

Policy on sound business culture of Spar Nord

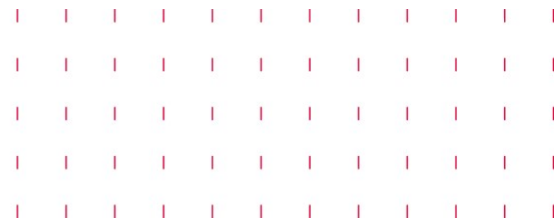


1. Objective and targets

Pursuant to section 70a of the Danish Financial Business Act and section 25a of the Payments Act, the board of directors must define a written policy that ensures and promotes a sound business culture. The objective of the policy is to comply with the requirements of the Act and to help ensure and promote a sound business culture at Spar Nord Bank A/S ("Spar Nord"), among other things with a view to avoiding that Spar Nord violates financial legislation or is used for money laundering, terrorist financing, breach of sanctions and other types of economic crime as well as corruption and bribery.

Defining the general framework for the corporate culture at Spar Nord at all levels, the policy should thus be seen in the context of Spar Nord's strategy, business model and values and the Bank's anti-money laundering policies, remuneration policy and code of conduct for employees and suppliers. The policy includes all employees in Spar Nord and applies to both part-time and full-time permanent employees as well as persons in temporary positions.

The Board of Directors must oversee that the Executive Board observes its duties in respect of the policy, see below, and in the report to the shareholders at the annual general meeting the Chairman of the Board of Directors must provide an account of the implementation of and compliance with the policy.



2. Definitions

Financial legislation is defined as the Danish Financial Business Act and any other legislation governing Spar Nord's business activities.

Money laundering is defined as:

- wrongfully accepting or obtaining for oneself or others a share of the proceeds or funds derived from criminal activity.
- wrongfully concealing, retaining, transporting, providing assistance for the disposal of or otherwise subsequently assisting in securing the proceeds or funds derived from criminal activity.
- attempting at or participating in such actions.

Terrorist financing is defined as:

- granting financial support, whether directly or indirectly, to;
- organising or raising funds, whether directly or indirectly, for; or
- making funding, other property, or financial or other similar services available, whether directly or indirectly, to:
- a person, a group or an association committing or intending to commit any acts falling within the Danish Penal Code.

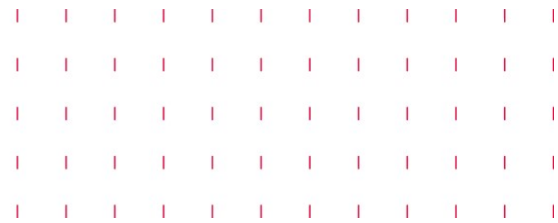
Corruption is defined as:

- Abuse of trusted power for personal gain.

Bribery is defined as:

- A payment, gift, invitation to an event or other benefits that is intended to cause someone to do or not do something that is illegal or in violation of their duties.

Other types of financial crime is to be understood in the broadest sense and includes as a minimum, but is not limited to, tax evasion and dividend fraud.



3. Values and conduct

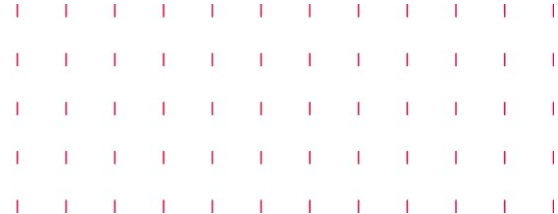
Spar Nord consistently value compliance with rules and regulations over targets and earnings. The Bank will not contribute to or be used for money laundering, terrorist financing, breach of sanctions and other types of economic crime as well as corruption and bribery. In this regard, there should be no basis for justified criticism of our way of running our bank, including the conduct of our employees.

Consequently, it is incompatible with employment at Spar Nord to contribute to, or attempt to contribute to, violation of financial legislation, money laundering, terrorist financing and any other types of economic crime as well as corruption and bribery.

All Spar Nord employees are expected to take a critical approach to suspicious aspects of their work and must feel genuinely comfortable with contacting senior management levels about any knowledge or suspicions of suspicious matters without fear of reprisal – either directly or via Spar Nord's whistleblower scheme.

Code of conduct

Spar Nord assumes responsibility with respect to its employees' conduct in business and social relations at the workplace. To this end, we have defined a code of conduct setting out employee responsibilities relative to customers, colleagues, the Bank's reputation, and society in general.

**We are:****Prudent**

All Spar Nord employees must display proper conduct. This is not only a precondition for being a part of Spar Nord. It is also a prerequisite for running a successful bank which contributes positively to societal developments.

Ethic

We act ethically and responsibly in our relations with customers, colleagues, suppliers and authorities. This includes, among other things, complying with all applicable legislation, and that we do not financially incentivise sales performance or establish relations that could jeopardise the Bank's reputation. We only create sustainable results for the Bank by accommodating customers' long-term needs.

Open

We are honest and straightforward when communicating with our customers. This means our product information, prices, terms and conditions and marketing comply with all relevant legislation. It also means that we endeavor to clarify all questions our customers may have with respect to our advisory services.

Honest

We wish to eliminate the risk of conflicts of interest, and we do not tolerate corruption. This applies individually and for the group as a whole. Consequently, we act when we discover irregularities, and we have established a whistleblower scheme to protect and anonymise employees who draw attention to problems.

Inclusive

We actively combat discrimination based on gender, ethnic origin, religion, sexual orientation, physical appearance, or age.

Attentive

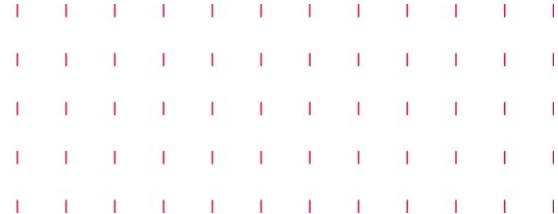
We take a positive interest in our customers' lives and reality to obtain a holistic view and see all opportunities to accommodate our customers' needs. We take care of our colleagues to ensure that everyone is seen and recognised as humans and colleagues. We help any colleagues facing a crisis situation by bringing the Bank's offer of assistance into play as soon as we suspect any problems.

Competent

We always bring our professional, human and social skills into play in our interaction with customers and colleagues in order to solve the task better, faster and at the optimum quality. We employ our skills to make ourselves and each other better.

Ambitious

We are personally ambitious about our work and promptly address any obstacles to satisfactory job performance. We always seek to obtain improvements and are open to suggestions from employees in all parts of the organisation.



4. Preventing money laundering, terrorist financing, breach of sanctions and other types of financial crime

The existence of cross-border financial crime and international terrorism are basic conditions for all banks. The risk of being abused for purposes of money laundering and the financing of terrorism is present every day, and the threat level is dynamic.

Spar Nord wants to make an active contribution to reducing the risk of money laundering and terrorist financing and has defined a money laundering policy with relevant procedures regularly adapted both to legislation and the current threat scenario. The policy, which, among other things, serves to ensure that financial transactions, customer relationships, employee matters and agreements are screened when entered and are monitored on an ongoing basis, outlines a low-risk exposure in the area.

We seek to ensure this risk exposure by initiating risk-mitigating measures and strong compliance among our employees. A dedicated policy in this area sets out a number of measures to which all employees must contribute:

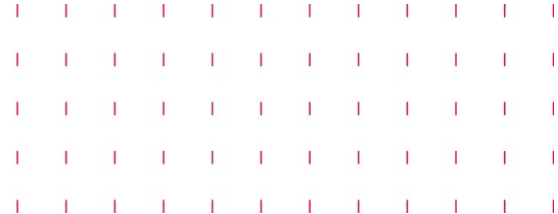
- 1. Know Your Customer procedures**

When establishing customer relationships and in ongoing customer relations, Know Your Customer procedures must be observed in accordance with the Bank's rules and guidelines. The procedures are established so as to ensure, through a risk-based approach, that the identity of the customer is adequately established and that the customer relationship will not otherwise expose Spar Nord to any unnecessary risk of abuse for money laundering, terrorist financing or breach of sanctions.
- 2. Duty of investigation and recording**

All employees are responsible for contacting AML & Fraud if they identify complex or unusually large transactions or activities which have no apparent economic or lawful purpose. Based on such notifications, AML & Fraud is responsible for investigating the background for and any suspicion relating to such transactions.
- 3. Transaction monitoring**

Customer transactions must be monitored effectively to assess whether customer activities are consistent with the knowledge the Bank has about the customer relationships, including whether actual and expected business volumes and activities in general appear to be suspicious.
- 4. Duty of notification**

Any employee suspecting that transactions, funds, or customer enquiries are or have been linked to money laundering, terrorist financing, corruption and bribery must contact AML & Fraud with a view to notifying the State Prosecutor for Serious Economic and Inter-national Crime. If the suspicion cannot be disproved offhand, AML & Fraud must immediately notify the State Prosecutor for Serious Economic and International Crime.



5. **Duty of record-keeping**

All documents and customer records, including information concerning customer identify, customer transactions and results of investigations must be kept for at least five years after the customer relationship ends.

6. **Screening against sanction lists and AML assessment of special international products**

International payments are screened to ensure that the Bank does not violate sanctions against certain countries or persons listed in EU regulations or other international rules. The Bank's Trade Finance business is reviewed based on a risk assessment of special risk of abuse in terms of money laundering or terrorist financing.

Spar Nord systematically and regularly follows up and checks its initiatives to prevent money laundering, terrorist financing, breach of sanctions and other economic crime, corruption, and bribery in the form of quarterly reports and risk analyses, which are prepared by AML & Fraud, Operational Risk, etc., and submitted to the Executive Board and Board of Directors.

5. Corruption og bribery

Spar Nord has a zero-tolerance policy against corruption and bribery, both internally in Spar Nord and in cooperation with our customers and external partners.

Corruption and bribery are covered by the Money Laundering Act and are therefore part of Spar Nord's efforts to combat money laundering. Spar Nord's code of conduct states that employees must act ethically and responsibly in relation to customers, suppliers and authorities, and that corruption is not tolerated. The Whistleblower scheme supports the ability to report irregularities.

6. Update

Spar Nord's policy on sound business culture is reviewed and updated as and when needed, but at least once a year. If a review results in an update of the policy, all employees will be informed about the update and its contents.



7. Compliance, control, and reporting

The Executive Board must ensure that the policy is implemented and complied with.

To ensure the policy is effectively implemented and complied with, the Executive Board must verify that clear, unambiguous, and well-documented procedures are in place and that employees at all levels are familiar with and comply with the policy. In the same way, the Executive Board ensures that employees are informed about any policy updates, see below.

The Executive Board must ensure that, on being employed, the Bank's employees are informed about the policy, and the Executive Board must ensure that employees at all levels comply with the policy.

Follow-up on compliance with Spar Nord's policy for employee conduct and values, including this policy and the Bank's code of conduct for employees, is undertaken in a number of ways, including through regular surveys from Compliance, AML & Fraud, Risk Management, Business Development and Internal Audit, and follow-up on customer complaints, complaints filed with the Danish Financial Complaint Board and lawsuits, etc. Non-compliance with policies, guidelines and business procedures could ultimately lead to employment-law sanctions or even criminal-law sanctions, while satisfactory results within the various initiatives will contribute positively to the assessment of employee, manager, and department performance.

Every year in January, the Executive Board reports at an ordinary board meeting on the implementation and compliance of the policy in Spar Nord.

This policy was most recently adopted by the Board of Directors on 21 June 2023.