

The BANK of Greenland's Anti-Corruption Policy

Corruption is defined in the BANK of Greenland's anti-corruption policy as the misuse of entrusted power for private gain.

The definition corresponds to the concept of corruption in the Criminal Code and the international anti-corruption conventions and concerns both the receipt and offering of bribes and other types of active or passive corruptive practices.

Corruption is best known as bribery, fraud, embezzlement or extortion. Yet corruption does not necessarily have to involve money changing hands, since it can also include the performance of services in order to achieve benefits such as preferential treatment, special protection, extra service or shorter case processing time.

The BANK of Greenland's anti-corruption policy specifies seven types of practice that can be deemed to be corrupt. Zero tolerance is shown towards any form of corruption:

1. **Conflicts of interest** arise in situations where a person has a private interest that can potentially undermine or appear to undermine the impartial and objective performance of his or her official duties. Private interests include benefits for oneself or one's family, relatives or friends, and persons or organisations with which one has or has had commercial or political connections.
2. **Bribery** is to offer, give (active bribery), receive, encourage or accept (passive bribery) anything of value in order to influence an official's conduct in performing his or her public and statutory duties. Bribery is a criminal offence in Greenland and Denmark.
3. **Extortion** occurs when an employee illegally demands or receives money or property through intimidation. Extortion can include threats of physical or material damage, threats of accusing a person of a crime/unlawful act, or threats to reveal compromising information. Extortion is a criminal offence in Greenland and Denmark.
4. **Fraud** is the practice of deception in order to achieve a benefit (financial or other advantage), or to avoid an obligation or liability for another party's losses. This involves deliberate dishonesty, deception or deceit, embezzlement or acting under false pretences. Fraud is a criminal offence in Greenland and Denmark.
5. **Embezzlement** is the unlawful procurement or misuse of property or funds that have been lawfully entrusted to a person in a position of authority or trust. Embezzlement is a criminal offence in Greenland and Denmark.
6. Corruption concerning **gifts** concerns cases where a gift or another financial benefit is offered, given, requested or received in the expectation of receiving a service in return. Gifts and hospitality may in themselves represent corrupt practices. They can be used as a means to promote

corruption, or be perceived by others as corruption. Gifts may include cash or assets given as gifts, and political or charitable donations. Hospitality may include meals, hotel stays, plane tickets, entertainment or sporting events.

7. **Nepotism** is favouritism towards family members or friends without regard for their qualifications. Family and friends are treated favourably due to close personal relations, rather than a professional and objective assessment of their abilities and qualifications.

Reporting

Each employee is obliged to be familiar with this code of conduct and to respect its principles. All employees are obliged to inform their immediate manager or the Bank's compliance officer of any evidence or suspicion of breach of the rules.

Awareness of the anti-corruption policy

The BANK of Greenland's anti-corruption policy will be available at all times on the Bank's website www.banken.gl It will also be included in the Bank's annual report on corporate social responsibility.

Internally, the Bank ensures that all employees are familiar with the anti-corruption policy via Intranet announcements, internal guides and policies (such as the gift policy), and relevant training and education.

This anti-corruption policy was adopted by the Executive Management Board on 2 April 2014