

Statutory statement on corporate social responsibility 2013

in accordance with Section 135 of the Executive Order on Financial Reports for Credit Institutions and Investment Firms, etc.

Published the 29 January 2014

This statement is the statutory statement on corporate social responsibility for 2013. The statement is also given in the management's review in the bank's annual report for 2013 under the same name, i.e. "Statutory statement on corporate social responsibility". The statement covers the financial reporting period 1 January to 31 December 2013, and it should be seen in correlation with the bank's corporate social responsibility policy, which is reviewed and approved annually by the bank's board of directors.

Corporate social responsibility policy

Ringkjøbing Landbobank's corporate social responsibility (CSR) policy is based on the bank's long-standing roots in the local communities in which the bank is represented. The bank has a desire to be a responsible and value-creating bank, and the bank works to create the best results for its shareholders, customers, employees, the local community and the surrounding environment.

It is also the bank's goal to be seen as a solid and attentive partner among all its stakeholders.

The bank's CSR policy is divided to focus specifically on the four stakeholder groups: customers, employees, the environment and the local community. The bank's CSR policy is also available on the bank's website at the address: www.landbobanken.dk/csr

It is advised further to the bank's CSR policy that the bank has not prepared a specific human rights policy or a specific policy for climate effects. The bank supports the efforts by the Danish government to put human rights and climate effects high on the agenda, but as a regional bank, the bank has currently not found it necessary to develop separate policies for this.

The statement below on the bank's activities in 2013 is targeted at the four stakeholder groups.

Customers

During the year, the bank continued its work on development of its advisory service for customers.

The work included:

- Further development of the bank's concept within the area of advice on pensions, where the bank's advisers give the customer a general view of pension saving schemes and insurance cover in the event of disablement and death.
- Development of the means of communication between the bank and its customers, including development of easily understandable elements on the bank's website which give the customer a solid insight into some of the bank's products.
- The strength of Private Banking advice, where the bank's asset advisers provide specialised advice to customers with complex financial situations.
- Development and implementation of a payment solution via mobile phone - called "Swipp".

Employees

The following was implemented in 2013 in relation to the bank's employees:

- Performance reviews with all employees
- Training and certification of advisers in financial products to ensure their provision of competent advice. The training and certification were carried out to further upgrade certain of the bank's employees, and new employees completed the programme if they had not already done so on the date of employment.
- Continued training within advice on pensions
- In-service training for a large number of employees in provision of all-inclusive advice
- Appointment of a total of 26 employees, including seven new financial economists and trainees. With a view to recruiting financial economists and trainees next year, the bank held two information evenings and visited the educational institutions in the area in autumn 2013 to give the students in upper secondary programmes in the bank's local area information on a further education programme with the bank, thus providing them with a basis on which to make a qualified career choice.
- Implementation of new routines and systems to increase the efficiency of the bank's administrative processes. This also includes continuation of an in-house campaign "Overview means profit", which ensures employees a better overview of their own duties. In the bank's experience, this ensures happier employees, less stress and better provision of advice to the bank's customers.
- Supported social activities in the bank, including financial support for the bank's staff association.

In 2014, focus will be placed on *inter alia* the following in relation to the stakeholder group "Employees":

- Signing a new collective agreement
- Various training initiatives
- Establishment of a whistleblower scheme in accordance with applicable law

The environment

As a bank as well as a workplace, the bank accepts shared responsibility for the environment.

In 2013 this included the following concerning the banking activities:

- Loans for wind turbine financing
- Financing of other energy-saving initiatives
- Partnership with interactive web portal to help the bank's customers to identify energy-saving initiatives in their homes.

As a workplace, the environmental initiatives included:

- Continued focus on conversion of procedures to electronic case handling
- All advisers have received bigger monitors. The new monitors are more energy-efficient partly because their power consumption per hour is lower than the old ones and partly because the new monitors switch to energy-saving mode when the user leaves the workstation, thus also reducing power consumption.
- A large number of employees have had two monitors installed at the workplace, which gives them the opportunity to structure their work better on the monitors. This helps to reduce the amount of unnecessary printing.
- In addition to the above initiative of purchasing energy-saving computer monitors, a power-saving campaign was carried out in which as many electrical appliances as possible apart from the computer screens turn off automatically at the end of the working day.
- Continued focus on holding video conferences to the extent possible with the bank's IT supplier, Bankdata, to reduce the employees' travels to Bankdata's departments in Silkeborg and Fredericia, and continued focus on car-sharing for and planning of training and meeting activities to reduce the associated travel as much as possible.

In all of the above initiatives, focus has been placed on reducing the bank's environmental impact, including reduction of CO2 emissions, lower power and paper consumption etc.

In 2014, the bank will focus on further reductions through the following initiatives:

- The bank will continue to focus on loans for renewable energy.
- It will become possible for the bank's customers to sign agreements and documents electronically by using the NemID login. Agreements and documents will thus be delivered to the customer's internet-based electronic mailbox to further reduce paper consumption.
- It is planned to install video conference equipment in the bank's branches to reduce the requirement for driving associated with internal meetings in the bank.

Local community

Given its position in the local area, the bank has a natural wish to support the area's development. Activities in 2013 included the following:

- Total payment of DKK 114 million in corporation tax and payroll tax, of which DKK 100 million was corporation tax.
- Allocation of a total of just over DKK 0.8 million from the following:
 - Sdr. Lem Andelskasses Fond
 - Tarm Banks Jubilæumsfond
 - The bank's profit distribution
- Sponsorship agreements with more than 700 clubs and associations in the bank's local area. This includes sponsorships and subsidies for cultural activities, general and elite sports in order to support the goal of putting the local community on the map. Specific major activities during the year included support for:
 - DGI gymnastic displays in the spring in Ringkjøbing and Skjern
 - DGI World Gymnastic Team in Skjern
 - Gospel festival in Hvide Sande
 - Ringkjøbing-Skjern Municipality golf championships
 - Artificial football turf in Ringkjøbing
 - Lem Hallen - sponsor contribution to rebuilding and extension
 - New Year concert in Ringkjøbing
 - Ringkjøbing Fjord Jazz Festival at Stauning harbour
 - Shock Wave music festival in Hvide Sande in connection with the cultural festival The Wave under the Cultural Collaboration in Mid- and West Jutland
 - Skjern GF Football as the new main sponsor
 - School football in Ringkjøbing-Skjern municipality
 - Spjald FritidsCenter - sponsor contribution to expansion
 - Wood sculpture festival in Ringkjøbing
 - And many more

The bank will also in 2014 continue to be an active support to the many clubs and associations in the bank's local area.

The board of directors of Ringkjøbing Landbobank A/S the 29 January 2014