

Management code 2015 of The BANK of Greenland

Recommendation of the Danish Bankers Association	The bank complies/does not comply	Comments
The member enterprises must take a position on all recommendations from the Committee on Corporate Governance.	Complies	The Corporate Governance report is available on the website of The BANK of Greenland.
The member enterprises are recommended to prepare and publish a code of conduct with a description of the basic values of the enterprise and the requested behaviour for the operation and management of the enterprise.	Complies	<p>The basic values of The BANK of Greenland appear from the bank's website. The basic values are based on four values:</p> <ul style="list-style-type: none"> • Inclusiveness • Integrity • Competence • Commitment
The member enterprises are recommended to use a well-defined and structured process in the recruitment of candidates for the Board of Directors and possibly involve external competence.	Complies	The recruitment of candidates for the Board of Directors of The BANK of Greenland is discussed by the Board of Directors and the nomination committee. The basis for this work is the annual self-evaluation of the Board of Directors where the composition of the Board of Directors is evaluated in relation to pre-defined competence requirements and for example changes to the bank's business model.
Member enterprises whose articles of association contain provisions to the effect that board members can be elected only within a limited circle of persons must account for the reason for these limitations.	Complies	In accordance with the articles of association of The BANK of Greenland, the Board of Directors is elected by the general meeting. There are no restrictions in the bank's articles of association as regards the election of board members by the general meeting.

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<p>It is recommended that as soon as possible and not later than six months after commencement of employment, board members start a training programme in banking operations, unless the board member already has updated and special banking competences.</p>	<p>Complies</p>	<p>Based on the profile of a board member, he/she will be offered a training programme that will qualify the board member to attend to his/her tasks on the bank's Board of Directors. All board members have completed the board training of Finanssektorens Uddannelsescenter (Training Centre of the Danish Financial Sector). Furthermore, new board members receive introduction material that gives them a basic understanding of the bank's affairs.</p>
<p>It is recommended that the board members receive competence development that is relevant for the board activities on an ongoing basis.</p>	<p>Complies</p>	<p>Together with an external party (Finanssektorens Uddannelsescenter - Training Centre of the Danish Financial Sector) The BANK of Greenland has concluded an agreement to the effect that board members may receive relevant sparring and training on an ongoing basis.</p>
<p>It is recommended that each board member annually undertake an evaluation of his/her work on the board. As part of the evaluation, the board member must complete an evaluation form that deals with both management and technical banking issues.</p>	<p>Complies</p>	<p>Each year the Board of Directors undertakes a self-evaluation. As part of this, the Board of Directors attends an externally managed programme in which each board member completes a form that describes the different tasks of the board activities.</p>
<p>It is recommended that relevant subject matter experts be involved in the collaboration on the Board of Directors, and in this context participate in the discussion of particularly complex issues.</p>	<p>Complies</p>	<p>Subject matter experts participate in board meeting on an ad hoc basis.</p>

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<p>It is recommended that the collaboration between the Board of Management and the Board of Directors be discussed at the board meeting at least once annually. The Board of Management is not present during these discussions.</p>	<p>Complies</p>	<p>It is an annually recurring item in the Board of Directors' annual plan that the collaboration between the Board of Management and the Board of Directors is discussed. The Board of Management does not participate in this discussion but is informed of the conclusions.</p>
<p>It is recommended that on the website of the member enterprises or in a similar manner a survey is published of the participation by board members in board and committee meetings.</p>	<p>Complies</p>	<p>For the financial year 2015, The BANK of Greenland has chosen to publish the participation by the individual members in board and committee meetings.</p>
<p>It is recommended that the member enterprises take a position on the rules of the Danish Financial Business Act on a ceiling on management positions.</p>	<p>Complies</p>	<p>The Board of Directors of The BANK of Greenland considers on an ongoing basis the time spent on board activities as compared with other management positions of the board members.</p>
<p>It is recommended that the member enterprises have focus on the role of the external auditor and the quality of the work performed by the external auditor. The member enterprises should among other things make demands on the composition of the teams that are employed by external auditors so that it is ensured that at least two experienced auditors are included in a team with supplementary fields of competence.</p>	<p>Complies</p>	<p>The role and quality of the external auditor is assessed by the Board of Directors and the audit committee. In that context, it is ensured that the external auditor has the necessary background to be able to audit the bank in relation to legislation in force and in consideration of the size and complexity of the bank. The general meeting has elected Deloitte as external auditor and the auditor in question appears from the list of the Danish Financial Supervisory Authority and of certified auditors.</p>

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