

UN PRB Progress Summary

Spar Nord Bank A/S 2024

Principle 1: Alignment	Principle 2: Impact & Target Setting	Principle 3: Clients & Customers
<p>Content Spar Nord is committed to supporting our customers and clients. Our approach to sustainability is integrated within our business strategy and is aligned with the UN Sustainable Development Goals (SDGs). Our sustainability strategy, including the priority areas we focus on, has not changed since 2023.</p> <p>In support of our impact management efforts, in 2024 we have begun to report in line with the EU CSRD.</p> <p>For more details on our business model, please see Spar Nord Annual report 2024 p. 31-34.</p> <p>For more details on our strategy alignment and our priorities as a responsible bank, please see Spar Nord Annual report 2024 p. 56-66</p>	<p>Content The results of Spar Nord’s Impact Analysis undertaken in 2023 helped us identify the two areas of most significant impact - Climate Change Mitigation and Resource Efficiency & Circular Economy. In 2024, in preparation for the EU CSRD, we conducted a Double Materiality Assessment (DMA). The UN PRB Impact Analysis Tool was an input to our DMA and the two impact areas prioritised for PRB were also identified as material topics in our CSRD disclosures.</p> <p>Climate Change Mitigation In pursuit of our climate target, to align our portfolio to net zero by 2050, we have set several sub-targets concerning reduction of financed emissions from Lending and Asset Management and reduction of emissions from our Own Operations. Spar Nord’s targets and actions are summed up in our Climate plan which is the banks transition plan in accordance with the EU CSRD. Annual reports on the progress made with the bank’s climate plan are issued along with the annual financial statements. For more details, please see Spar Nord Climate Plan and Spar Nord Annual report 2024 p. 67-78.</p> <p>Resource Efficiency & Circular Economy Spar Nord has carried out initial screenings of our business lending and investment portfolios via the EU Taxonomy Compass for conversion to a Circular Economy. As a supplement to this screening, we also</p>	<p>Content Spar Nord’s client engagement strategy is defined in our business strategy and business model. Client engagement regarding our most significant impact areas is described in detail in Spar Nord’s Climate plan and our Sustainability reporting on Environmental disclosures in accordance with CSRD. Please see Spar Nord Annual report 2024 p. 67-86.</p> <p>In 2024 Spar Nord engaged in dialogue with over 100 of our most high-emitting business customers. 89% of these costumers stated that they consider Climate Change as well as Energy and Greenhouse Gases as important topics for their business operations. Furthermore, 37% answered that they have set goals in the areas, while 32% have defined specific actions related to the goals. Also, 57% of the customers stated that Resource Efficiency & Circular Economy is essential for their business. Furthermore, 23% answered that they collect data on the area.</p> <p>For more details on our client engagement, please see Spar Nord Annual report 2024 p. 67-78 and p.95-98.</p>

	<p>carried out a mapping based on sector overview from the UN PRB's guidance 'Circular Economy as an Enabler for Responsible Banking'. The mapping included both the bank's commercial lending and investment portfolios.</p> <p>In continuation to our screening activities Spar Nord has not been able to determine a baseline and set a specific target on Resource Efficiency & Circular Economy because of the level of complexity of the bank's activities and lack of data insight. However, we have set a progressive approach to target setting with an ambition to continue to engage in dialogue with our business customers regarding Resource Efficiency & Circular Economy. Furthermore, in 2025, we will focus on identifying financing projects that positively support circular business models, such as recycling technologies, sharing economies etc. that extend product life and supports resource efficiency. Spar Nord will also focus on expanding data insight to determine a baseline and set quantitative targets and KPI's in connection to the impact area. For more details, please see Spar Nord Annual report 2024 p. 77-78.</p>	
<p>Links & references Spar Nord Annual report 2024 https://sparnord.com/annualreport2024</p> <p>Spar Nord Impact Analysis 2023 https://media.sparnord.dk/com/aboutsparnord/esg/impactanalysis2023.pdf</p>	<p>Links & references Spar Nord Annual report 2024 https://sparnord.com/annualreport2024</p> <p>Spar Nord Climate Plan https://media.sparnord.dk/com/aboutsparnord/esg/climate-plan.pdf</p> <p>Spar Nord Impact Analysis 2023 https://media.sparnord.dk/com/aboutsparnord/esg/impactanalysis2023.pdf</p>	<p>Links & references Spar Nord Annual report 2024 https://sparnord.com/annualreport2024</p>

Principle 4: Stakeholders	Principle 5: Governance & Culture	Principle 6: Transparency & Accountability
<p>Content</p> <p>Spar Nord proactively engage with our main stakeholders, which are customers and employees as well as investors, suppliers, regulators, and senior management. Their contributions are key to understanding the importance of the Impact, Risks to and Opportunities (IRO's) of the material sustainability matters we identify.</p> <p>During 2024, as part of our preparation for our first EU CSRD report, we conducted engagement with both internal and external stakeholders. For more details on stakeholder engagement, please see Spar Nord Annual report 2024 p. 60-66.</p>	<p>Content</p> <p>Implementation of the PRB is integrated within existing governance structures. There have been no changes to the governance structure and remuneration scheme compared to last year.</p> <p>In 2024, the ESG Steering Committee met 3 times. Additionally, Spar Nord has also appointed a Responsible Investment Committee and a Sustainable Financing Committee, in which the bank's Executive Board is represented together with directors from relevant business units. The committees review and recommend concrete actions to ensure that progress is made on executing the bank's climate related targets and sub-targets. The committees are also responsible for maintaining and updating the bank's financing and investment exclusion lists.</p> <p>For more details on governance structures in relation to sustainability matters, please see Spar Nord Annual report 2024 p. 56-66.</p>	<p>Content</p> <p>Limited third-party assurance has been undertaken on Spar Nord's sustainability reporting in line with the regulatory requirements in accordance with EU CSRD. For more details, please see Spar Nord Annual report 2024 p. 259-261.</p> <p>In 2023, limited third-party assurance was provided on selected responses within Spar Nord's Reporting and Self-Assessment under UN PRB. For more details, please see Spar Nord's PRB Reporting and Self-Assessment 2023 from p. 36-38.</p>
<p>Links & references</p> <p>Spar Nord Annual report 2024 https://sparnord.com/annualreport2024</p>	<p>Links & references</p> <p>Spar Nord Annual report 2024 https://sparnord.com/annualreport2024</p>	<p>Links & references</p> <p>Spar Nord Annual report 2024 https://sparnord.com/annualreport2024</p> <p>Spar Nord's PRB Reporting and Self-Assessment 2023: https://media.sparnord.dk/com/aboutsparnord/esg/PRBreporting2023.pdf</p>