

Spar Nord

Anti-corruption and bribery policy

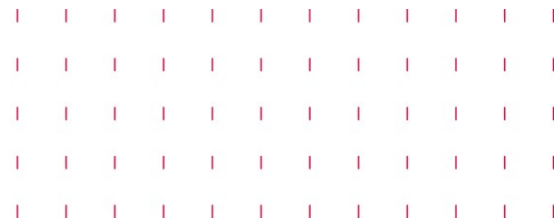


1. Objective

Responsibility and integrity are key values of Spar Nord, and therefore the purpose of this policy is to ensure that the Bank's employees understand the conduct and work ethics expected to ensure that Spar Nord can maintain the highest standards of personal and organisational integrity – both internally and externally – when meeting all types of customers and cooperation partners.

Spar Nord has acceded to the UN Global Compact and its ten principles, which provide a common ethical and practical framework for corporate social responsibility based on the OECD guidelines, the ILO conventions on labour rights, the UN Guiding Principles on Business and Human Rights, and the Rio Declaration. Principle ten specifically addresses how Businesses should work against corruption in all its forms, including extortion and bribery e.g. money laundering, abuse of power and hidden lobbying, in which gifts of money or other gifts of high economic value are involved.

This anti-corruption and bribery policy stipulates the risk appetite of the Board of Directors with regard to anti-corruption and bribery, as well as the overall guidelines for how Spar Nord works to combat corruption and bribery.



2. Application

This anti-corruption and bribery policy covers the Board of Directors of Spar Nord and all employees, including in particular departments in the Bank working on combating economic crime.

3. Definitions

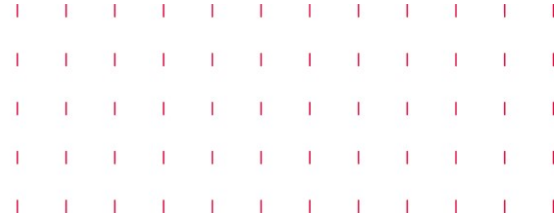
Corruption

Corruption is defined as the abuse of entrusted power for private gain. Corruption can be expressed in many different ways, including:

- Conflicts of interest (including nepotism) - e.g. if an employee or the Board of Directors has a personal interest that may affect how they manage a customer's financial situation.
- Bribery (including gifts in the form of cash or objects) - e.g. if an employee or the Board of Directors receives something of value in return for working in a way that will benefit the giver of the gift/cash.
- Extortion - e.g. if the person, property or related party of an employee or the Board of Directors is threatened with a view to coercing the employee or the Board of Directors to work in a way that will benefit the extortionist.
- Fraud (including anti-competitive actions) - e.g. if an employee or the Board of Directors behaves dishonestly or misleadingly in order to benefit themselves or the Bank.
- Collusion - e.g. if several persons make a secret agreement in order to achieve a financial gain or a specific behaviour from others who are not a part of the agreement.

The above activities can overlap to a certain extent, and the list is not exhaustive. Similarly, corruption does not necessarily have to involve money changing hands. Corruption may also be positive discrimination, special protection, extra service or shorter case-processing times.

Economic crime also includes a person receiving money or assets linked to corruption and bribery. The acquirer will often attempt to launder money or assets by making them appear as acquired legally. For this reason, money laundering is also covered by the concept of corruption and bribery in this policy.



Bribery

Bribery is defined as a payment, gift, invitation to an event or other benefit that is intended to entice someone to do something illegal or in conflict with their obligations, or not to do something, thereby resulting in an illegality or a conflict with their obligations.

Bribery is therefore an offer or receipt of a gift, loan, fee, reward or other benefit to or from a person as an incentive to do something dishonest, illegal or in breach of confidence. The bribe may be in the form of money and/or other benefits. If benefits are given via a third party, e.g. representatives, consultants, suppliers, joint ventures, associated companies or other intermediaries acting on behalf of Spar Nord, this will be indirect bribery.

4. Risk appetite

Corruption and bribery may lead to financial losses, legal investigations and sanctions, negative media coverage, as well as loss of business opportunities, and for this reason corruption and bribery can have huge adverse impacts for Spar Nord and for society in general.

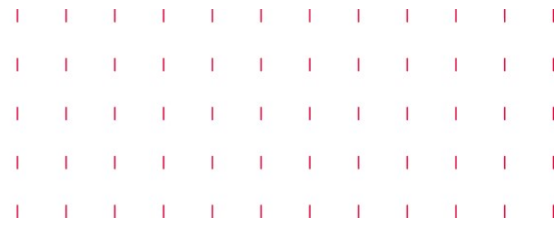
Although cross-border financial crime and international terrorism occur for all banks, Danish society is characterised by a very low incidence of corruption and bribery. As Spar Nord's primary business area is Denmark, the occurrence of corruption and bribery among customers, cooperation partners and employees is therefore likely to be very low.

However, the risk of corruption and bribery can never be ruled out, and consequently the Board of Directors has adopted a zero-tolerance policy towards any type of corruption and bribery. This applies internally at Spar Nord and in relation to the authorities, cooperation partners and customers who expose themselves or others to corruption or bribery.

By strengthening efforts against corruption and bribery, Spar Nord can minimise risks and build a more sustainable business model.

5. Work to combat corruption and bribery

In order to reduce the risk that the Bank's employees, customers, or cooperation partners are exposed to or use corruption and bribery, Spar Nord has launched a number of preventive initiatives and established a control environment designed to mitigate corruption and bribery associated with various elements such as gifts, donations, conflicts of interest, third-party providers, as well as customer-related transaction risks.



This will ensure that the Bank's work to combat corruption and bribery is channelled towards where the potential risk is greatest.

In order to increase employees' vigilance and prepare them as well as possible with regard to corruption and bribery, all employees receive compulsory training in corruption and bribery in order to exemplify where employees should be particularly vigilant. Teaching and knowledge about the Bank's policy for corruption and bribery are included as a part of the basic course on money laundering. Furthermore, the Bank's internal guidelines describe how employees should deal with conflicts of interest, receiving and giving gifts, entertaining, invitations, cooperation partners, close relationships, etc.

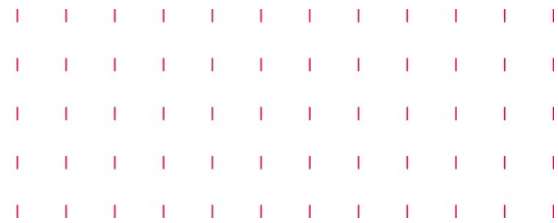
Spar Nord aims to create an open culture that helps employees report irregularities immediately. Further to this, the Bank has set up a whistleblower scheme. The scheme is run by external partners, so the investigation is independent and objective.

6. Relevant policies

Work to combat corruption and bribery is anchored in a number of policies, which, together with underlying the internal rules and guidelines, help ensure integrity in relation to employees, customers, authorities and cooperation partners. This applies in particular to the following Bank policies:

- Policy on sound business culture
- Anti-money laundering policy
- Policy for transaction monitoring and sanctions screening
- Policy for training and screening of employees in the money laundering area
- Conflicts of interest policy
- Code of Conduct for suppliers
- Whistleblower policy
- Employee Handbook (rules on gifts)

Spar Nord's policies, rules and guidelines are an important support for this anti-corruption and bribery policy, as the above policies and Employee Handbook contain more detailed descriptions of the Bank's expectations for employees in the different situations. The Bank's rules on gifts are contained in the Employee Handbook. All employees are expected to contribute actively to preventing the Bank from acting in contravention of the above policies and in contravention of this anti-corruption and bribery policy.



7. Implementation and compliance

The Executive Board is responsible for implementation of and compliance with this policy.

In order to ensure effective implementation of and compliance with this policy, the Executive Board must ensure that clear and well documented procedures are established to ensure that employees at all levels are familiar with the policy and comply with it.

Follow-up on compliance with Spar Nord policies for employee conduct and values, including this policy, takes place in a number of ways, including the regular surveys from Compliance, Risk Management, AML & Fraud and Internal Audit. Failure to comply with policies, regulations and guidelines can ultimately have employment or even criminal consequences.

8. Update and approval

The Anti-corruption and bribery policy of Spar Nord is regularly reviewed and updated as necessary, and at least once a year.

The Executive Board recommends the Anti-corruption and bribery policy for approval by the Board of Directors.

The policy was most recently approved by the Board of Directors on 20 December 2023.