

# HUMAN RESOURCES AND EQUALITY POLICY

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**KVÍKA**

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## HUMAN RESOURCES POLICY

### **INTRODUCTION**

To be the first choice in specialised banking services, our priority is to staff the bank with the right people, performance-driven people with professional ambitions, and to encourage them to keep at the leading edge in their field.

Reflecting our core value of long-term thinking, we emphasise guaranteeing professionalism in all our dealings and ensuring that all decisions take into account the bank's values.

This human resources policy ensures a common vision of those key emphases and values that Kvika stands for as a workplace.

An action plan ensuring the implementation of the policy shall be reviewed annually.

### **WORK ENVIRONMENT AND CO-OPERATION**

Kvika's workplace environment is characterised by flexibility, good management, co-operation, team spirit, employee initiative, equal opportunity and a reliable, healthy and positive environment.

Kvika is a performance-driven and ambitious enterprise, whose employees respect and support each other.

Common goals and responsibilities are important factors for job motivation, increased success and job satisfaction. Emphasis is placed on good collaboration between departments and creative discussion about projects and the workplace. Everyone is responsible for their own projects and for ensuring their quality and reliability. All the projects we work on are important.

### **QUALIFICATIONS, CAREER AND EMPLOYMENT**

We recruit qualified people and ensure non-discrimination in hiring. We apply a professional approach to recruitment that makes it easier to attract individuals with the education and skills that jobs require.

We welcome new employees and take a professional approach when employment terminates.

Employees are responsible for maintaining their skills and their professional development and receive unequivocal support from management to do so.

We utilise new knowledge and expertise in our work, to ensure that the training and education invested in brings the intended results.

### **MANAGEMENT**

Kvika's vision and goals are clear and employees know what is expected of them.

Managers provide feedback to employees and discuss with them their role, results and objectives in their work. By providing specific and targeted information, managers ensure that employees know where emphasis is placed and what effect it has on their work.

Managers are accessible and employees can trust that matters will be dealt with promptly and effectively and that decisions will be enforced.

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## EQUAL RIGHTS POLICY

### **INTRODUCTION**

The key guidelines of Kvika's policy are equality and diversity. All employees should have the opportunity put their talents to good use at work and be valued on their own merit; they should have equal opportunities and the same rights at work and for career advancement, regardless of gender, age or origin.

Kvika's non-discrimination policy is intended to ensure equal opportunities for the bank's employees and has been drafted in accordance with the laws and regulations on equal status and equal rights for women and men. The policy is also part of Kvika's human resources policy and reflects Kvika's value of long-term thinking.

### **OBJECTIVES AND EMPHASES**

The aim of the policy is to ensure Kvika is a desirable workplace where all employees have equal opportunities, by preventing any kind of discrimination based on gender, national origin, religion, outlook on life, disability, reduced work capacity, age, sexual orientation, gender awareness or any other irrelevant factors.

Key emphases in Kvika's equality policy:

- that employees are paid equal wages and are employed on the same terms for the same work or equally valuable work, regardless of gender, race, ethnicity, religion, age or other irrelevant factors;
- that employees have equal opportunity to apply for vacancies, to participate in working groups and committees, for practical training, lifelong learning and retraining regardless of gender, race, ethnicity, religion, age or other irrelevant factors.
- The aim is to equalise the employee gender ratio and avoid categorisation of certain positions as especially male or female.
- Kvika emphasises enabling employees to balance work and private life.
- Bullying, sexual and gender-based harassment and violence are not tolerated at Kvika.

The CEO is responsible for ensuring that Kvika's equality policy is implemented and management and staff share joint responsibility for compliance with it.

A regular assessment is made and measures taken to correct any deviations from prescribed policy. Management is also committed to ongoing improvement, monitoring and responding to any unexplained pay gaps and the deviations that come to light when reviewing the equal pay system.

### **WAGE EQUALITY**

All decisions on wages must ensure that individuals are not discriminated against on the basis of gender, race, ethnicity, religion, age or other irrelevant factors.

Women and men shall receive equal pay and enjoy the same terms of employment for the same or equally valuable work. Wage equality means that salaries shall be determined in the same manner for all employees regardless of gender, race, nationality, religion, age or other non-relevant factors. The criteria on which wage decisions are based may not therefore result in discrimination.

Equal treatment shall be ensured in the allocation of any remuneration or benefits, direct or indirect, and employees shall enjoy the same terms with regard to pension, vacation and sickness rights irrespective of gender, race, nationality, religion, age or other non-relevant factors.

Kvika's equal pay policy shall reflect the Icelandic standard ÍST 85:2012 on equal pay systems.

***Wages and terms of employment***

Objectives	Implementation	Responsibility	Measures of success
Employees are paid equal wages and are employed on the same terms for the same or equally valuable work, regardless of gender, race, ethnicity, religion, age or other irrelevant factors	Criteria for determining wages are clear and made known to all.  Employees' wages and benefits are reviewed and an improvement plan implemented. Wages shall be adjusted if unexplained differences are found.  Work on Equal Pay Certification was launched in 2019.	CEO	No gender pay gap is detected within Kvika.  Wage assessment should be available in November each year.  Equal pay certification 2020.

**VACANCIES, FILLING POSITIONS, APPOINTMENTS TO WORKING GROUPS AND COMMITTEES**

When positions are filled, it must be ensured all employees can apply, regardless of gender, race, ethnicity, religion, age or other irrelevant factors.

Managers must ensure that all individuals have equal opportunities for retraining, lifelong learning and practical training.

When appointments are made to positions of responsibility, boards, committees and working groups, it must be ensured that professional criteria and qualifications serve as their basis.

***Recruitment***

<b>Objectives</b>	<b>Implementation</b>	<b>Responsibility</b>	<b>Measures of success</b>
Equal status and opportunities for individuals regardless of gender, race, ethnicity, religion, age or other irrelevant factors when it comes to employment.	<p>If the gender ratio is unequal, this should be taken into account in hiring when the choice is between equally qualified individuals.</p> <p>Job advertisements are non-gendered and the requirements set reflect job descriptions and qualifications for the job.</p>	CEO	<p>Figures on gender ratios in recruitment and appointments to working groups and committees.</p> <p>Figures on the gender ratios of job applicants.</p>

***Management Positions, Appointments to Working Groups and Committees***

<b>Objectives</b>	<b>Implementation</b>	<b>Responsibility</b>	<b>Measures of success</b>
Equal status and opportunities for individuals regardless of gender, race, ethnicity, religion, age or other irrelevant factors when it comes to appointments to management positions and participation in working groups, boards and committees.	<p>Individual qualifications, education, experience and equality perspectives shall be taken into account when appointments are made to management positions and to working groups, boards and committees.</p> <p>Equality education for all employees.</p>	CEO	<p>Figures on gender ratios in working groups, committees and management.</p> <p>Assessment of employees' attitudes to equal opportunities in an annual attitude survey.</p>

***Practical training, lifelong learning and continuing education, instruction and career development***

<b>Objectives</b>	<b>Implementation</b>	<b>Responsibility</b>	<b>Measures of success</b>
Equal status and opportunities for individuals regardless of gender, race, ethnicity, religion, age or other irrelevant factors when it comes to practical training, lifelong learning and continuing education, instruction and career development.	All employees are encouraged to attend instruction and continuing education regardless of gender, race, ethnicity, religion, age or other irrelevant factors.	CEO	Assessment of employees' attitudes to instruction and continuing education in an annual attitude survey.

**BALANCING WORK AND PRIVATE LIFE**

Kvika emphasises enabling employees to balance their work commitments and family responsibilities. Emphasis is placed on having employees enjoy a certain degree of flexibility in their work wherever possible.

Employees are encouraged to avail themselves of their maternity/paternity leave entitlement and Kvika supports its employees with a supplementary contribution in addition to statutory maternity/paternity leave payments. Management should support employees returning to work after parental or maternity/paternity leave or absence due to family circumstances. Parents are encouraged to share absences due to children's illnesses.

*Work and private life*

<b>Objectives</b>	<b>Implementation</b>	<b>Responsibility</b>	<b>Measures of success</b>
Equal status and opportunities for employees regardless of gender, race, ethnicity, religion, age or other irrelevant factors when it comes to balancing work and private life.	Flexible working hours wherever possible.  Clear scope of work of employees.  Clear criteria regarding flexibility.	Employee's immediate superior.	Assessment of employees' attitudes to balancing work and private life in an annual attitude survey.

*Absence due to family circumstances*

<b>Objectives</b>	<b>Implementation</b>	<b>Responsibility</b>	<b>Measures of success</b>
Equal status and opportunities for employees regardless of gender, race, ethnicity, religion, age or other irrelevant factors when it comes to absence due to family circumstances.	Employees are encouraged to avail themselves of maternity/paternity leave.  During leave, staff are informed about events and meetings and their return is facilitated by providing flexibility at work.	Employee's immediate superior.	Information on the number of employees taking leave and absent due to family circumstances.  Information on the proportion of employees who return to full-time or part-time work or leave employment.

## **BULLYING, GENDER-BASED AND SEXUAL HARASSMENT AND GENDER-BASED VIOLENCE**

Bullying, sexual and gender-based harassment and violence are not tolerated at Kvika. Management and other employees must follow Kvika's policy and response plan to counter such behaviour if this situation arises. Tacit endorsement by other staff is completely unacceptable.

Employees are to promote effective co-operation and communication by always showing their colleagues respect, tolerance and a positive attitude. Everyone in the workplace needs to do their part to prevent negative behaviour, show consideration and promote positive communication, job satisfaction and a secure environment. Actions that cause others discomfort are not tolerated, no matter where Kvika's employee may be located for work-related reasons. Managers should set a good example and promptly address any conflicts and problems that may arise and resolve them in co-operation with the parties involved.

### ***Bullying, harassment and violence***

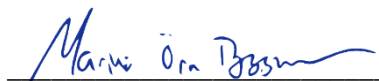
<b>Objectives</b>	<b>Implementation</b>	<b>Responsibility</b>	<b>Measures of success</b>
All employees know that bullying, harassment and violence are not tolerated and an action plan in this regard is clear.	<p>A plan to combat bullying, harassment and violence is in place, is made known and is accessible to all employees.</p> <p>Employees and managers receive training on the definitions and consequences of bullying, harassment and violence.</p>	CEO	<p>Assessment through an attitude survey regarding bullying, harassment and violence.</p> <p>Number of communication problems that arise.</p>

### **POLICY FOLLOW-UP**

An attitude survey of employees shall be conducted annually to assess whether the policy is producing the desired results.

The equality policy shall be accessible to all employees, as well as others, on Kvika's website.

On behalf of Kvika hf.



Marinó Örn Tryggvason, CEO