

Spar Nord
**Corporate Social
Responsibility
Report
2016**

Social responsibility

Corporate Social Responsibility, or CSR, is something we take seriously at Spar Nord and have done for many years. However, the Bank has traditionally translated this popular term into our own language and reality, because experience shows that this generates better defined and more focused action.

From the point of view of Spar Nord, CSR stands for conduct in the true sense of the word, and not abstract principles. Our basic approach is that Spar Nord's responsibility as a company and a financial institution is anchored in our close involvement with customers and the local community. A responsibility and an involvement that are embedded as given elements in the Bank's history and culture and on which the business depends.

Spar Nord supports the Danish Government's endeavours to put Corporate Social Responsibility at the top of the agenda, and we also support the intentions underlying international initiatives like the UN Global Compact and UN PRI. Nevertheless, we have chosen not to formally commit ourselves to the two UN reporting initiatives, nor does the Bank have formal climate or human rights policies.

This decision should be viewed in light of the fact that we already endeavour to abide by the principles, and also that our activities are very locally slanted.

In order to concentrate efforts and make them explicit and measurable, we regularly single out special CSR themes. This approach is based on our firm belief that the best results are obtained by focusing on one thing at a time. This also means that efforts will evolve over time. We follow up on the themes highlighted one year by measuring them in subsequent years. This ensures that words and headlines are transformed into concrete actions and tangible improvements.

Understanding finance

Since 2013, "Understanding finance" has been our special focus area. We chose this particular topic because a number of surveys show that children and young people extensively lack basic insight into financial concepts and issues – and thus the skill sets required to act and make decisions affecting one's personal finances.

Precisely because this topic is so important, the inclusion of financial insight in school curricula has gained widespread interest both politically and in the educational and financial sectors. This will entail a lengthy process, but Spar Nord and other financial institutions can make a vital contribution by developing materials and making them available.

Educationally speaking, various aspects of personal finances notably constitute a highly relevant field of instruction – particularly in maths, but also in social sciences.

In keeping with the Bank's business model, Spar Nord has prepared initiatives based on cooperation with primary and lower secondary schools in the local community. The goal is to develop a series of educational materials jointly with experts in maths and didactics and to make them available free of charge to schools and teachers who want to cover the subject in their lessons.

The first classroom material was a folder titled "Wising up on money", which caters to children aged 13 to 15 (classes 7-8) and addresses topics like interest, savings, loans and currency. This educational folder has now been distributed in 50,000 copies to schools nationwide – and has generally been received very positively.

In January 2014, we published "The Book on Money", which targets the youngest classes and deals with the basics required for understanding finances. The free material is aimed at maths teachers but is also available at Spar Nord's local banks for parents who want to discuss these topics with their children. Finally, Spar Nord's employees offer to give guest lectures to the relevant age brackets and to discuss the main topics contained in the material with them.

In April 2014, the app "Chickenfeed" was launched, the purpose of which is to give kids aged 3-5 some basic understanding of money, coins, prices, etc., via play. From the time it was launched until end-2016, the app had been downloaded more than 50,000 times.

In 2015, Spar Nord entered into a formalized partnership with the local primary and lower secondary schools in the Municipality of Aalborg, and the Bank's employees are therefore dedicating a total of 100 working days each year to introducing senior pupils to a variety of topics related to their personal finances. The cooperation continued in 2016.

Local initiatives

Dedicated involvement in local community activities in the areas where the Bank operates is a central element of Spar Nord's strategy and business model. This commitment is manifested both in the way that the Bank participates in and contributes to activities concerning sports and cultural events as well as association activities and in the funding granted by the Bank and the Spar Nord Foundation to worthy causes pursued in local communities. In total, the Bank made contributions of just under DKK 25 million towards the causes mentioned, and the Spar Nord Foundation distributed 800 grants totalling DKK 32 million.

For more information, please refer to the Bank's website at www.sparnord.com/csr.

Spar Nord Bank A/S
Skelagervej 15
P.O. Box 162
DK-9100 Aalborg

Tel. +45 9634 4000
Fax +45 9634 4560
www.sparnord.dk
sparnord@sparnord.dk

CVR no. 13 73 75 84