

REMUNERATION REPORT 2024



Ringkjøbing
Landbobank

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Introduction

This remuneration report sets out the remuneration received in the 2024 financial year by each member of the board of directors and each member of the general management of Ringkjøbing Landbobank A/S, company registration (CVR) number 37536814.

The remuneration report also contains comparative figures for the 2019-2023 financial years. The remuneration awarded to the board of directors and the general management for the 2024 financial year was in accordance with the bank's remuneration policy.

The policy fulfils the requirement for a wage policy under section 77d of the Danish Financial Business Act and the requirement for a remuneration policy under sections 139 and 139a of the Danish Companies Act.

The policy was most recently approved by the bank's annual general meeting on 28 February 2024 and is available on the bank's website, www.landbobanken.com.

The information in this remuneration report has been obtained from the bank's bookkeeping records and from the audited financial statements for the 2019-2024 financial years, available on the bank's website.

Statement by the board of directors

The board of directors has today approved the remuneration report of Ringkjøbing Landbobank A/S for the 2024 financial year.

The report has been prepared in accordance with section 139b of the Danish Companies Act.

In our opinion, the report provides a general overview of the remuneration that the individual management members were awarded for the 2024 financial year. It explains how their overall remuneration is in accordance with the agreed remuneration policy, including how the remuneration supports the bank's business strategy and long-term interests as well as sustainability and creation of value in the bank by furthering the fulfillment of the bank's objectives.

The report will be submitted for a consultative vote at the annual general meeting to be held on 5 March 2025.

Ringkjøbing, 5 February 2025

Board of directors

Martin Krogh Pedersen
Chair

Jacob Møller
Deputy chair

Morten Jensen
Deputy chair

Jon Steingrim Johnsen

Anne Kaptain

Karsten Madsen

Lone Rejkjær Söllumann

Lene Weldum

Lisa Munkholm
Employee representative

Nanna G. Snogdal
Employee representative

Martin Wilche
Employee representative

Finn Aaen
Employee representative

Independent auditor's statement on the remuneration report

To the shareholders of Ringkjøbing Landbobank A/S

According to section 139b of the Danish Companies Act, the management is responsible for preparing a remuneration report in accordance with the remuneration policy approved at the general meeting.

Our opinion on the audit of the financial statements for 2024 does not cover the remuneration report, and we do not express any form of assurance conclusion regarding it.

In connection with our audit of the financial statements for 2024, it is, however, our responsibility pursuant to section 147 of the Danish Companies Act to verify that all disclosures required under section 139b(3) of the Danish Companies Act are included in the company's remuneration report for 2024.

We found no reason to point out any omissions with respect to the disclosures included in the remuneration report for 2024.

Herning, 5 February 2025

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33771231

Per Rolf Larssen
State Authorised Public Accountant
mne24822

Carsten Jensen
State Authorised Public Accountant
mne10954

Financial performance

Please see the bank's annual reports for 2019-2024 for further information on the bank's financial performance in those financial years, which can be found on the bank's web page: www.landbobanken.com

Remuneration of the board of directors and the general management

In accordance with the bank's remuneration policy, the bank's board of directors and the general management receive fixed remuneration.

The objectives of the remuneration policy are that it must reflect the bank's business model and that it does not encourage the board of directors, general management, other major risk takers and employees in control functions to take excessive risk to achieve a short-term financial gain. As a result, the bank's general remuneration strategy and practice are to pay primarily fixed amounts of remuneration. Remuneration paid to the abovementioned groups of people is not linked to short-term goals and operating results. In this way the remuneration policy supports the bank's business strategy of organic growth and long-term interests without excessive short-term risk taking and it also contributes to sustainability.

The remuneration policy should also be seen in the context of the bank's corporate social responsibility and sustainability policy, which is based on the bank's position in the local communities in which it operates and on the bank's core values: competent, responsive and proper.

The corporate social responsibility and sustainability policy specifies that the bank wants to be a responsible and value-creating bank that shows social responsibility. The bank works to create good, long-term results for its shareholders and wishes to contribute to creating a sustainable society, focusing on: customers, employees and society.

Remuneration of the board of directors

The members of the bank's board of directors receive only a fixed annual fee approved by the bank's shareholders' committee.

The aim is that the annual directors' fees are in line with market practices of comparable listed banks, taking into account the required skills, effort and remit of the members of the board.

Reflecting their extended duties, the remuneration of the chair and the deputy chairs is enhanced by multipliers of 2 and 1.33 respectively, based on the fixed annual director's fee.

Board members who are member of the nomination committee and/or the audit committee receive separate remuneration for these tasks.

The chair of the nomination committee and the chair of the audit committee receive a multiple of 2 of the fixed annual fee for nomination committee members and audit committee members respectively, for their extended duties.

Board members who are member of the remuneration committee and/or the risk committee receive no separate remuneration for these tasks.

The following fees for the 2024 financial year were approved by the committee of shareholders of the bank at its meeting on 25 October 2023 and by the bank's annual general meeting on 28 February 2024:

Fixed annual fee (DKK)	2024
The board of directors	
Chair	720,000
Deputy chair	480,000
Member	360,000
Nomination committee	
Chair	60,000
Member	30,000
Audit committee	
Chair	60,000
Member	30,000

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Remuneration for the 2024 financial year

(DKK 1,000)

Name and position	Fixed annual fee			Total
	Director's fee	Nomination committee fee	Audit committee fee	
The board of directors				
Martin Krogh Pedersen ^{10,12}	720	60	30	810
Jacob Møller ^{11(5),13(5)}	460	30	55	545
Morten Jensen ¹¹⁽⁵⁾	460	30	25	515
Mads Hvolby ⁶⁽¹¹⁾	80	5	5	90
Jens Møller Nielsen ^{6(11),6(13)}	80	5	10	95
Jon Steingrim Johnsen	360	30	-	390
Anne Kaptain	360	30	-	390
Karsten Madsen ⁵	300	25	-	325
Lone Rejkjær Söllumann	360	30	-	390
Lene Weldum	360	30	-	390
Lisa Munkholm (employee representative)	360	-	-	360
Nanna G. Snogdal (employee representative)	360	-	-	360
Martin Wilche (employee representative)	360	-	-	360
Finn Aaen (employee representative)	360	-	-	360
Total	4,980	275	125	5,380

The overview does not include cost reimbursements to the board and committee members.

See explanations to notes on page 15.

Remuneration of the general management

Remuneration agreements and employment conditions for the members of general management are negotiated between the remuneration committee, appointed by the bank's board of directors, and the individual general management member, for final approval by the board of directors.

Remuneration agreements can be entered into for several years at a time.

The remuneration and its composition for each individual member of the general management are determined with a view to attracting and retaining competent general management members and complying with the bank's remuneration policy.

The remuneration of all members of the general management is fixed and consists of the following components:

- a) Fixed base salary
- b) Fixed pension contribution
- c) Customary non-monetary employee benefits

Severance benefits may also be paid.

In addition, the bank has established a gross wage scheme in which general management members may participate. The value of any gross wage benefits is included in the remuneration details for the general management members.

Remuneration of the general management for the 2024 financial year

(DKK 1,000)

Name and position	Fixed remuneration	Pension contribution	Benefits*	Total remuneration	Proportion of fixed and variable remuneration
John Fisker, CEO	8,076	1,813	293	10,182	100% / 0%
Claus Andersen, general manager	3,840	432	194	4,466	100% / 0%
Jørn Nielsen, general manager	5,310	663	92	6,065	100% / 0%
Carl Pedersen, general manager	3,068	343	126	3,537	100% / 0%
Total	20,294	3,251	705	24,250	100% / 0%

* The overview contains employee benefits in the form of the annual tax value of a company car. The value of free telephone and free newspapers is not included.

Terms of termination and severance for the general management

Members of the general management are generally employed with a mutual right of termination, the period of notice being between 6 and 12 months for the general management members and between 12 and 24 months for the bank. The employment contracts also contain conditions for retirement without compensation entitlement.

Members of the general management are entitled to severance pay corresponding to up to 12 months' remuneration if their employment is terminated before they retire.

The sum of severance pay and salary in the period of notice cannot exceed 24 months' remuneration.

Employment contracts with members of the general management may be indefinite (i.e. without a fixed term) and are subject to a maximum period of notice of 24 months.

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Comparative overview

Comparison of the trend in the bank's performance and in the remuneration paid over the past six financial years (DKK 1,000 / percent)

Financial performance	2024	2024 vs. 2023	2023
Profit before tax	3,069,133	+8.2%	2,836,671
Net profit for the year	2,300,846	+6.8%	2,155,222
Remuneration			
The board of directors			
Martin Krogh Pedersen, chair	720	0.0%	720
Jacob Møller, deputy chair ⁵ /board member ⁶	460	-	360
Morten Jensen, deputy chair ⁵ /board member ⁶	460	-	360
Mads Hvolby, deputy chair ⁶	80	-	480
Jens Møller Nielsen, deputy chair ⁶	80	-	480
Jon Steingrim Johnsen, board member	360	0.0%	360
Anne Kaptain, board member ¹	360	0.0%	360
Karsten Madsen, board member ⁵	300	-	-
Lone Rejkjær Söllmann, board member	360	0.0%	360
Sten Uggerhøj, board member ²	-	-	-
Lene Weldum, board member ³	360	-	300
Dan Junker Astrup, board member (employee representative) ⁴	-	-	60
Lisa Munkholm, board member (employee representative) ³	360	-	300
Nanna G. Snogdal, board member (employee representative) ³	360	-	300
Arne Ugilt, board member (employee representative) ⁴	-	-	60
Gitte E. S. H. Vigsø, board member (employee representative) ⁴	-	-	60
Martin Wilche, board member (employee representative) ³	360	-	300
Finn Aaen, board member (employee representative)	360	0.0%	360
Nomination committee⁷			
Martin Krogh Pedersen, chair	60	0.0%	60
Mads Hvolby, member ⁶	5	-	30
Morten Jensen, member	30	0.0%	30
Jon Steingrim Johnsen, member	30	0.0%	30
Anne Kaptain, member	30	0.0%	30
Karsten Madsen, member ⁵	25	-	-
Jacob Møller, member	30	0.0%	30
Jens Møller Nielsen, member ⁶	5	-	30
Lone Rejkjær Söllmann, member	30	0.0%	30
Lene Weldum, member	30	-	25
Audit committee⁸			
Jacob Møller, chair ⁵	55	-	30
Jens Møller Nielsen, chair ⁶	10	-	60
Mads Hvolby, member ⁶	5	-	30
Morten Jensen, member ⁵	25	-	-
Martin Krogh Pedersen, member	30	0.0%	30
The general management			
John Fisker, CEO	10,182	+8.1%	9,418
Claus Andersen, general manager	4,466	+4.9%	4,257
Jørn Nielsen, general manager	6,065	+13.6%	5,337
Carl Pedersen, general manager	3,537	+4.5%	3,386
The employees			
Average remuneration (salary and pension contribution) per full-time equivalent (FTE)	743 ⁹	+6.5%	698 ⁹

See explanations to notes on page 15.

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2023 vs. 2022	2022	2022 vs. 2021	2021	2021 vs. 2020	2020	2020 vs. 2019	2019
+50.9%	1,880,136	+22.2%	1,538,111	+34.4%	1,144,310	-8.1%	1,245,421
+44.2%	1,494,897	+21.6%	1,229,265	+33.7%	919,714	-6.0%	978,265
+16.1%	620	+3.3%	600	+29.3%	464	+3.1%	450
+16.1%	310	+3.3%	300	+29.3%	232	+3.1%	225
+16.1%	310	+3.3%	300	+29.3%	232	+3.1%	225
+16.2%	413	+3.3%	400	+29.4%	309	+3.0%	300
+16.2%	413	+3.3%	400	+29.4%	309	+3.0%	300
+16.1%	310	+3.3%	300	+29.3%	232	+3.1%	225
-	233	-	-	-	-	-	-
-	-	-	-	-	-	-	-
+16.1%	310	+3.3%	300	+29.3%	232	+3.1%	225
-	78	-	300	+29.3%	232	+3.1%	225
-	-	-	-	-	-	-	-
-	310	+3.3%	300	+29.3%	232	+3.1%	225
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	310	+3.3%	300	+29.3%	232	+3.1%	225
-	310	+3.3%	300	+29.3%	232	+3.1%	225
-	-	-	-	-	-	-	-
+16.1%	310	+3.3%	300	+29.3%	232	+3.1%	225
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+15.4%	26	+4.0%	25	-	-	-	-
+15.4%	52	+4.0%	50	-	-	-	-
+15.4%	26	+4.0%	25	-	-	-	-
-	-	-	-	-	-	-	-
+15.4%	26	+4.0%	25	-	-	-	-
+20.0%	7,846	+17.7%	6,664	+1.6%	6,558	+4.6%	6,269
+3.7%	4,105	+2.5%	4,003	-5.2%	4,224	+10.1%	3,837
+16.6%	4,579	+18.1%	3,878	+2.2%	3,793	+23.8%	3,064
+4.0%	3,255	+10.5%	2,947	-4.3%	3,080	-3.4%	3,190
+2.5%	681 ⁹	+8.6%	627 ⁹	+2.0%	615 ⁹	-0.2%	616 ⁹

Comments on the comparative overview

Remuneration of the board members and the committee members

On 25 October 2023, the bank's shareholders' committee decided that the remuneration paid to the board members and committee members should continue unchanged in the 2024 financial year compared to the 2023 financial year. The bank's annual general meeting on 28 February 2024 approved the remuneration for the 2024 financial year.

It is proposed to adjust the remuneration of the board members, the nomination committee members and the audit committee members with effect from the 2025 financial year, compared to the 2024 financial year, to retain market-consistent remuneration. This will be recommended at the bank's annual general meeting to be held on 5 March 2025.

Remuneration of the general management members

Following a negotiation between the board of directors' remuneration committee and the general management members, in 2024 the board of directors reached an agreement with the general management members to adjust their remuneration. The purpose of the adjustment is to pay market rates of remuneration to the general management members.

Employee remuneration

The increase in the remuneration of the employees for 2024 reflects pay increases under collective agreements and local agreements and other factors.

Shareholdings of the board of directors and the general management

See note 35 of the annual report for 2024 for information on shareholdings of the board of directors and the general management.

The board of directors and the general management, including the CEO, receive only fixed remuneration, and in accordance with the bank's remuneration policy, neither the board of directors nor the general management thus receive any share-based remuneration.

Compliance with the remuneration policy

The remuneration of the board of directors and the general management for the 2024 financial year is consistent with the remuneration policy framework. Only fixed remuneration was paid in the 2024 financial year.

No deviation or derogation from the remuneration policy framework has thus been identified.

Result of consultative vote on the remuneration report for 2023

A consultative vote on the remuneration report for 2023 was held at the annual general meeting on 28 February 2024.

The consultative vote approved the remuneration report for 2023 by, respectively, 91.97% of the votes cast, computed on the basis of the number of represented votes, and by 95.91% of the votes cast computed on the basis of represented capital.

The bank's management regards the result of the vote as an endorsement of the bank's remuneration policy and of the remuneration of the bank's management.

Notes

¹ Joined on 2 March 2022

² Retired on 2 March 2022

³ Joined on 1 March 2023

⁴ Retired on 1 March 2023

⁵ Joined on 28 February 2024

⁶ Retired on 28 February 2024

⁷ Separate remuneration for work on the nomination committee commenced from the 2023 financial year

⁸ Separate remuneration for work on the audit committee commenced from the 2021 financial year

⁹ Please note that the average remuneration figure for the employees includes different kinds of one-off payments.

The total of the one-off payments may vary from year to year.

¹⁰ Chair of the board of directors

¹¹ Deputy chair of the board of directors

¹² Chair of the nomination committee

¹³ Chair of the audit committee

Ringkøbing Landbobank A/S
Torvet 1
6950 Ringkøbing, Denmark

Phone: +45 9732 1166

Email: post@landbobanken.dk

Web: www.landbobanken.com

CVR no.: 37536814

