

Code of conduct for Ringkjøbing Landbobank

Introduction

With this code of conduct, Ringkjøbing Landbobank's board of directors wants to present the bank's employees (including the board of directors and the general management) with a number of rules and guidelines on the conduct expected from them.

On a general level, the rules build on common sense in the interaction between the bank and its employees and in relation to the bank's stakeholders and the outside world.

Also on a general level, the bank respects the laws currently in force. We protect both our own and the bank's integrity and reputation by complying with applicable legislation and other rules. It is therefore very important that everyone in the bank understands the regulations in the bank's code of conduct and complies with them.

This code of conduct is available on the bank's intranet and accessible to the public on its website.

Object

The code of conduct is a number of rules and guidelines aimed at assisting employees in their daily decisions. It thus contains guidelines on the bank's conduct in relation to its stakeholders such as customers, suppliers and authorities. The code is general and in no way exhaustive, but it provides examples of unacceptable behaviour, where there is a particular risk for the bank and its employees.

For clarification of the code of conduct, the bank has prepared a number of other documents, such as policies, internal procedures and a personnel circular, to ensure that the ambitions and objects of the code of conduct are met. The clarifying documents are available on the bank's intranet.

The code of conduct applies to all departments and branches and to all employees in the bank (both part time and full time employees), including temporary staff.

The individual manager is responsible for ensuring that the employees in his or her department or branch know the code of conduct and comply with it. In addition, the code of conduct is distributed to all the bank's employees once a year, when it must be read.

The bank's employees

The employees will always be the bank's most important asset. Each individual employee is important to the bank, and the bank's ability to deliver sound business results rests on all its employees.

Dignity and respect

It is important that the bank's employees treat all customers and other stakeholders with dignity and respect.

The bank thus does not accept discrimination because of gender, age, ethnic origin, sexual orientation or religion, and has zero tolerance for bullying and sexual and other forms of harassment.

Personal conduct

Employees must always be polite and show respect to others, and they must be honest and behave properly both in their private lives and at work, in order not to harm the bank's reputation.

Employees are reminded not to make transactions, which could expose their own personal finances to major risks.

Gifts and events

Under a standard customer relationship, the customer may offer the employee a gift, e.g. in the form of participation in an event.

All employees must show extreme care when accepting gifts from or offering gifts to customers, suppliers or other partners.

Detailed rules are contained in the bank's personnel circular.

Conflicts of interest

Conflicts of interest must be avoided as they could create doubt about the bank's integrity and the employees' competences and conduct.

Conflicts of interest may occur in any department or branch when customers receive a service, which can also benefit the bank (or its employees) or harm other customers.

The bank has a policy for handling conflicts of interest in the area of securities.

Employees' private activities which may potentially lead to a conflict of interest with, or dependency on, the bank's stakeholders must always be vetted by the bank's HR department in advance. Depending on the HR department's assessment, the activity may either be authorised or rejected.

Duty of secrecy and confidential information

All employees, during their employment and after their departure, have an absolute duty of secrecy in respect of matters relating to the bank, its customers and other employees.

The duty of secrecy does not prevent the bank and its employees from reporting information on violation or potential violation of financial regulations to public authorities. The bank and its employees have a duty to disclose information under applicable law or in accordance with court decisions.

All employees also have a legal obligation to protect confidential information, irrespective of the information originating from customers, partners, suppliers or other departments or branches in the bank.

Confidential information may not be disclosed to third parties without the consent of the person or party, which the information concerns and it may not be used unlawfully for the benefit of the bank, its customers, business associates, suppliers and employees.

The bank has prepared detailed rules on the handling of confidential information.

Inside information and market manipulation

It is prohibited by law for employees to buy or sell listed shares and certain other securities and instruments of debt if the employee is in possession of information which has not been published and which, if published, may be assumed to appreciably affect the price of the securities concerned.

The legislation also prohibits the disclosure of inside information on factors, which may affect pricing.

The bank has introduced specific rules on employees' trade in Ringkjøbing Landbobank shares.

Whistleblowing

The bank wants to have, and gives high priority to, a work environment promoting openness.

In order to ensure that important information is not held back, and as provided by law, the bank has established an internal whistleblower scheme intended to assist employees with reporting serious violations of the rules of financial law, which come to their knowledge.

Reports received through the whistleblower scheme will be treated confidentially and in accordance with applicable procedures.

The bank will protect employees who report violations, and ensure that they are treated with the respect to which they are entitled. Reprisals against the employees concerned are not tolerated.

Relationship with external partners

The bank is constantly striving to improve and develop its way of acting in society and in relation to customers – in full agreement with the guidelines in the sector and with the legislative framework adopted for financial institutions.

The bank has three core values supporting this:

- Responsiveness
- Expertise
- Integrity

The core values serve as a guiding principle in our effort to show corporate social responsibility and give our customers and other stakeholders the best possible service – both ethically and professionally.

Customers

The three core values are also the key words in our counselling.

The object is for our customers to have confidence in us and be met with forthcoming and value-adding counselling.

Employees are specifically responsible for ensuring that customers receive the information required as part of a proper service, and for trying to provide clear and transparent information to customers. Employees must also ensure that customers know the consequences of their financial decisions, including the risk of loss. Employees may not recommend that customers buy Ringkjøbing Landbobank shares.

Employee communication must be conducted through channels approved by the bank and, irrespective of form, all communication must be open, honest and unambiguous.

The bank's customer policy supports these principles.

Combating money laundering, financing of terrorism, violation of financial sanctions, fraud and tax evasion

The bank wants to contribute to combating any form of money laundering, financing of terrorism, etc., violation of financial sanctions, fraud and tax evasion.

The bank is required to maintain high standards for combating money laundering, action against the financing of terrorism and monitoring and compliance with financial sanctions. The bank also wants to combat fraud and tax evasion. This role is an important part of banking in a globalised world.

All the bank's employees have an obligation to contribute to these measures by following the relevant procedures that are available on the bank's intranet. In particular, the employees must be alert to any unusual and/or suspicious activity or transaction they may encounter in their daily activities and inform the bank's money laundering division accordingly.

Tax advice

The bank's employees may provide tax advice on matters relating to the bank's products and services, but not on complicated tax matters such as corporate structures and/or cross-border transactions between different tax regimes. In the latter events and in case of doubt, the bank's employees must always refer the customer to the customer's own accountant, tax lawyer or similar adviser for direct advice on tax.

In the cases where the bank's employees may provide tax advice or where they discuss tax matters with customers without providing direct advice, the recommendations on tax advice adopted by the board of directors must always be complied with.

These tax advice recommendations follow the six recommendations on cross-border tax advice published by the Danish Ministry of Taxation on 6 November 2014 based on a report from a committee comprised of members appointed by the following organisations: the Danish Ministry of Taxation, the Danish Bar and Law Society, the Association of Danish Law Firms, the Danish Bankers Association, Insurance & Pension Denmark, FSR – Danish Auditors and the Danish State Prosecutor for Serious Economic and International Crime. The board of directors has expanded the recommendations to apply not only to cross-border tax matters but to all tax matters.

Anti-corruption and bribery

The bank is against any form of corruption and bribery.

As far as corruption and bribery are concerned, the bank and its employees neither may accept nor offer any bribes, and employees neither may offer nor accept gifts of more than a token value.

Employees involved in bribery or other forms of corruption may be prosecuted and held personally responsible.

It can sometimes be difficult to distinguish between right and wrong due to cultural differences. If in doubt, employees must therefore contact their immediate superior or the bank's HR department or compliance function.

Complaints

The bank must handle complaints from current and former customers quickly and fairly and in accordance with applicable legislation and regulations.

The bank has procedures supporting this.

The complaints procedures are described in detail on the bank's website.

Suppliers

The bank expects its suppliers to observe right and proper conduct in ethical, environmental and social matters.

Authorities

The bank is subject to supervision by a number of authorities, including the Danish Financial Supervisory Authority, other public authorities and regulated markets in which the bank is a player.

The bank respects the authorities and wants to have a good partnership with them.

The bank wants to provide the authorities with important information promptly, correctly and adequately. Employees must always contact the bank's compliance function if they have questions concerning compliance.

Violation

Violation of applicable statutory rules or failure to comply with the code of conduct may harm the reputation of the bank and the employees and may result in sanctions.

In the event of serious violation of applicable laws and other rules, the authorities may penalise the bank and/or its employees or revoke or suspend the bank's permission to operate as a bank.

Violation of applicable statutory rules, failure to comply with the code of conduct, etc. may also cause the bank to impose legal consequences and/or sanctions on the employee under employment law.

If an employee is uncertain whether a specific behaviour is acceptable, the employee must always contact his or her immediate superior or the HR department in order to prevent any problems.

The bank's compliance function has an obligation to report serious violations and other issues related to the code of conduct directly to management.

Updating

The bank's code of conduct must be reviewed with a view to changes at least once a year, and all changes are to be approved by the board of directors.

Adopted by the board of directors on 25 November 2020.