

POLICY**Targets and policies for the
underrepresented gender and diversity
in management**

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1 Purpose

The purpose of the policy is:

- To set targets for the proportion of the underrepresented gender on the Board of Directors and at other management levels.
- To define a policy for increasing the proportion of the underrepresented gender.
- To define a policy for diversity on the Board of Directors.
- To establish the requirements for reporting.

Gender equality in management is a top priority. A leadership team that reflects broader society in terms of gender diversity strengthens competitiveness and drives success.

We are committed to ensuring that all employees, regardless of gender, have equal opportunities to qualify for leadership positions. To promote gender balance in management, we focus on both recruiting and retaining talented candidates of all genders.

2 Regulatory framework

Danish Ship Finance (hereinafter "the Company") is subject to section 79a of the Danish Financial Business Act and is obliged to:

- Set ambitious and realistic targets for the proportion of the underrepresented gender for the Board of Directors and for other management levels.
- For the company's Board of Directors, the time horizon should be set at a maximum of four years, whereas for other management levels, there are no time horizon requirements. However, the natural turnover of employees should be considered.
- Develop a policy to increase the proportion of the underrepresented gender at the company's other management levels.
- Cf. section 70, the Board of Directors is obliged to establish a diversity policy that promotes sufficient diversity in qualifications and competencies among its members.

The reporting requirements are found in section 139c of the Danish Companies Act, section 99b of the Danish Financial Statements Act and section 135a of the Executive Order on Financial Reports for Credit Institutions.

The requirements are specified in the "Guidelines on targets and policies for the gender composition of management for reporting on this" (hereinafter "the guidelines").

Other levels of management in the applicable law¹ are defined as below:

- a) *"The first management level below the supreme governing body"*, which consists of the Executive Board and the persons who are organisationally at the same management level as the Executive Board; and
- b) *"The second management level below the supreme governing body"*, which includes persons with personnel responsibilities who report directly to the first management level.

3 Targets for the underrepresented gender and diversity in management

The gender distribution among all employees is approximately one-third women and two-thirds men. In the table below, the current share and targets for the underrepresented gender in management are presented.

In the case of an equal distribution of men and women on the Board of Directors or at other management levels, the Company is not obliged to set a target or prepare a policy. Gender balance is defined as a 40/60 distribution between women and men, or the number/percentage that is closest to 40%. The guidelines provide

¹ Act no. 568 of 10 May 2022

an overview of different gender compositions that, despite a different percentage distribution, are deemed to reflect gender balance.

		2024	2023	2022	2021	2020
Board of Directors (only AGM-elected members)	AGM-elected members of the Board of Directors	7	8	8	8	8
	Share of women who are AGM-elected members of the Board of Directors	0%	0%	0%	0%	0%
	Target for gender diversity on the Board of Directors	12.5%	12.5%	25.0%	25.0%	12.5% ²
	Expected year of fulfilment of target figure	2025	2025	2024	2023	2021
Other leadership (levels 1 and 2)	Number of employees in leadership positions	11	12	14	13	12
	Share of women in leadership positions	36%	42%	27%	31%	25%
	Target for gender diversity in leadership	40%	40%	40%	40-60%	n/a
	Expected year of fulfilment of target figure	2025	2025	2025	2030	n/a

3.1 Board of Directors

A target must be set for the proportion of the underrepresented gender on the Board of Directors. This target only concerns the members elected by the general meeting. Upon achievement of the previous target or at the end of the time horizon, new, higher targets must be set.

The Board of Directors consists of seven board members elected by the general meeting. The goal is to elect (at least) one female member, corresponding to 12.5% (assuming 8 elected members), to the board in 2025.

The shareholders elect board members at the general meeting. When new board members are elected, the objective of electing a female board member will be a significant criterion, but it will not take precedence over the requirements set by the board for competence and experience. For example, if a member's resignation results in a lack of necessary competencies, the professional requirements will take precedence. Similarly, the selection process will include an increased focus on diversity in terms of competencies and background. This is elaborated on further in section 5.

3.2 Other management levels

A target must be set for the proportion of the underrepresented gender at other management levels. If the target is reached, it must be increased until gender balance is achieved (60/40). The first management level under the supreme governing body is the Executive Board, which currently consists of two men.

At year-end 2024, 36% of the leadership roles at other management levels were held by the underrepresented gender. As of the date of this policy, the underrepresented gender once again comprises more than 40% of the leadership team (five men and five women), meaning the Company has reached its target of equal representation at other management levels.

² Before 2021 the target for the underrepresented gender on the Board of Directors was formulated in the relevant policy as "one member must be a woman at the next election", corresponding to 12.5% in 2020.

4 Focus areas

To promote gender balance at other management levels, the following focus areas have been established:

- Equal opportunities for women and men must always be considered when hiring new employees and promoting existing employees. This applies to both the recruitment and appointment of members of the Executive Board, executive management, and heads of department. Potential candidates are assessed based on education, experience and personal qualifications. Applicants are not prioritised based on gender alone.
- All employees are offered the opportunity for further education or training.

Concrete initiatives to support these focus areas include, but are not limited to:

- Offering opportunities for internal rotation, thereby promoting mobility and visibility.
- Writing job postings in gender-neutral language to appeal to all genders.
- Supporting employees through different life stages, such as after parental leave or illness.
- Offering flexibility, career development discussions and education.
- Ensuring that the underrepresented gender is represented in the hiring process.
- Asking in employee surveys whether employees have experienced discrimination.

In addition to sparring with management colleagues, managers have the opportunity for external coaching in managerial tasks and challenges. These focus areas help to ensure that the underrepresented gender can take on managerial tasks.

One woman and three men were elected in the most recent election of employee representatives to the board. Employees choose which candidates are elected.

5 Policy for diversity on the Board of Directors

The Company sees diversity as a strength that can contribute positively to the company's development and that should be promoted at all levels of the organisation, including the Board of Directors. We aim to have a diverse Board of Directors regarding competencies, backgrounds, knowledge and resources that match the company's business model, risk profile and strategy.

6 Reporting requirements

6.1 Format requirements

The Company must report annually on the status of meeting the targets and when these are expected to be fulfilled, as well as the policies for the underrepresented gender and diversity. This is reported in conjunction with the Management Report, consisting of both the report on gender distribution and how the Company fulfils the requirements for a diversity policy for the Board of Directors.

The Company is required to disclose:

- The main content of the policy.
- The most important actions taken during the financial year to achieve the target and to implement the policy.
- The status of the achievement of the target, i.e. what has been achieved and (if applicable) the reason why the target has not been met.

In addition, an overview must be prepared as of the accounting date, showing the number of people on the Board of Directors and at other management levels and the percentage of the underrepresented gender. The overview must include the relevant figures for the current financial year and the four previous financial years. The report must cover the same period as the accounting period of the Annual Report.

6.2 Disclosure on website

The Management Report must include the gender composition of management, including the Board of Directors and other management levels.

The management commentary must state that the report has been published on the website and provide the direct internet address (URL) for the report.

7 Policy update

The policy is approved by the Board of Directors and shall be updated in the event of significant changes or renewed no later than June 2026.