

## Policy for Diversity, Target Figures, and the Under-Represented Gender in the Management

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### Policy

At Vestjysk Bank, we are constantly seeking to ensure that the Bank's management and staff maintain a high level of expertise.

The Bank's ambition to do things right makes the development of competencies a strategic development area for us. The Bank emphasizes both competencies of a general nature as well as specialist expertise.

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### Statutory and Regulatory Basis

- Section 79a of the Danish Financial Business Act
  - Recommendation 2.1.6 issued by the Committee on Corporate Governance
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### Introduction

Vestjysk Bank sees diversity as a strength that has the capacity to contribute positively to the Bank's growth, robustness as well as to meet established strategies and plans. Diversity of age, gender, experience and competencies are prioritised highly.

The Bank's ambition is to be an attractive workplace for both women and men by providing women and men with equal opportunities to pursue careers and to attain and hold positions of leadership. It is therefore important that its executives have the proper competencies, irrespective of gender.

The Bank seeks to ensure that it has equal distribution of competent female and male executives. When filling executive positions, it is in the Bank's interest to have as many competent candidates to choose among as possible. It is therefore critical to have both men and women in the Bank who possess the proper competencies to hold executive positions.

The Board of Directors' Nomination Committee is working actively on ensuring diversity on the Bank's Board of Directors. The ambition is for the Board of Directors to be composed of a wide array of skill sets and backgrounds with special emphasis on differences in members' professional background, business experience, gender and age.

The Board of Directors has established target figures below for the share of the underrepresented gender on the Board of Directors. The Board has also prepared a policy to balance the gender composition across Vestjysk Bank's other executive levels.

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### Target Figures for Gender Composition on the Board of Directors

The gender composition among the Bank's members of the Board of Directors elected at the annual general meeting was 83% men and 17% women in 2016.

The Board of Directors endeavours to have a higher share of female board members elected at the annual general meeting and has set a target of min. 30% from 2020.

## Equalising Gender Composition

It is the Board of Directors' desire to promulgate equal distribution between the genders across the Bank's other management levels.

Other management levels here refer to executive positions not related to the Board of Directors.

Vestjysk Bank will monitor the development of gender balance across the other management levels and calibrate the effort along the way in relation to the targets that have been set.

The gender balance across management in Vestjysk Bank at 1 October 2016 is as follows:

	Men	Women
Executive Board	100%	
Executive Group (regional executives, chiefs of staff, production manager, credit director, head of credit secretariat, financial manager)	81%	19%
Branch Managers (branch directors, private customer and business customer managers, customer service managers)	69%	31%
Corporate Managers (corporate managers on staff, foreign exchange director, head of trading, general counsel and production team leaders)	33%	67%

It is the Bank's general objective to provide an appropriate balance of men and women in management. The Bank is specially focused on endeavours to expand the proportion of female managers in the executive group from 19% to at least 25% by 2020 and the share of male corporate managers from 33% to at least 35% by 2020.

The Board of Directors' objective is to have an open and tolerant culture where individual employees are free to apply their expertise in the best manner possible regardless of gender. The Bank's employees must have equal opportunities for career advancement and executive positions regardless of gender. Vestjysk Bank's hiring policy is based on the philosophy that the most qualified person for the job will always be given preference, regardless of gender.

## Career Development

Vestjysk Bank provides all employees with the opportunity to develop their professional and personal competencies through participation in internal and external seminars and training. The Bank's objective is for women and men to participate generally and equally in these offers.

It is Vestjysk Bank's ambition to inspire all employees to join its management team.

Managers at all levels are expected to identify employees with personal and professional competencies that might form the basis for executive advancement.

By reviewing Vestjysk Bank's competency profile, basic reporting, employee development interviews and follow-up discussions, managers are asked to develop an understanding of employees' potential management potential. Any desire and ambition on the part of employees for a management career must be taken into consideration in their development interviews.

If an employee expresses a wish for receiving supplementary training or education at academic, bachelor or master's level, the parties will clarify whether the employee in question wishes to join the management team and what potential he or she has in terms of a management function as part of the recommendation process.

Career development plans are discussed with Vestjysk Bank's HR department.

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**Annual  
Review of  
Target  
Figures and  
Policy**

The Board of Directors discusses and re-evaluates the Bank's position on diversity, the under-represented gender as well as target figures once a year for the purpose of strengthening Vestjysk Bank's growth.

The HR department records the development in the share of the under-represented gender in management. A report is presented to the Board of Directors once a year.

**Adopted by  
the Board of  
Directors**

Adopted at the meeting of the Board of Directors on 24 January 2017.

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