

Board Diversity Policy

1. Introduction

Pursuant to section 70(1-4) of the Danish Financial Business Act, the nomination committee of the board of directors has laid down a policy on diversity in the composition of the board of directors. With this policy the nomination committee wants to promote the board diversity which is relevant and necessary for the bank.

2. Diversity

The aim is that members of the board of directors should have diverse competences and backgrounds, including diversity in their professional identities, work experience, gender, age etc.

Diversity is considered a strength which can contribute positively to Ringkjøbing Landbobank's development, risk management, robustness, success and growth.

Board diversity can enhance the quality of the board's work and the interaction between its members through diversified approaches to managerial tasks etc.

It is therefore emphasised that the board of directors must take account of all the appropriate aspects when conducting its business.

To promote sufficient diversity in board members' qualifications and competences and to achieve optimal benefits from a diverse board, this policy concentrates on focal points 3 to 5 below.

3. Competences

The requirements for the competences of board members and for board self-assessment must be met as relevant in accordance with the Financial Business Act, including sections 64 and 70(4) of the Danish Executive Order on Management and Control of Banks etc., and with the Danish FSA's guideline for board of directors' evaluation of their collective suitability in banks, mortgage credit institutions etc., the Danish Bankers Association's corporate governance code and the recommendations of the Committee on Corporate Governance.

Recruitment for directorships must focus on attracting candidates who possess diverse competences, backgrounds, knowledge and resources commensurate with the bank's business concept, risk profile, strategy and activities.

When nominating candidates for the board of directors, it is crucial to comply with conclusions and action plans determined in the board's evaluation and self-assessment.

Weight is also attached to the following qualifications and competences:

- Managerial competences – managerial experience, strategy, risk management, execution and supervision.
- Board-related competences – experience from board work, understanding and knowledge.
- Business competences – ability to translate ideas into business practice.
- Economic competences – ability to understand and respect economic circumstances.
- Professional competences – knowledge of the financial sector and its competitive situation.
- General competences, including:
 - Insight into society, including environmental aspects.
 - Insight into the corporate sector – general and at industry level.
 - Insight into the personal banking sector.
- Other competences – personality, integrity, analytical skills, broad range of contacts, organisational skills, dedication and time.

The qualifications and competences may have been gained through the individual candidate's educational, business and/or personal experience.

4. Gender distribution

The board of directors has set target figures for the gender distribution among board members elected by the bank's shareholders' committee.

5. Employee representation

The intention is to achieve a composition of the board of directors which helps ensure that a matter is considered from several angles and that all board interests are taken into account.

The board of directors therefore finds it natural for the bank's employees to be represented on the board, based on the applicable rules for employee-elected board members.

6. Publication

The Bank publishes information in its annual report and on its website regarding its compliance with the Financial Business Act's requirements for a board diversity policy.

7. Reporting

The nomination committee reports and makes recommendations to the board of directors regarding the promotion of diversity on the board of directors.

8. Follow-up

The nomination committee reviews the Board Diversity Policy at least once a year with a view to adjusting it to the development of Ringkjøbing Landbobank A/S.

Approved on 20 November 2024 by the board of directors of Ringkjøbing Landbobank A/S and the nomination committee of the board of directors.