

Mandate of the Nomination Committee at The BANK of Greenland

1. Introduction

- 1.1. This mandate is reviewed, updated and approved annually by the Board of Directors. Proposed amendments may be made by any member of the board, including members of the nomination committee.

2. Constitution and Purpose

- 2.1. In accordance with Section 80a of the Financial Activities Act and in accordance with the Board of Director's Rules of Procedure, the Board of Directors is the body responsible for setting up a Nomination Committee. The Nomination Committee consists of the chairman of the Board of Directors and one or two additional members of the Board of Directors. The Chairman of the Board of Directors serves as Chairman of the Committee.
- 2.2. The purpose of the Nomination Committee is to support the Board of Directors in its efforts to nominate candidates to the Board of Directors and the Board of Management. The committee is thus the seat of responsibility for determining the areas of competence for both boards.

3. Frequency of Meetings and Convening

- 3.1. Meetings of the Nomination Committee are held as often as the Chairman deems it necessary but at least once a year.
- 3.2. The meetings of the Nomination Committee are convened with an agenda by the Chairman in reasonable time prior to the meeting.

4. Meeting Structure and Organisation

- 4.1. The Nomination Committee meetings are attended by committee members, and the Chairman chairs the meetings. Minutes are taken, but if the Nomination Committee meeting is held immediately prior to a Board meeting, the Committee may make a provisional verbal report and submit any recommendation. The Chairman may decide that others (the Board of Management, consultants, etc.) can participate in committee meetings.
- 4.2. The Committee has the authority to examine all matters within the scope of its mandate and to obtain the information and assistance needed to perform its duties from the Board of Directors and the Board of Management at The BANK of Greenland.
- 4.3. The annual evaluation of the Board of Directors will be made available to the Committee and be included as part of the Committee's work.

5. Decision-making Powers and Authority

- 5.1. The Nomination Committee shall report to and may move to pass a resolution for approval by the Board of Directors.
- 5.2. The Nomination Committee is legally competent when all members attend the meeting. Decisions are taken by simple majority vote. In the event of a tied vote, the Chairman will hold the casting vote.

6. Tasks of the Nomination Committee

In accordance with the Danish Financial Business Act, the Committee must ensure the following:

- 6.1. Provide a description of the expertise of the overall Board of Directors and the individual members. Propose candidates for election to the Board of Directors and submit these to the Board of Directors by no later than 1 February. On the proposal of candidates to the Board of Directors, the Nomination Committee must prepare a description of the qualifications required for the specific position, and state the time expected to be required to be devoted to the Board position. The Committee must also consider proposals from relevant external parties.
- 6.2. Set up target figures for the ratio of the under-represented gender in the Board of Directors and draw up a policy for how the target figure can be achieved and submit this to the Board of Directors.
- 6.3. Create a policy for diversity in the Board of Directors in order to promote sufficient diversity in the qualifications and expertise of the members of the Board of Directors and recommend this to the Board of Directors.
- 6.4. Continuously and at least once a year assess the size, structure, composition and results of the Board of Directors and the Executive Management Board in relation to the tasks to be undertaken, and report on and submit recommendations for any changes to the full Board of Directors.
- 6.5. Continuously and at least once a year assess whether the overall Board of Directors and the Executive Management Board have the required combination of knowledge, professional competence, diversity and experience, and whether the individual member fulfils the requirements in Section 64 and Section 64 a of the Danish Financial Business Act, and report on and submit recommendations for any changes to the full Board of Directors. The Committee's assessment is submitted to the Board of Directors.
- 6.6. Continuously ensure that the Board of Directors' decision-taking is not dominated by an individual person or by a small group of persons in a way that is detrimental to the company's overall interests.

In accordance with the corporate governance recommendations, the Committee must prepare the following tasks:
- 6.7. Describe the qualifications required of the Board of Directors and Executive Management Board for a given position, and state the time assessed to be required to be allocated to the position. The Committee must also assess the competence, knowledge and experience held by the Board of Directors and Executive Management Board.
- 6.8. Annually assess the structure, size, composition and results of the Board of Directors and Executive Management Board and recommend proposed changes to the Board of Directors.
- 6.9. Annually assess the individual Board and Executive Management members' competence, knowledge and experience, and report to the Board of Directors in this respect.
- 6.10. Consider proposals from relevant persons, including shareholders and members of the Board of Directors and Executive Management Board, for candidates to the Board of Directors and Executive Management Board.

- 6.11. Propose an action plan to the Board of Directors for the future composition of the Board of Directors, including proposals for concrete changes.
- 6.12. Arrange for the Board of Directors to at least once a year discuss succession plans for the Executive Management Board.
- Finally, in accordance with the management code of the Danish Bankers Association, the Committee has included the following:
- 6.13. Ensure that the bank uses a well-described and structured process for the recruitment of candidates for the Board of Directors, and possibly involves external expertise.

7. Reporting to the Board of Directors, etc.

- 7.1. At the first meeting of the Board of Directors following a meeting of the Nomination Committee, the Board of Directors is briefed on the proceedings of the Committee and is presented with possible options from the Committee for decision.
- 7.2. A brief description of the Committee's activities during the preceding year is included in The BANK of Greenland's annual report. In addition, information required in accordance with the corporate governance recommendations is made publicly available.

8. Publication

- 8.1. On the bank's website the Nomination Committee's
- Mandate
 - Significant activities during the year and number of meetings of the Committee, as well as
 - Names of members of the Committee
 - An overview of the Board members' attendance of the Committee's meetings, and
 - Policy for diversity in the Board of Directors are published.

9. Evaluation and changes to the mandate

- 9.1. At least once every year, the Nomination Committee reviews and evaluates its mandate in order to ensure that it continues to meet regulatory requirements, corporate governance recommendations, etc.
- 9.2. This mandate and any proposals for amendments are submitted to the Board of Directors for approval.
- 9.3. Changes to this mandate may be adopted by a simple majority of the Board of Directors at any time.
- 9.4. The Committee makes an annual evaluation of the effectiveness of its work in order to plan the work in the coming period.

Adopted at the meeting of the Board of Directors on 29 October 2020.