

## Statutory statement on corporate social responsibility 2017

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

*Published 31 January 2018*

*This statement is the statutory statement on corporate social responsibility for 2017. The bank's annual report for 2017 contains a summary of the statement. The statement covers the financial reporting period from 1 January to 31 December 2017. The statement shall 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. In 2017, the board did not make any adjustments to the policy.*

### 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 socially responsible and value-creating bank, and the bank works to create the best results for its shareholders, customers and employees, the respective local communities, the surrounding environment and finally the bank itself as a financial institution.

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 available on the bank's website at the address: [www.landbobanken.dk/csr](http://www.landbobanken.dk/csr).

It is also advised that the bank has not prepared a specific human rights policy or a specific policy on climate. The bank supports the efforts to put human rights and the climate high on the agenda, but as a local and regional bank, the bank has not currently found it necessary to develop separate policies for this.

The statement below on the bank's activities in 2017 is targeted towards the four stakeholder groups.

## Customers

During the year, the bank continued its work on development of its advisory service and products offered etc.

The work included:

- Continued focus on 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.
- Continued focus on dissemination of the bank's payment solution via mobile phone and tablet.
- Focusing on the possibility for personal and business customers to sign documents electronically.
- Holding web meetings with the bank's customers.

Expectations concerning the advisory service, products offered etc. for 2018 include:

- Introduction of the investment app Darwin and putting it into operation
- Continued development of the bank's mobile and online banking solutions.
- Further strengthening of the Private Banking advice, where the bank's Private Banking advisers provide specialised advice to customers with complex financial situations.
- Continued focus on holding web meetings.

## Employees

The following was implemented in 2017 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 on such products in accordance with applicable rules. The required recertification was also made by rotation, and new employees completed a training and certification programme if they had not already done so on the date of employment.
- Training and tests in the areas of anti-money laundering and terrorism financing.
- Continued training within advice on pensions.
- In-service training for a number of employees in provision of all-inclusive advice.
- In-service training of a large number of employees in wealth management advice.
- Employment of a total of 31 new employees, including 8 financial economists and trainees. With a view to recruiting employees with a bachelor's degree in finance, financial economists and financial trainees next year, the bank implemented a number of initiatives targeting local upper secondary schools and the business academies in Herning, Holstebro and Silkeborg in autumn 2017. As a special initiative, the bank has established a partnership with Education Centre Ringkøbing-Skjern, consisting of an "Economy and Finance Course" 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. The bank thus helps to create job opportunities in the local area.
- Optimising and increasing the efficiency of case handling procedures and processes to ensure happier employees, less stress and better advice to the bank's customers.
- Supported social activities in the bank, including financial support for the bank's staff association.
- Social activities for the bank's staff, including a big staff event for all the bank's employees in Aarhus.
- Teambuilding activities for the bank's advisers who are in a training programme.

In 2018, focus will be placed inter alia on the following in relation to the stakeholder group "Employees":

- Completion of professional training of the bank's employees.
- Continued management training for the bank's middle managers and team leaders.
- Continued focus on optimising and increasing the efficiency of the administrative processes and routines, including optimal utilisation of digital possibilities.
- Implementation of certification and recertification programmes on investment products for the bank's employees.
- Further development of the bank's concept for performance reviews.

## The environment

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

In 2017 this included the following concerning the banking activities:

- Loans for financing of renewable energy covering wind turbines and solar cell plants.
- 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 and other initiatives in 2017 included the following initiatives and focus areas:

- During the year, the bank continued its efforts to encourage both personal and business customers to sign documents electronically, and the numbers and use of hard copy documents are thus at a historic low. As far as personal customers are concerned, more than 90% of customer-related documents are now signed electronically, and the corresponding figure for business customers is upwards of 50%.
- The bank also focused on holding web meetings with customers during the year.
- Continued focus on optimisation and increasing the efficiency of case handling procedures and processes through continued digitalisation and the use of robots.
- The bank has been using the meeting rooms with videoconference equipment installed, and as a result even more internal meetings and meetings with the bank's IT supplier Bankdata (to reduce time and resources spent by the employees when travelling to Bankdata's departments in Silkeborg and Fredericia), and with customers etc. are being held as videoconferences.
- The bank has continued exchanging the lighting for LED lighting for energy optimisation.
- The bank has replaced and modified the ventilation and cooling system in the main office to recover heat and minimise waste heat.

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 2018, the bank will continue to focus on reductions through the following initiatives:

- The bank will continue to finance renewable energy.
- Continue optimisation of procedures and processes through continued digitalisation and use of robots.
- Start to use a new work station concept, including replacement of hardware and use of Skype for business.
- Increased focus on the energy consumption of the individual branches.
- Use of the installed video conference equipment for customer meetings, internal meetings, meetings with business partners, internal training etc.
- Continue to exchange installations in the bank for energy-efficient solutions, including LED lighting.

## Local communities

Given its position in the local area, the bank has a natural wish to support the area's development. Activities in 2017 included the following:

- Total payment of DKK 168 million in corporation tax and payroll tax, of which DKK 147 million was corporation tax.
- Allocations to charitable purposes from the following foundations:
  - Sdr. Lem Andelskasses Fond
  - Ulfborg Sparekasses Fond
  - 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, and the bank also supported and/or organised other local activities. Specific activities during the year included support for:
  - Business Combat day – held for the business colleges
  - The DGI National Danish Performance Team in Holstebro and Skjern
  - Various football cup competitions, including the Ramsing Cup in Spjald, Ulfborg Cup and Vildbjerg Cup
  - Various running events etc., including the North Sea Beach Marathon, Skjern River Running Challenge, Ringkjøbing Fiord Ultra Run and Thor Beach Triathlon
  - The Dynamic Days at Lem St.
  - Shrovetide party for over 1,000 participants in the ROFI Centre in Ringkjøbing
  - Public meeting on health with Chris Macdonald in Ringkjøbing
  - Handball Association of Jutland (JHF), district 3 - handball club of the year
  - Ringkjøbing-Skjern Municipality golf championships
  - "Kunsten inviterer indenfor" - invitation to visit local artists - open house event
  - Landbobanken Rally Sprint in Sdr. Vium
  - New Year concert in Ringkjøbing
  - Money game for various primary and lower secondary school and continuation school classes
  - Ringkjøbing cinema
  - Ringkjøbing Fiord Jazz Festival at Stauning harbour
  - Ringkjøbing and environs' motoring club (ROMK) - rally show in Ringkjøbing
  - Rock in Ringkjøbing
  - The Rolls Royce Club's race in West Jutland
  - Skjern Trojans – American football
  - School football in Ringkjøbing-Skjern Municipality
  - Sculpture created by His Royal Highness Prince Henrik erected in the town square in Ringkjøbing
  - The music venue Generator
  - Stauning Airshow
  - Wood sculpture festival in Ringkjøbing
  - Windsurfing – partnership with Waterz in Hvide Sande for support for a windsurfing project for the schools in Ringkjøbing-Skjern Municipality
  - And many more

The bank will also continue to provide active support to the many clubs and associations in the bank's local area in 2018.

*The board of directors of Ringkjøbing Landbobank A/S, 31 January 2018.*