

DIVERSITY POLICY AND POLICY FOR THE BOARD'S SELF-ASSESSMENT FOR THE BOARD OF DIRECTORS OF HP FONDSMÆGLERSELSKAB A/S (THE COMPANY)

6 February 2025

Version: No. 5

Replaces version No. 4 of 8 February 2024

1. Introduction

This policy has been prepared in accordance with Section 67(1), no. 4 of the Danish Act on Investment Firms.

2. Overall Strategic Objective

The overall strategic objective of the Board of Directors is to ensure diversity within the Board that promotes a sufficient range of qualifications and competencies among its members.

The basis for the relevant qualifications and competencies is the Company's business model and risk profile.

3. Responsibility

The Board of Directors is responsible for ensuring that this diversity policy is prepared in accordance with applicable legislation and is adequate in relation to the business model and risk profile decided by the Board.

4. General

A member of the Board of Directors of the Company must, upon joining the Board, meet the requirements set out in Section 64 of the Financial Business Act (the Fit & Proper requirement). The assessment of a member's suitability and propriety is conducted by the Danish Financial Supervisory Authority based on the information provided about the individual.

A Board member must, based on their knowledge and experience, be capable of constructively challenging the Executive Management, including posing relevant questions and critically assessing the responses.

A Board member must at all times have a good reputation and demonstrate integrity, honesty, and independence in order to effectively assess and challenge decisions made by the Executive Management.

A Board member must allocate sufficient time to perform their duties and must continuously assess whether they have, during the preceding period, dedicated the necessary time to their role. This assessment must be made considering the Company's size, organisation, and complexity.

5. Diversity

The Board seeks a composition that reflects diversity in skills and backgrounds, with particular emphasis on differences in professional expertise, industry experience, gender, and age. The Company does not set gender diversity targets pursuant to Section 71 of the Danish Act on Investment Firms due to its size and is therefore exempt under current legislation.

Diversity is considered a strength that contributes positively to the Company's development, risk management, success, and growth.

Through diversity, the Board aims to improve the quality of its work, particularly by enabling a broader perspective on management responsibilities.

6. Defined Areas of Competence

With consideration to the Company's business model, ownership structure, and risk profile, the following areas of competence must be collectively represented on the Board:

- Strategic planning/definition of the business model and risk profile, including understanding the consequences of changes
- 1. Development of new products/product approval and governance, and the associated risks
- 2. ESG in business operations
- 3. Asset management and risk hedging
- 4. Distribution
- 5. Market competition factors
- 6. Digital operational resilience for supporting the delivery of financial services (DORA)
- 7. Outsourcing of significant activities (risks, implications, monitoring, and ensuring responsible execution)
- 8. Finance, including solvency requirements and capital planning
- 9. Governance (statutory frameworks and requirements)
- 10. Risk management
- 11. Internal controls

7. Training

The members of the Board do not undergo formal training and are not legally required to do so. The Board's overall competencies are derived from academic backgrounds or practical experience within the defined areas under section 6.

It is expected that Board members remain up to date by attending seminars or similar events on specific topics, whether of a technical or current nature, relevant to the Company's operations.

8. Self-Assessment

The Board must continuously assess whether, collectively, it possesses the necessary knowledge and experience to ensure the sound operation of the Company and the management of its risks.

This assessment must be carried out at least annually and must be documented.

9. Updating the Policy

The Board must, at least once a year in accordance with the annual cycle, assess and, if necessary, update the Company's diversity policy.

The reassessment must always be based on whether changes have occurred in the Company's business model, ownership, or risk profile.

Any such changes must lead to a review of whether the Board's competencies need to be supplemented, whether the Board's composition should be altered, or whether training resources should be allocated to existing members.

10. Publication

The Company must ensure that this diversity policy is published on its website in accordance with Section 80 C (1) of the Financial Business Act.

Approved by the Board of Directors of HP Fondsmæglerselskab, 6 February 2025

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