

# NOTICE

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convening the annual  
general meeting

# 2021

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Nuuk 24/3



The BANK of Greenland



# NOTICE convening the annual general meeting

**GrønlandsBANKEN, Aktieselskab, will hold its Annual General Meeting on Wednesday, 24 March 2021 at 4pm at the BANK of Greenland's head office in Nuuk, with the following agenda:**

1. The Board of Directors' Report on the Bank's activities during the past year.
2. Presentation of the audited Annual Report and the Auditors' Report for approval and notification of discharge of the Board of Directors and Executive Management, approval of the remuneration of the Board of Directors, and proposal for a decision on the allocation of profit or cover of losses in accordance with the approved Annual Report.  
The Board of Directors' recommendation for a change in remuneration, so that the Vice Chairman receives 1½ remuneration for membership of the Risk Committee and Audit Committee, is attached as an Appendix to item 2 of the agenda.
3. Proposals for amendments to the Articles of Association.  
Due to improved technological opportunities, and the wish to offer the Bank's shareholders greater opportunities to attend the Bank's General Meeting, it is proposed to grant authorisation in Article 6 to hold a digital General Meeting in full or in part.  
As a consequence, editorial changes are also proposed.  
  
The Articles of Association, with the proposed changes marked, are attached as an Appendix to item 3 of the agenda
4. Proposal from the Board of Directors concerning the remuneration policy  
As the Bank wishes to adhere to a comparable standard with other banks in terms of the Bank's description of the remuneration forms used, the connection between remuneration and the Bank's achievement of its objectives, the criteria for the designation of significant risk takers and the opportunity to pay the Vice Chairman 1½ remuneration for membership of the Risk Committee and the Audit Committee, the Board of Directors proposes an extended remuneration policy for approval by the General Meeting, cf. the Appendix to item 4 of the agenda.
5. Election to the Board of Directors:  
In accordance with Article 13 of the Articles of Association, Gunnar í Liða, Christina Finderup Bustrup and Lars Holst are resigning members. The Board of Directors proposes re-election of Gunnar í Liða, and Lars Holst for a term of two years. The Board of Directors proposes the new election of Ellen Dalsgaard Zdravkovic for a term of two years.  
  
A description of the candidates' background, as well as the criteria for recruitment to the bank's Board of Directors, are stated in the Appendix to item 5 of the agenda.
6. Election of external auditors.  
The Board of Directors proposes re-election of Deloitte, Statsautoriseret Revisionspartnerselskab, in accordance with the recommendation of the Audit Committee. The Audit Committee has not been influenced by any third parties and has not been subject to any agreement with a third party that restricts the Annual General Meeting's election of specific auditors or firms of accountants.
7. Any other business.

## **Covid-19 information:**

The BANK of Greenland encourages all shareholders with an interest in the Annual General Meeting to attend either at the BANK of Greenland's head office in Nuuk, or digitally via livestream. Due to current official restrictions, there is limit of 50 seats for attendance in person. These seats will be allocated on a first-come, first-served basis. The General Meeting will be held in Danish with access to interpretation into Greenlandic for those attending in person. In addition to attendance in person, it will be possible to follow the Annual General Meeting digitally on livestream via a link on the VP investor portal, see [www.banken.gl](http://www.banken.gl) or [www.vp.dk/gf](http://www.vp.dk/gf).

For digital attendance via livestream, it is only possible to submit written remarks, with specification of admission card number, but it is not possible to vote.

**The Bank therefore encourages all shareholders to send the completed voting card in advance, to ensure voting.**

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The BANK of Greenland's audited Annual Report, agenda and the full proposals for the Annual General Meeting will be available for inspection at the Bank's head office, and will be sent to any shareholder that has made this request, to the email address provided by the shareholder to the Bank. It can also be downloaded and read at [www.banken.gl](http://www.banken.gl).

Shareholders may - *by no later than Friday, 19 March 2021* - request admission cards via VP Investor Services A/S by telephone at (+45) 4358 8866, or via VP Investor Services A/S' website [www.vp.dk/gf](http://www.vp.dk/gf) or [www.banken.gl](http://www.banken.gl). Admission cards will be sent to the shareholder's email address when this has been registered on the Investor Portal. The shareholder can register an email address on registration. After registration, the shareholder will receive an admission card as a PDF file, via email. The admission card can be printed or presented on a smartphone or tablet. If the shareholder does not have an email address, the admission card can be sent by ordinary post. The material can also be obtained on request to the Bank's head office. Ballot papers are issued on registration for admission to the Annual General Meeting.

Attendance of the Annual General Meeting (in person or via livestream) requires that an admission card has been requested from the head office or via VP Investor Services A/S' website [www.vp.dk/gf](http://www.vp.dk/gf) or [www.banken.gl](http://www.banken.gl) by no later than Friday, 19 March 2021.

It must be noted that only shareholders who have notified and documented their acquisition by no later than 17 March 2021 (registration date) will be entitled to vote at the Annual General Meeting.

Shareholders may vote in writing by postal vote via VP Investor Services A/S' website [www.vp.dk/gf](http://www.vp.dk/gf) or [www.banken.gl](http://www.banken.gl). The postal vote form can also be downloaded via [www.vp.dk/gf](http://www.vp.dk/gf), after which it is printed and sent by email to [vpinvestor@vp.dk](mailto:vpinvestor@vp.dk), or by ordinary post to VP Investor Services A/S, Weidekampsgade 14, DK-2300 Copenhagen S. The postal vote must be received by VP Investor Services A/S by no later than Tuesday, 23 March 2021 at 4pm.

Power of attorney may be granted via VP Investor Services A/S' website [www.vp.dk/gf](http://www.vp.dk/gf) or [www.banken.gl](http://www.banken.gl). The power of attorney form can also be downloaded via [www.vp.dk/gf](http://www.vp.dk/gf), printed and sent by email to [vpinvestor@vp.dk](mailto:vpinvestor@vp.dk), or by ordinary post to VP Investor Services A/S, Weidekampsgade 14, DK-2300 Copenhagen S. The power of attorney must be received by VP Investor Services A/S by no later than Friday, 19 March 2021, unless the power of attorney is granted on the basis of a duly issued admission card.

The Bank's nominal share capital is DKK 180,000,000, distributed as denominations of DKK 100. Each share amount of DKK 100 entails one vote at the Bank's Annual General Meeting.

Nuuk, 2 March 2021

BOARD OF DIRECTORS



# APPENDIX to item 2 of the agenda

The Board of Directors proposes to amend the remuneration for the Vice Chairman's membership of the Risk Committee and Audit Committee, as shown in this Appendix.

The present remuneration of the Board of Directors and committees that has been in force since 2018:

	<b>Chairman</b>	<b>Vice Chairman</b>	<b>Board member</b>
Board remuneration	250,000	187,500	125,000
Audit Committee	50,000	25,000	25,000
Risk Committee	50,000	25,000	25,000
Nomination Committee	10,000	10,000	0
Remuneration Committee	10,000	10,000	10,000
In total	370,000	257,500	175,000/185,000

Proposal to amend the Vice Chairman's remuneration for membership of the Risk Committee and Audit Committee:

	<b>Chairman</b>	<b>Vice Chairman</b>	<b>Board member</b>
Board remuneration	250,000	187,500	125,000
Audit Committee	50,000	37,500	25,000
Risk Committee	50,000	37,500	25,000
Nomination Committee	10,000	10,000	0
Remuneration Committee	10,000	10,000	10,000
In total	370,000	282,500	175,000/185,000



# APPENDIX to item 3 of the agenda

## Articles of Association for GrønlandsBANKEN, Aktieselskab (The BANK of Greenland), 27<sup>4</sup> March marts 2021<sup>19</sup>

### I. The Bank's object and domicile

**Article 1** GrønlandsBANKEN, Aktieselskab, established in 1967, is domiciled in Kommuneqarfiq Sermersooq (the Municipality of Sermersooq). The Bank is registered at the Danish Business Authority under CVR no. 80050410.

The Bank also operates under the subsidiary names                      Nuna Bank A/S (GrønlandsBANKEN, Aktieselskab)  
The Bank of Greenland A/S, (GrønlandsBANKEN, Aktieselskab)

**Article 2** The Bank conducts banking activities of any kind, as well as other activities authorised under banking legislation.

### II. The Bank's capital and shares

**Article 3** The Bank's share capital amounts to DKK 180,000,000.  
The share capital is paid-up in full.  
The share capital is denominated as shares of DKK 100 and multiples thereof.  
The shares are listed on OMX Nasdaq Copenhagen and registered in VP Securities A/S.

**Article 4** The shares are negotiable instruments, issued by name and must at all times be registered by name in the Bank's share register.  
No shares entail special rights.  
No shareholder is obliged to allow shares to be redeemed in full or in part.  
There are no limitations to the negotiability of the shares.  
Dividend is paid in accordance with the applicable rules for VP Securities A/S.

### III. Electronic communication and participation

**Article 4a5** All communication from the Bank to the shareholders may take place by electronic document exchange and electronic mail (electronic communication) via the Bank's website and/or InvestorPortalen™ in order to convene general meetings with appurtenant agenda, full proposals and forms to grant power of attorney, and to provide interim reports, annual reports, company notifications, financial calendar, prospectuses, subscription lists and other general information from the Bank to the shareholders.  
It is the shareholders' own responsibility to ensure that the Bank holds correct electronic contact details.  
The Bank may, however, at any time choose to communicate by ordinary post.  
Communication from shareholders to the Bank, including registration to attend general meetings, may take place by electronic mail via InvestorPortalen™ to the e-mail address specified therein, or to [aktionær@banken.gl](mailto:aktionær@banken.gl) or [shareholder@banken.gl](mailto:shareholder@banken.gl).

**Article 6** The Board of Directors may, when deemed appropriate and technically justifiable, decide to offer the shareholders the opportunity to attend General Meetings electronically, or to hold the General Meeting fully digitally without any opportunity for physical attendance. Shareholders can thereby digitally attend, contribute remarks to and vote at General Meetings. If the Board of Directors so decides, further details of this will be available on the Bank's website: [www.banken.gl](http://www.banken.gl) and in the notice convening the General Meeting in question.

### III. The Bank's management

**Article 57** The Bank's management is undertaken by the general meeting, Board of Directors and Executive Management Board.

#### A. General meeting

**Article 68** Extraordinary general meetings are held as decided by the Board of Directors or the annual general meeting, or at the request of an auditor elected by the general meeting, or by shareholders that together own at least 5% of the share capital. The request must be submitted in writing to the Board of Directors and include a statement of what is to be considered at the general meeting. An extraordinary general meeting to consider a specific issue must be convened by no later than two weeks after such request.

**Article 97**

All general meetings are held in Nuuk, and are convened by the Board of Directors via the Bank's website (www.banken.gl) and/or by an announcement which is inserted once in one or several Danish newspapers, and in one or several Greenlandic newspapers, as decided by the Board of Directors.

The notice must include specification of the time and place of the general meeting, as well as the agenda stating the matters to be considered at the general meeting. The notice must be given at the earliest five weeks and at the latest three weeks, before the general meeting.

Any shareholder will be entitled to submit proposals for consideration and decision by the general meeting. These proposals must be drawn up in writing and must be submitted to the Board of Directors by no later than six weeks before the general meeting is held. If the Bank receives a request later than six weeks before the general meeting, the Board of Directors will decide whether the request has been made in due time for the item to be included on the agenda.

No later than three weeks before a general meeting, the agenda and the full proposals to be submitted at the general meeting, and in respect of the annual general meeting also the audited Annual Report, must be available for inspection at the Bank's head office, and be sent to any shareholder who requested this information, to the email address notified by the shareholder to the Bank.

**Article 810**

Any shareholder will be entitled to attend the general meeting, provided that the shareholder has notified attendance no later than three days before the general meeting is held.

Admission cards are issued against appropriate documentation at the Bank's offices in Nuuk.

Shareholders' right to attend general meetings and to vote on the basis of their shareholdings is determined in proportion to the shares held by the shareholders on the registration date, which is one week before the general meeting. Shareholders' shareholdings and voting rights are compiled as at the date of registration on the basis of the registration of ownership recorded in the shareholder register, as well as the notifications concerning ownership received by the Bank in order to be recorded in the shareholder register.

Shareholders who have received admission cards will be entitled to grant power of attorney to attend a general meeting, and may attend together with an adviser. The holder of power of attorney must present the signed and dated power of attorney. A power of attorney holder attending on behalf of several shareholders may cast different votes on behalf of the various shareholders.

Shareholders may vote by post before the general meeting is held.

Each share amount of DKK 100 gives entitlement to one vote.

**Article 119**

The deliberations of the general meeting will be led by a Chairman of the meeting nominated by the Board of Directors, who will decide all matters concerning the consideration of matters, voting and its results.

**Article 1210**

The agenda for the annual general meeting will comprise:

- 1) The Board of Directors' report on the Bank's activities during the past year.
- 2) Presentation of the audited Annual Report for approval and notification of discharge of the Board of Directors and Executive Management Board, and a proposal for a decision on the allocation of profit or cover of losses in accordance with the approved Annual Report.
- 3) Any proposals from the Board of Directors or shareholders in accordance with the rule in Article 97.
- 4) Election of members of the Board of Directors.
- 5) Election of external auditors, cf. Article 192L.
- 6) Any other business.

**Article 1311**

All matters at the general meeting will be decided by simple majority vote, unless stipulated otherwise by legislation or in these Articles of Association.

For the adoption of proposals to amend the Bank's Articles of Association that may not be undertaken by the Board of Directors pursuant to the statutory regulations, or for which no more stringent requirements are made due to these regulations, the proposal must be adopted by at least two thirds of both the votes cast and the share capital with voting entitlement represented at the general meeting.

If the proposal has not been presented or adopted by the Board of Directors, it is furthermore required that at least two thirds of the share capital is represented at the general meeting. Amendment to Article 132 (4) of the Articles of Association will, however, require adoption in accordance with the rules stated therein.

A decision for the Bank's discontinuation after a merger, or voluntary liquidation, will require a majority of three quarters of both the votes cast and the share capital with voting entitlement represented at the general meeting. If the proposal has not been presented or adopted by the Board of Directors, it is furthermore required that at least three quarters of the share capital is represented at the general meeting.

**Article 1412**

Minutes will be kept of the deliberations at the general meeting and signed by the Chairman of the meeting.

No later than 14 days after the general meeting has been held the minutes of the general meeting, or a certified copy thereof, must be available to the shareholders on the Bank's website.



## **B. Board of Directors**

### **Article 1513**

The members of the Board of Directors are elected by the general meeting, with the exception of the members who are elected in accordance with the statutory regulations concerning the representation of employees on the Board of Directors. The members of the Board of Directors elected by the general meeting comprise at least five and at most ten members.

Each year, the three members of the Board of Directors elected by the general meeting who have served longest, calculated from the last election of the members concerned, will resign. If several members have served equally long, their resignation will be decided by drawing lots.

The resigning members may be re-elected.

### **Article 1614**

The Board of Directors will elect a Chairman and one or two Vice Chairmen from among its number. In the absence of the Chairman one of the Vice Chairmen will act as Chairman. In the absence of both the Chairman and the Vice Chairmen, the longest-serving member of the Board of Directors elected by the general meeting will act as Chairman.

The Board of Directors will hold meetings as convened by the Chairman or, in his absence, the acting Chairman. Meetings will be held as often as deemed necessary by the Chairman or requested by a member of the Board of Directors, a member of the Executive Management Board, an auditor elected by the general meeting, or the internal audit manager.

The Board of Directors will be legally competent to transact business when more than half of all members, but at least half of the members elected by the general meeting, take part in the decision-taking.

Decisions are taken by simple majority vote, unless a specific majority of the votes is required in accordance with the Articles of Association or statutory regulations. In the event of a tied vote, the Chairman, or in his absence the acting Chairman, will hold the casting vote.

Minutes will be kept of the deliberations of the meetings and will be signed by the members of the Board of Directors.

### **Article 1715**

The Board of Directors will appoint and dismiss the members of the Executive Management Board and the internal auditor manager and determine the terms of employment of the persons concerned.

The Bank has drawn up overall guidelines for the incentive remuneration of the Executive Management Board. These guidelines were considered and approved at the Bank's general meeting. The guidelines are published on the Bank's website.

### **Article 1816**

The Board of Directors will lay down provisions for the performance of its duties in rules of procedure.

In these rules of procedure specific tasks may be delegated to an executive committee elected by and from among the members of the Board of Directors.

The members of the Board of Directors will receive remuneration as approved by the annual general meeting in conjunction with the approval of the Annual Report.

## **C. Executive Management Board**

### **Article 1917**

The Executive Management Board will undertake the day-to-day business, including appointment and dismissal of the Bank's staff. The Board of Directors will lay down rules of procedure for the Executive Management Board.

The Executive Management Board will have 1-3 members.

## **IV. Authority to sign on behalf of the Bank**

### **Article 2018**

The Chairman or Vice Chairmen jointly with another member of the Board of Directors, two members of the Executive Management Board jointly, or one member of the Board of Directors jointly with one member of the Executive Management Board, will be entitled to sign on behalf of the Bank.

## **VI. Audit and closure of the accounts**

### **Article 2119**

The Bank's Annual Report will be audited in accordance with current legislation by one or several auditors elected for one year at a time.

### **Article 2220**

The Bank's financial year is the calendar year.

The aforementioned Articles of Association were adopted at the BANK of Greenland's annual general meeting on 27 March 201921.

Board of Directors:

Gunnar í Liða  
Chairman

Kristian Frederik Lennert  
Vice Chairman

Maliina Bitsch Abelsen

Christina Finderup Bustrup

Lars Holst

Peter Angutinguaq Wistoft

Yvonne Jane Poulsen Kyed

Malene Meilfart Christensen

Niels Peter Fleischer Rex

Conductor:

Peter Schriver

Board of Directors\Articles of Association\March 1921

# APPENDIX to item 4 of the agenda

## Remuneration Policy for the BANK of Greenland

The BANK of Greenland's remuneration policy concerns the Board of Directors, Executive Management and employees whose activities have a significant influence on the Bank's risk profile (significant risk takers), as well as other members of the staff of the BANK of Greenland.

The remuneration policy is intended to promote sound and effective risk management at the BANK of Greenland, and to contribute to creating long-term value for the Bank's shareholders. The remuneration policy promotes sound and effective financial management by not creating incentives for excessive risk-taking or promoting short-term, unilateral decisions to the detriment of the long-term requirements and goals of customers and shareholders, as well as the Bank, as these requirements and goals are described in the Bank's business model and strategy. Furthermore, the remuneration policy complies with Section 77 a-d of the Danish Financial Activities Act and Order no. 257 of 14 March 2017 concerning salary policy and remuneration, as well as the CRR Regulation and the Corporate Governance recommendations. In addition, the Bank's remuneration will adhere to the collective agreements in force. Furthermore, the disclosure obligations applicable to Greenland concerning remuneration in financial enterprises and the company legislation applicable to Greenland are complied with.

### Overall objectives

The overall objectives of the remuneration policy are:

- to attract, motivate and retain qualified employees and members of the Board of Directors and Executive Management,
- to ensure that the interests of management are in harmony with those of the company and its shareholders; and
- to contribute to promoting long-term value creation in the company and thereby support the company's business strategy.

The remuneration policy contributes to the company's business strategy and long-term interests. The remuneration applied is aligned with the objectives that guide the company's strategy and policies, including the policy for a sound corporate culture and the policy for integration of sustainability risks. The Bank's employees' working conditions and salary terms are met by entering into relevant collective agreements.

### Board of Directors

No variable remuneration elements are paid to the Board of Directors as salaries, shares, options or pension contributions. The members of the Board of Directors receive a fixed fee, the Chairman of the Board of Directors receives a double fee and the Vice Chairman receives 1/2 fee. The fee for each member of the Board of Directors is stated in the Annual Report. Committee members will also receive a fixed fee for their membership of committees. The committee chairman receives double remuneration and the vice chairman receives 1/2 remuneration for membership of the Risk Committee and the Audit Committee. Members of the Board of Directors elected by the Annual General Meeting are elected for terms of two years and members of the Board of Directors elected by the employees are elected for terms of four years.

### Executive Management

The Executive Director will receive the contractually agreed fixed salary and pension, annual holiday trip, free car, telephone and Internet. The Executive Director will not receive any variable remuneration elements of any kind during his employment. The Executive Director's pension contribution comprises a fixed percentage of 18% of the fixed salary, in addition to a defined-benefit severance/pension scheme, as described below. The total pension contributions paid out and allocated are specified in the Annual Report. The Executive Management will be employed to the end of the calendar year in which the Executive Director reaches the age of 62.

The Board of Directors has established an agreement with the Executive Director concerning a defined-benefit severance/pension scheme, which will be released and paid out when he leaves the company. The variable remuneration used seeks to ensure the Executive Management's retention and an incentive to safeguard the company's stability and long-term interests. Earning and granting of the right to a defined-benefit severance/pension scheme will be conditional on the Executive Director's continued employment at specific fixed times, and will also be based on the Bank's overall performance compared to banks of an equivalent size, measured in terms of working capital. The defined-benefit severance/pension scheme will consist of 50% shares and 50% cash payment, and may constitute an amount equivalent to 0-24 months' salary. In addition, salary is paid during the notice period. A claw-back clause has been incorporated in the scheme. In accounting terms, 8% of the total salary is currently allocated to the scheme annually.

The notice of termination by the Bank and the Executive Management, respectively, is 12 months, except in special situations, such as breach of the contract. In connection with certain types of change of control, the Executive Management may choose to view himself as dismissed.

### Significant risk takers

The BANK of Greenland's significant risk takers are defined as:

- 1) The management of the part of the organisation that trades in or approves financial instruments;
- 2) The management of the part of the organisation that invests the company's own funds;
- 3) Employees who, via financial instruments, can take a significant risk on behalf of the company for the company's funds;
- 4) The management of the part of the organisation that undertakes control of compliance with the limits for risk taking;
- 5) Employees who may incur significant credit risks for the company; and
- 6) The management of the Bank's control department.

Employees whose activities have a significant impact on the Bank's risk profile (significant risk takers) will not receive any variable remuneration elements in the form of shares, options or pension contributions.

Significant risk takers may, however, as variable remuneration receive payment of a cash bonus of maximum DKK 100,000 per year. The criteria for allocation is an assessment of performance during the year; a particularly large work burden, a particularly satisfactory contribution, and a particular managerial contribution. Cash bonus to significant risk takers will not be awarded on the basis of any measurable achievement of, for example, sales or operational results, and is not dependent on results.

No separate agreement has been established with the significant risk takers concerning severance pay, but the notice of termination is extended by two months from either party. Pensions to significant risk takers lie within the framework of the collective agreement.





## **Other employees**

### **Discretionary bonus**

The BANK of Greenland may grant discretionary bonus on the basis of an overall assessment, and this bonus may not exceed DKK 100,000. In total, discretionary bonus may be granted by the Bank for up to 2% of the Bank's total payroll. The criteria for allocation is an assessment of performance during the year, a particularly large work burden, a particularly satisfactory contribution, and a particular managerial contribution, and the bonus is not awarded on the basis of any measurable achievement of, for example, sales or operational results, and is not dependent on results. Employees with control functions are paid to deliver the best results within their specific roles, and so that the discretionary bonus does not compromise the employees' objectiveness and independence. The discretionary bonus is awarded on the basis of a "four eyes principle" whereby the immediate manager and the Executive Management recommend and approve the allocated bonus.

### **Collective bonus scheme**

For all other employees of the BANK of Greenland, a collective incentive scheme has been established, with payment based on the fulfilment of a number of general targets within the following categories: Employees, Society, Processes, Customers and Finance. The background to the collective bonus scheme is to unite the Bank's employees in a joint effort to achieve the Bank's long-term goals. Under this scheme, a maximum of up to 4% of the Bank's total payroll may be paid out, and no more than DKK 20,000 to each employee. For 2020, the disbursement amounted to DKK 11,750 to each employee. The scheme is reviewed once a year.

Furthermore, the Bank's remuneration of employees who advise on and provide or grant credit facilities against mortgages or other equivalent collateral security in real property is determined so as not to encourage risk-taking that exceeds the Bank's risk profile. Furthermore, the remuneration is independent of the number or proportion of applications granted for mortgage credit, or other types of sales targets.

## **Remuneration Committee**

The BANK of Greenland has appointed a Remuneration Committee which comprises the Chairman and Vice Chairman of the Board of Directors and a member of the Board of Directors elected by the employees.

The Remuneration Committee annually reviews and assesses the remuneration of the Board of Directors and the Executive Management, including on the basis of the scope of work and comparable banks' remuneration. The Remuneration Committee ensures that the remuneration of significant risk takers is in accordance with the remuneration policy. On the basis of statutory requirements, the complexity of the business model and the Bank's development, the need to designate other significant risk takers is assessed. The Remuneration Committee will control the allocation of variable remuneration, including that no other type of variable remuneration is paid than is positively stated in the remuneration policy. The Remuneration Committee must also ensure that the Bank's form of remuneration cannot entail a conflict of interest for the Bank and the individual employee. The most significant bonuses awarded, including bonus to significant risk takers, are submitted to the Remuneration Committee.

## **Adoption, annual review and publication of the remuneration policy**

The Remuneration Committee annually reviews the remuneration policy and submits any amendments to the current remuneration policy for approval by the Board of Directors.

The Board of Directors will also review the remuneration policy once a year in order to match the remuneration policy to the Bank's development.

After adoption by the Board of Directors, changes to the remuneration policy will be presented for approval at the Annual General Meeting, and at least every four years the remuneration policy will be submitted to the Annual General Meeting for approval.

The remuneration policy is published on the Bank's website.

## **Compliance with the remuneration policy and control of its compliance**

The Board of Directors of the BANK of Greenland is responsible for the execution of the remuneration policy.

The Board of Directors of the BANK of Greenland will lay down guidelines for control of compliance with the remuneration policy, among other things to ensure control of compliance with the remuneration policy at least once a year. The result is reported to the Board of Directors.

Nuuk, 16 February 2021  
Remuneration Committee

Gunnar í Liða  
Chairman

Kristian Lennert  
Vice Chairman

Yvonne Kyed  
Member of the Board of Directors

The remuneration policy has been prepared in accordance with the rules applicable to Greenland. The remuneration policy was considered and approved at the Annual General Meeting held on 24 March 2021.

Upon voting, valid votes were cast for [ ] shares, corresponding to [ ] % of the share capital. Of the valid votes cast, [ ] voted for the salary policy, while [ ] voted against.

# APPENDIX to item 5 of the agenda

Members of the BANK of Greenland's Board of Directors are in principle recruited on the basis of a wish for the members to collectively represent broad-based financial and accounting knowledge, business experience and in-depth insights into Greenland's economic and social conditions. New members of the Board of Directors are recruited on the basis of these criteria and not according to a fixed formal process.

## **The following candidates are proposed for re-election at the Annual General Meeting on 24 March 2021:**

### **Former CEO Gunnar í Liða**, aged 60, resident in Oslo

Member of the Boards of Directors of: Gist and Vist P/F (Chairman)

Chairman of the Nomination Committee of: Bakkafrost P/F

CFO of: SMJ Rådgivende Ingeniører

Elected to the BANK of Greenland's Board of Directors for the first time in 2005.

Does not comply with the Committee on Corporate Governance's definition of independence.

Gunnar í Liða holds an MSc(Econ), supplemented with a management qualification from Wharton Business School, and was employed in the Faroese financial sector from 1988 to 2010 – until the end of 2010 as Director of the Faroe Islands' largest insurance company, when he resigned from this position. Gunnar í Liða also has substantial Board experience from Faroese companies and a special insight into North Atlantic economic affairs and financing.

### **Former Executive Vice President Lars Holst**, aged 69, resident in Virum

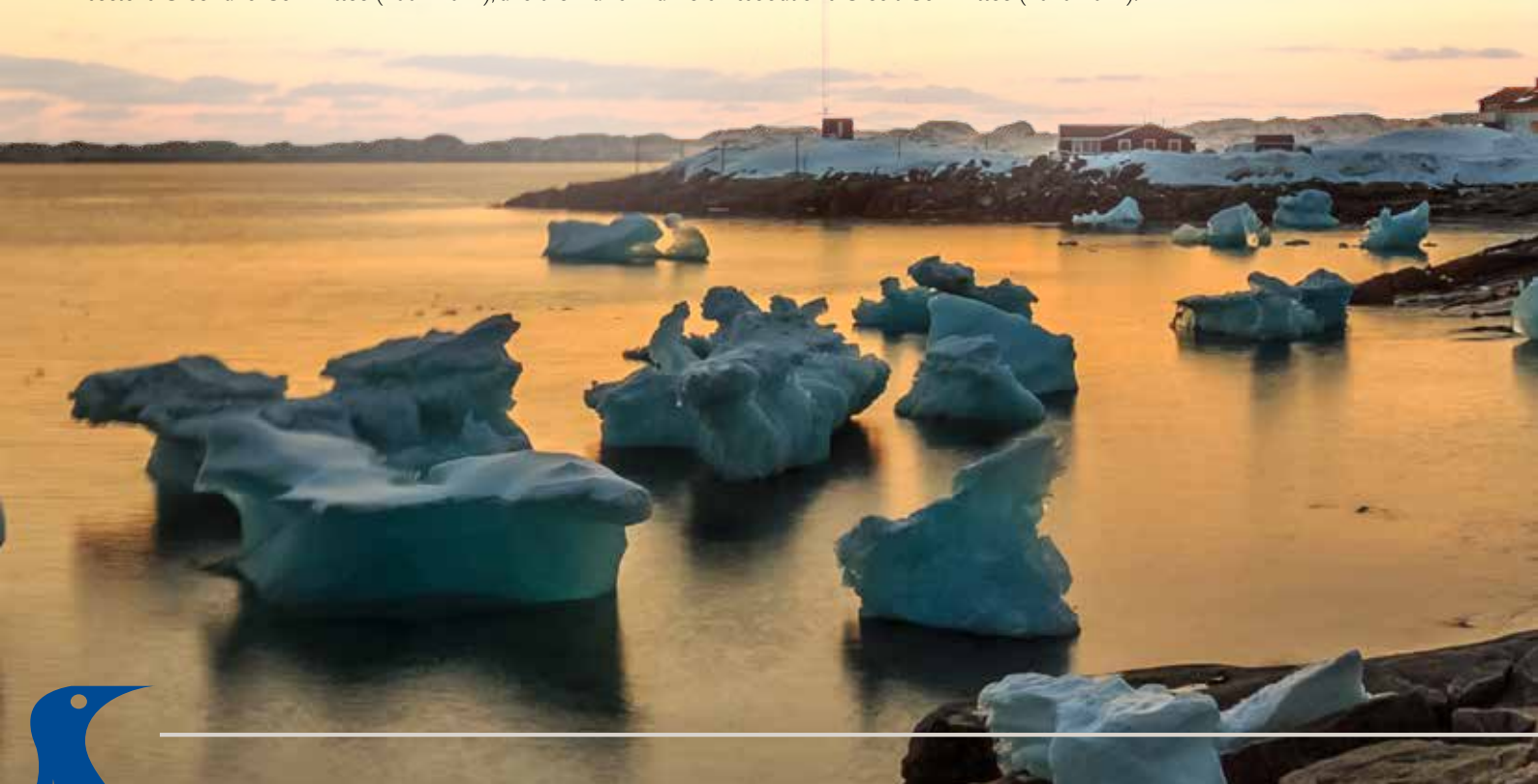
Member of the Boards of Directors of:

- Vestjysk Bank A/S
- AG Gruppen A/S (Chairman)
- AG Construction A/S (Chairman)
- AG Development A/S (Chairman)
- Amager Erhvervsforening A/S (Chairman)
- Amager Strandvej 100 A/S (Chairman)
- Ørestad Syd 2015 A/S (Chairman)
- Ørestad Syd A/S (Chairman)
- AG Investments A/S (Chairman)
- Vækstfonden (the Danish Growth Fund) (Vice Chairman)

Elected to the BANK of Greenland's Board of Directors for the first time in 2015.

Complies with the Committee on Corporate Governance's definition of independence.

Lars Holst holds a degree in management accounting and an Executive MBA and has completed management programmes at Stanford University and IMD Business School. Lars Holst held positions at Nykredit from 1987 to 2014, and from 1995 until his retirement in 2014 served as Credit Director. Besides a number of Board positions in Danish financial enterprises and property companies, Lars Holst has been a member of the mortgage-credit sector's Greenland Committee (2004-2014), and the Danish Bankers Association's Credit Committee (2010-2014).



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**The following candidate is proposed for new election at the Annual General Meeting on 24 March 2021:**

**CEO Ellen Dalsgaard Zdravkovic**, aged 48, resident in Holte

CEO, nærpension forsikringsformidling A/S.

Complies with the Committee on Corporate Governance's definition of independence.

Ellen Dalsgaard Zdravkovic is CEO of nærpension, a subsidiary 100% owned by AP Pension, which intermediates pension and insurance solutions to 30+ Danish local banks. Her professional experience includes positions at the Danish Ministry of Finance, as manager of the Qvartz consultancy, and at ATP for many years, as a consultant, department manager and most recently as vice president.

Ellen Dalsgaard Zdravkovic holds an MSc in Political Science from Copenhagen University. In March 2021, Ellen Dalsgaard Zdravkovic completes board training within insurance and pension at Copenhagen Business School, and has also studied a number of MBA subjects at Rutgers University and completed a management programme at London Business School.

Ellen Dalsgaard Zdravkovic has extensive experience with transformations, innovation and digitalisation of complex processes with many transactions, compliance and sustainable transition.



