

Anti-corruption and bribery policy

15 December 2022

Document no 8å

1. Purpose and scope

The purpose of this policy is to establish the general guidelines for Sydbank's measures to prevent corruption and bribery and to prevent the Bank from being used for the laundering of funds derived from corruption and bribery.

Trust and integrity are paramount to Sydbank, which is why it has adopted a zero tolerance approach in relation to employees who expose themselves or others to corruption or bribery. This applies both in relation to authorities, business partners and customers. A risk-based approach is used to ensure that the Bank is not used to launder funds deriving from corruption and bribery. Consequently the Bank focuses its efforts on the customers posing the greatest risk in terms of corruption and bribery.

The anti-corruption and bribery policy applies to all employees of the Sydbank Group – including Sydbank in Germany – as well as in particular the Bank's departments involved in fighting financial crime.

2. Definition of corruption

Corruption is defined as the abuse of entrusted power for private gain. Corruption can manifest itself in a variety of forms, including but not limited to:

- conflicts of interest (including nepotism) – for instance where an employee has a personal interest that may affect how a customer's finances are handled.
- bribery (including gifts in the form of cash or items) – for instance where an employee or a customer receives something of value in return for carrying out his work in a way that benefits the giver.
- extortion – for instance where the life, property or connected persons of an employee or a customer are threatened to induce the employee or customer to carry out his work in a way that benefits the extortioner.
- fraud (including anti-competitive activities) – for instance where a customer uses dishonest or misleading behaviour to gain a certain advantage for himself or the Bank.
- collusion – for instance where several persons enter into a secret agreement to obtain a financial gain or a certain behaviour from others who are not part of the agreements.

It is financial crime when a person receives money or assets in connection with corruption and bribery. The recipient will often attempt to launder the money or the assets to make it/them appear to be legally acquired funds. For this reason money laundering also falls within the concept of corruption and bribery in this policy.

3. Initiatives

Danish society is characterised by a very low rate of corruption and bribery. As Sydbank's primary business area is Denmark, the incidence of corruption and bribery is also presumed to be low among customers and employees. However the risk of

corruption and bribery can never be excluded and therefore Sydbank has implemented a number of initiatives to ensure that the Bank's employees are not exposed to or use corruption and bribery. Similarly several measures have been put in place to ensure that Sydbank's customers do not use the Bank to receive and/or launder money derived from corruption and bribery.

The efforts to prevent corruption and bribery are rooted in a number of policies which together with underlying internal rules and procedures help to ensure decency both in relation to customers, authorities and business partners, for instance:

- Code of conduct
- Staff manual
- Conflict of interests policy
- Policy for healthy corporate culture
- Policy for prevention of money laundering, terrorist financing and sanctions breaches

The policies mentioned above are available to all employees on "Vores Sydbank", Sydbank's internal web portal. The policies (with the exception of the staff manual) are also available to external stakeholders on the Bank's website.

Sydbank's website also provides access to the Bank's whistleblower scheme. Sydbank has decided to upgrade the statutory whistleblower scheme for employees to a portal that Sydbank's employees as well as external parties have access to. Here everyone can report potential offences or material violations of Sydbank's fundamental values.

Finally mandatory training in selected topics within corruption and bribery is carried at appropriate intervals. Training is provided by the departments Compliance and KYC Support and both types of training are targeted at all relevant employees at the Bank as well as external consultants working for the Bank where deemed necessary.

4. Responsibility and follow-up

AML Risk Management is responsible for ensuring necessary updates of this policy on an ongoing basis and that it is submitted to the Board of Directors. As a minimum the policy must be updated annually.

This policy is subject to the approval of Sydbank's Board of Directors.