

Nykredit



Diversity policy

Report 2021

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INTRODUCTION

This policy provides a description of Nykredit's focus on diversity, including our position on, approach to and objectives for diversity. In addition, the appendices disclose progress on targets and current initiatives and are therefore – contrary to the policy – subject to quarterly updates.

The policy has been prepared in accordance with section 139a of the Danish Companies Act, section 70(1)(4) of the Danish Financial Business Act and recommendation 2.6 of the Recommendations on Corporate Governance. Nykredit has also endorsed the UN Global Compact, which aims to ensure that businesses uphold the elimination of discrimination in respect of employment and occupation. Furthermore, we respect and comply with the ILO Declaration on Fundamental Principles and Rights at Work.

Nykredit's position

At Nykredit, we regard diversity and inclusion as key prerequisites for operating a sound business to the benefit of our customers, staff and society – now and in the future. Nykredit needs a diverse workforce, which, together, reflect the diversity of our customers and Danish society. We believe that diversity promotes:

- the impact Nykredit makes on people and businesses in Denmark
- strong customer experiences where customers' needs and requirements are understood and met

- an attractive workplace that allows individual staff members to unfold their full potential
- problem solving and synergies attained through diversity
- innovative thinking and development of the company through diverse perspectives and experiences.

We define diversity broadly to include skills, experience, education, age, gender, ethnicity, religion and sexual orientation.

At Nykredit, we embrace diversity as a moral and social responsibility, which implies that we have equal rights and opportunities across our differences. All across Nykredit, we should strive to make the workplace a trusting and inclusive space for all to be themselves and for everyone's unique perspectives and experiences to be heard, and a working environment that empowers us all to curiously challenge ourselves and each other and engage in constructive professional dialogue and conflicts. This is the only path to realising our full business potential of diversity, expressed through creativity and innovation, and to achieving the desired competitive edge. This calls for a targeted and persistent focus.

Nykredit's approach

A central feature of Nykredit's diversity commitment is the differentiation of initiatives at three levels:

STRUCTURAL LEVEL

Here, the aim is to ensure equal opportunities across our HR processes, including onboarding, recruitment and promotions, maternity/paternity leave, performance management, talent development and remuneration.

MANAGEMENT/ GROUP LEVEL

Our management teams play a key role in ensuring that we fulfil our ambition of being an inclusive workplace and of realising our diversity goals (including increased gender balance). This calls for understanding, commitment and expertise.

INDIVIDUAL LEVEL

Here, the aim is to bring talents representative of the desired diversity (eg gender and age) to the fore and to promote their development.

Specific initiatives across these three levels appear from Appendix 2.



OBJECTIVE

An important focus area of Nykredit's is to ensure a more balanced gender composition on the Board of Directors and at management level, and we have specific gender balance targets, which are continually monitored. Progress on these targets is disclosed in Appendix 1.

Board of Directors

Nykredit's Board of Directors should be composed of the best qualified individuals and have a diverse spectrum of competences and experience necessary to strengthen the business and its competitiveness and to govern Nykredit.

The Board of Directors must be composed so that it possesses the right mix of skills required to undertake the executive and strategic governance of the business and to take any measures to ensure that the business is operated in a responsible and satisfactory way. To this end, it must possess the knowledge and experience required to be able to critically assess and challenge the work and proposals of the Executive Board.

Nykredit applies the requirements set out in the Danish Financial Business Act for the Board of Director's competences and self-assessment. Nykredit's business model and its inherent risks imply the need for special competences on the Board of Directors within a number of specified areas, which are subject to regular review by the Board of Directors.

The Board of Directors acts as a collegium with a combined sum of individual competences. When composing the Board of Directors, including recruitment of new members, regard must be had to the overall competence profile of the Board of Directors and any need for strengthening individual competence areas. In addition to professional skills, regard must be had to personal skills and diversity when recruiting new members.

Management

As one of the largest companies in Denmark, Nykredit is legally obliged to make efforts to increase the share of women in management. However, Nykredit's initiatives aimed at increasing the share of women in management are just as much, if not more, driven by the ambition of using the entire talent base and of continually bringing the best talents into play. This ambition also applies to diversity in management in the broad sense, not only to gender.

We operate under the invariable principle that management positions must be filled based on a candidate's skills, motivation and personality – and not only on gender. Our focus is on ensuring that our recruitment base and our management pipeline consist of female as well as male candidates to ensure that our organisation is diverse and provides better opportunity for increased diversity.



REPORTING AND AUDIT

Reporting

Nykredit observes current legislation on openness and transparency as to the composition of the Board of Directors and any reporting thereon.

Audit

The Board of Directors undertakes to review this policy with appendices on a regular basis, and at least annually, with a view to ensuring that it meets statutory requirements and Nykredit's business model, values and long-term goals at all times.