Reporting Format objectives:

1. Improved understanding of the GDPR.
2. Ability to include gaps in multiple countries
3. Clarify Group level solutions
4. Describe business entity responsibilities



What has been retained from the NNIT report:

- The new report still contains the data collected during the GDPR workshops across your business entity.
- The data relating to the gaps between your current state and the GDPR requirements is displayed in high level charts inside the report.
- The data in each chart can be explored in great detail in the spreadsheets located in the appendixes.

What has been improved in the new format:

- The new report explains the GDPR requirements, your business entity gaps, how the group solutions help resolve them and your business entity responsibilities.
- The new report has an outside-in structure, starting with the customer perspective, moving to business entity impact and closes with group level impact.
- The data is broken into lists, enabling immediate action.

Customer centric approach

Customer experience has been a key design criteria since inception. The aim is to move beyond tick-box compliance towards a joint effort to improve the customer experience.

GDPR SteerCo material from January 2018

Danske Bank

GDPR impact on customers has been part of the design criteria. At the current stage of the programme we expect minimum impact

Customer Promise

Turning GDPR into a competitive parameter could be done by issuing a customer data protection promise. To be investigated:

- 1) Customer perceptions on such a promise
- 2) The risk in case of even minor corrections are received from FSA

Hazzle free

By defining the purpose of customer relation as banking the customer will not have to repeat any information or in other ways be hazzled by a silo servicing.

There will be new terms and conditions and 1 new consent, other than that customer will not experience any hazzle

Consent

The GDPR calls for explicit consent on profiling in relation to marketing. The tentative plan is to develop a "proactive advising consent" covering profiling, behaviour (online, CC contacts etc.) and classic financials. This to be tested thoroughly ensuring customers understand and accept it to a very high degree

Transparency

The Right to notification and correction rest on a transparent vision. The budget of GDPR has made necessary a minimum solution approach, leaving out customer data interface etc. The My profile project can serve as the basis for such a solution once implemented and the GDPR programme will ensure coordination with My profile.

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The GDPR Programme has set an ambitious course from the inception of the programme to deliver positive customer experience, despite the volume and complexity of the compliance requirements.

Group wide Regulatory Innovation workshop conducted on August 28th 2017

Value driven regulatory management

Current approach practiced by most companies

Siloed

Reactive

Disconnected

Optimal approach to achieve business value

Aligned

Proactive

Connected

Based on extensive empirical global research (25 regulations over 115 years) and practical implementation experience (2 year global project), as well as detailed analysis of innovation drivers from regulations (100 research articles).

IBM

To build on the initial ambition the GDPR Programme hosted a group wide workshop on integrating innovation into the regulatory. The key note speaker was *PhD Åke Freij*, who inspired the participants for an hour. The GDPR Programme facilitated a five stream break out session to explore the application in Danske Bank. The 60 participants agreed that the learnings should inspire a more proactive approach, completely in line with Danske Bank's aspiration to **turn regulatory requirements into business opportunities.**

GDPR at Danske Bank-
Inspiring Customer Confidence

