

# Diversity policy on the Board of Directors of The BANK of Greenland

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## Introduction

Pursuant to Section 70(1)(4) and Section 80 a, of the Financial Business Act, and the bank's corporate governance recommendations, the Board of Directors has adopted the following diversity policy for GrønlandsBANKEN.

The Board of Directors wants a composition based on diversity in the competences and backgrounds of the members. Diversity in professional expertise and experience but also gender and age is of particular importance.

Diversity is considered a strength that can contribute positively to the business experience, risk management, robustness, success and growth of The BANK of Greenland.

The Board of Directors wants to increase the quality of the work and the collaboration on the Board of Directors, among other things through diversity in the approach to management tasks. The Board of Directors attaches importance to adequate consideration of all matters on the Board of Directors.

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## Competences

The Board of Directors incorporates the demands made on the competences and self-evaluation of the Board of Directors laid down in the Financial Business Act and the Executive Order on Management and Control of Banks etc., the guidelines of the Danish Financial Supervisory Authority on the evaluation of the Board of Directors' evaluation of its collective suitability in banks and mortgage credit institutions, etc., the management code of the Danish Financial Supervisory Authority as well as recommendations from the Committee on Corporate Governance.

In the recruitment of candidates for the Board of Directors, the Board of Directors focuses on attracting candidates with diverse competences, backgrounds, knowledge of Greenland conditions and banking questions and resources that correspond to the bank's current and future priorities, risk profile, strategy and activities.

In the appointment of candidates the Board of Directors attaches decisive importance to ensuring observance of the conclusion and action plans laid down in the Board of Directors' self-evaluation. Furthermore, importance is attached to the following qualifications and competences in an overall assessment of the Board of Directors.

Management competences: A significant number of years' management experience from a Greenlandic company, financial enterprise or public department or agency at CEO/CFO/Head of Department or similar level. Relevant management competence comprises competence within strategy, risk management, financial management, execution and control, as well as strategic IT competence.

Board competences: Experience from board work in other financial institutions or large complex enterprises.

Business competence - Ability to translate ideas into business

Financial competence - Ability to understand complex financial and economic matters

Professional competence - Knowledge of the financial sector and competition within this sector

General competence:

- Insight into social affairs
- Insight into the affairs of trade and industry - in general and at trade level
- Insight into the affairs of private households

Other competences to which importance is also attached are personality, integrity, analytical abilities, broad contacts, organizational, commitment. Qualifications and competences may have been achieved on the basis of the educational, business or personal experience of the individual candidate. Further emphasis is placed on insight into environmental, social and managerial conditions applicable to banks and the society in general.

This policy and composition of competences will be a guideline for the Board of Directors' recommendation to the general meeting on the election of company representatives and it will also be a guideline for the work of the Nomination Committee.

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**Policy for increasing the percentage of the under-represented gender**

The BANK of Greenland has set up target levels for the under-represented gender the aim of which is to create and maintain the basis for an appropriate distribution between the genders on the Board of Directors of The BANK of Greenland.

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**Employee representatives**

Via legislation GrønlandsBANKEN's employees have access to the Board of Directors and may contribute significant insights to the Board of Directors.

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**Publication**

On its website, The BANK of Greenland publishes how the bank meets the requirements in the Financial Business Act on the determination of a policy for diversity on the Board of Directors.

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**Annual review of policy**

The Board of Directors must review the policy once a year with a view to ensuring observance of it and adapt the policy prepared to the development of The BANK of Greenland. In addition The Board of Directors receives a report from the Nomination Committee in form of an evaluation of its mandate.

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**Revision**

The diagram shows when this procedure was last updated:

Revised:	Department responsible:	Previous:
2023-11-01	Management Secretariat	2022-11-02

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As considered at the board meeting held on 1 November 2023.