

Statutory statement on corporate social responsibility 2014

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

Published the 28 January 2015

This statement is the statutory statement on corporate social responsibility for 2014. The statement is also given in the management's review in the bank's annual report for 2014 under the same name, i.e. "Statutory statement on corporate social responsibility". The statement covers the financial reporting period 1 January to 31 December 2014, 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 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, and furthermore this statement is also published at the same internet address.

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 on the climate. The bank supports the efforts by the Danish government 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 2014 is targeted at the four stakeholder groups.

Customers

During the year, the bank continued its work on development of its advisory service and supply of products 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.
- Further strengthening of the Private Banking advice, where the bank's Private Banking advisers provide specialised advice to customers with complex financial situations.
- Providing advice on conversion of capital pensions and mortgage loans.
- Implementation of a new user-friendly online bank solution for personal customers.
- Introduction of the possibility for both personal and business customers of using the normal online bank on iPads.
- Focus on dissemination of the bank's payment solution via mobile phone - called "Swipp".
- Introduction of the possibility for personal customers to sign documents electronically.
- New payment cards issued as contactless cards.

Expectations concerning the advisory service and supply of products etc. for 2015 include:

- Continued development of the bank's online banking solutions.
- Extension of the possibility for personal customers to sign more documents electronically, and giving business customers the possibility of signing electronically.
- Replacement of payment cards with contactless cards.

Employees

The following was implemented in 2014 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, and new employees completed a training and certification programme if they had not already done so on the date of employment.
- Completion of an internal training programme for the bank's Private Banking advisers and others.
- Continued training within advice on pensions.
- In-service training for a large number of employees in provision of all-inclusive advice.
- Employment of a total of 23 employees, including five new financial economists and trainees. With a view to recruiting financial economists and trainees next year, the bank held a Ringkjøbing Landbobank career day and visited the educational institutions in the area in autumn 2014 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.
- Continued focus on the implementation of new routines and systems to increase the efficiency of the bank's administrative processes, which is a continuation of the previous 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.
- Signing a new local collective agreement for a term of three years with the bank's staff.
- Establishment of a whistleblower scheme in accordance with applicable law.

In 2015, focus will be placed on inter alia the following in relation to the stakeholder group "Employees":

- Completion of training of the bank's employees - both general initiatives for the entire staff and specific initiatives for specific advisers and adviser groups.
- Continued focus on optimising and increasing the efficiency of the administrative processes and routines, including optimal utilisation of digital possibilities.
- Elections of employee members to the board of directors.

The environment

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

In 2014 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:

- The possibility of electronic signing of documents for personal customers was implemented during the year. The majority of personal customers' agreements and documents are now signed electronically.
- In 2014 video conference equipment was installed in the bank's branches for use in connection with customer meetings where employees from the main office with special investment and pension related competences participate via the video conference equipment, internal meetings with participation of employees from different branches, training of the bank's employees etc. The use of the video conference equipment will reduce the need for employees to travel between the branches.
- Continue to focus on
 - Conversion of procedures to electronic case handling.
 - Energy saving workstations via previously implemented initiatives in the form of bigger more energy-efficient monitors (lower power consumption and monitors switching to energy-saving mode when the user leaves the workstation), installation of two monitors at the workplace (which gives the staff the opportunity to structure their work better on the monitors and helps to reduce the amount of unnecessary printing), purchasing and use of power-saving printers, and finally via a power-saving campaign (where as many electrical appliances as possible apart from the computer monitors turn off automatically at the end of the working day).
 - 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,
 - Car-sharing for and planning of training and meeting activities with physical attendance 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 2015, the bank will continue to focus on reductions through the following initiatives:

- The bank will continue to finance renewable energy.
- It will become possible for the bank's business 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.
- Use of the installed video conference equipment for customer meetings, internal meetings, training etc.

Local community

Given its position in the local area, the bank has a natural wish to support the area's development. Activities in 2014 included the following:

- Total payment of DKK 155 million in corporation tax and payroll tax, of which DKK 140 million was corporation tax.
- Allocations to charitable purposes 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:
 - New grandstand and new stadium in Ringkøbing
 - Danish Civil Protection League - annual national rally 2014 in Ringkøbing
 - Danish Football Association (DBU) - men's U16 national football team - friendly match against the Czech Republic at Ringkøbing Stadium
 - DGI gymnastic displays in the spring in Ringkøbing and Skjern
 - DGI World Gymnastic Team in Skjern
 - Gospel festival in Hvide Sande
 - Handball Association of Jutland (JHF), district 3 - handball club of the year
 - Ringkøbing-Skjern Municipality golf championships
 - "Kunsten inviterer indenfor" - invitation to visit local artists - open house event
 - New Year concert in Ringkøbing
 - Ringkøbing Fiord Jazz Festival at Stauning harbour
 - Ringkøbing and environs' motoring club (ROMK) - rally show
 - School football in Ringkøbing-Skjern Municipality
 - Wood sculpture festival in Ringkøbing
 - 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 2015.

Code of conduct

In December 2014, the bank's board of directors adopted a code of conduct which designates guidelines for the bank's employees (including the board of directors and the general management) concerning the conduct which is expected of them, i.e. the conduct to stakeholders such as customers, suppliers and authorities. The object of the code of conduct is to assist employees in their daily decisions and conduct. 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. The code of conduct is available on this website.

The board of directors of Ringkjøbing Landbobank A/S the 28 January 2015