

The BANK of Greenland's **Corporate Social Responsibility 2017**



The BANK of Greenland

We support

NATTE



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FOREWORD

“ A key aspect is to live up to our fundamental social responsibility as Greenland’s largest bank and the Bank for All of Greenland, by ensuring balance between development, growth and stability in Greenland’s society ”

(Excerpt from the BANK of Greenland’s CSR policy)

The BANK of Greenland mirrors the condition of society. If society is generally prospering, the Bank will also be doing well. The BANK of Greenland, as the largest financial operator by far in Greenland, is also a significant element of the country’s development and foundation. Our social responsibility to ensure stability, but also opportunities for sustainable growth, is hereby defined. This significant social responsibility sets the course for the Bank’s activities to create value for society beyond our day-to-day operations. The Bank’s vision to be “Greenland’s best company – for the benefit of Greenland” thereby also sets the course for the Bank’s Strategy 2020 and for its CSR activities.

On the basis of our stakeholders’ requirements and expectations, and the Bank’s strategic goals, we have chosen an overall focus area for our CSR initiatives: *to create financial understanding among customers and the people of Greenland*. For individuals and families in Greenland “financial understanding” provides opportunities to act and insights to be able to make the best financial decisions.

Our CSR initiatives also focus on selected target groups – especially children and young people, and the socially vulnerable – in order to contribute to preventing social problems. The aim is to

ensure the citizens of Greenland a viable standard of living and to contribute to economic growth, for the benefit of the whole of Greenland. The Bank also participates actively in CSR Greenland’s projects, with focus on education, the environment, health and responsible procurement.

In this report, we will focus on implementing some of the UN’s 17 sustainable development goals. This is the first time that the Bank works systematically with the sustainable development goals since we began CSR reporting in 2012.

On its endorsement of the UN Global Compact (UNGC) in 2013, the BANK of Greenland also pledged to implement the UN’s ten Global Compact principles within the areas of the environment, human rights, labour rights and anti-corruption.

Besides reporting on the Bank’s progress in relation to the UNGC’s ten principles, this report is also prepared in accordance with Sections 135 and 135 a of the Danish Accounting Order.





Nuuk, 22 February 2018
Martin Kviesgaard
Bank Director

CSR POLICY AND STRATEGY

In 2015, the Bank of Greenland's Board of Directors adopted a CSR policy for the Bank. The policy was drawn up in dialogue with the Bank's stakeholders and their evaluation of the BANK of Greenland's CSR initiatives in 2010-2015. The Bank's CSR work in 2017 is based on the same policy, with the overall objective for the Bank's initiatives being to contribute to resolving challenges in society and to creating sustainable growth, for the benefit of Greenland.

The Bank's CSR work is also based on the Bank's vision for 2020: "Greenland's best company – for the benefit of Greenland". In addition, the Bank's values (Commitment, Decency, Customer-oriented and Development-oriented) are implemented in the CSR work up to 2020.

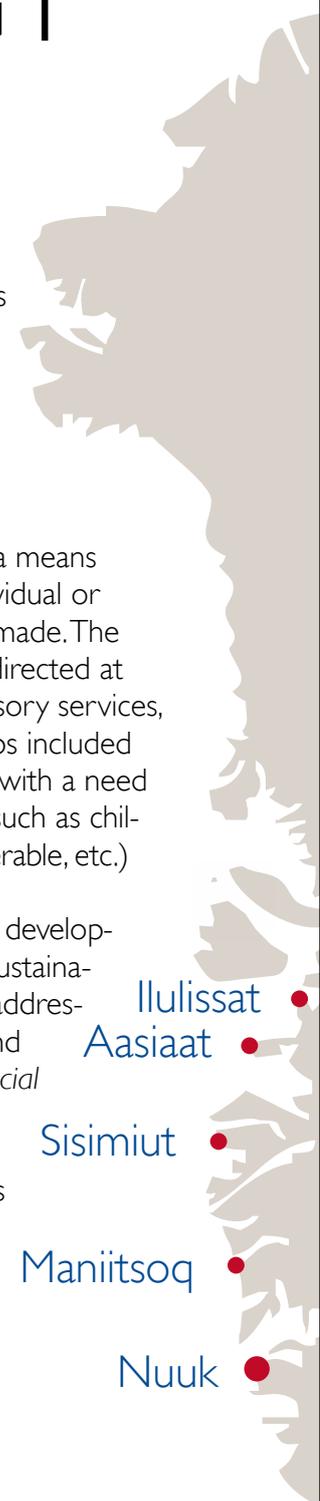
The business objectives are to maintain the Bank's reputation as a credible and stable bank. This reputation also helps to retain customers' and employees' loyalty, thereby contributing to ensuring satisfactory longterm economic operations.

To support the Bank's efforts to create financial understanding, we will continue to work to make our advisory services and credit financing more accessible outside our primary market area. We also wish to continue to involve all of our employees in these initiatives to ensure financial understanding, and also to support other CSR-related projects.

This report will focus on CSR initiatives in 2017. The cornerstone of the strategy is to create sustainable economic development for our customers. We know that it requires insight to be able to use one's financial opportunities. We therefore wish to help to create greater financial understanding throughout Greenland.

"Creating financial understanding" is a means to create opportunities for the individual or family, so that the right choices are made. The work on financial understanding is directed at our customers, in our ordinary advisory services, and also towards other target groups included in our CSR activities (target groups with a need for greater financial understanding, such as children/young people, the socially vulnerable, etc.)

By focusing on sustainable economic development through our contribution to sustainable financial understanding, we are addressing both the individual customer and Greenland's society in general. *Financial understanding* relates to the Bank's area of expertise and the areas identified by the Bank's stakeholders as opportunities for the Bank to have the greatest impact.



Excerpt from the BANK of Greenland's mission

“ The BANK of Greenland creates value through advice and financial services to all citizens of Greenland. We support society by promoting financial understanding, cooperating with educational institutions and the business community, and supporting sustainable local initiatives and development ”

The other two focus areas – availability and voluntariness – are supporting elements that contribute to financial understanding. Advisory services outside the Bank's normal market area help to create financial understanding and opportunities in those areas. Voluntary contributions are being linked more closely to financial understanding, with even greater involvement of employees in school teaching, and advice to the socially vulnerable, and with the inclusion of other CSR topics.

10,7 DKK BN
BUSINESS VOLUME

48.669
CUSTOMERS

118
EMPLOYEES

6
BRANCHES



SUSTAINABLE ECONOMIC DEVELOPMENT

Strategic core element:
We will promote FINANCIAL UNDERSTANDING for individuals and the whole of Greenland, since this will ensure our future sustainable economic development

Access to advisory services and credit financing

Voluntary contributions during working hours

We are working continuously to live up to our Global Compact obligations and to improve our efforts with regard to the environment, human rights, labour rights and anti-corruption

Figure 1. CSR Strategy 2.0



WE SUPPORT

HOW THE WORK IS ORGANISED

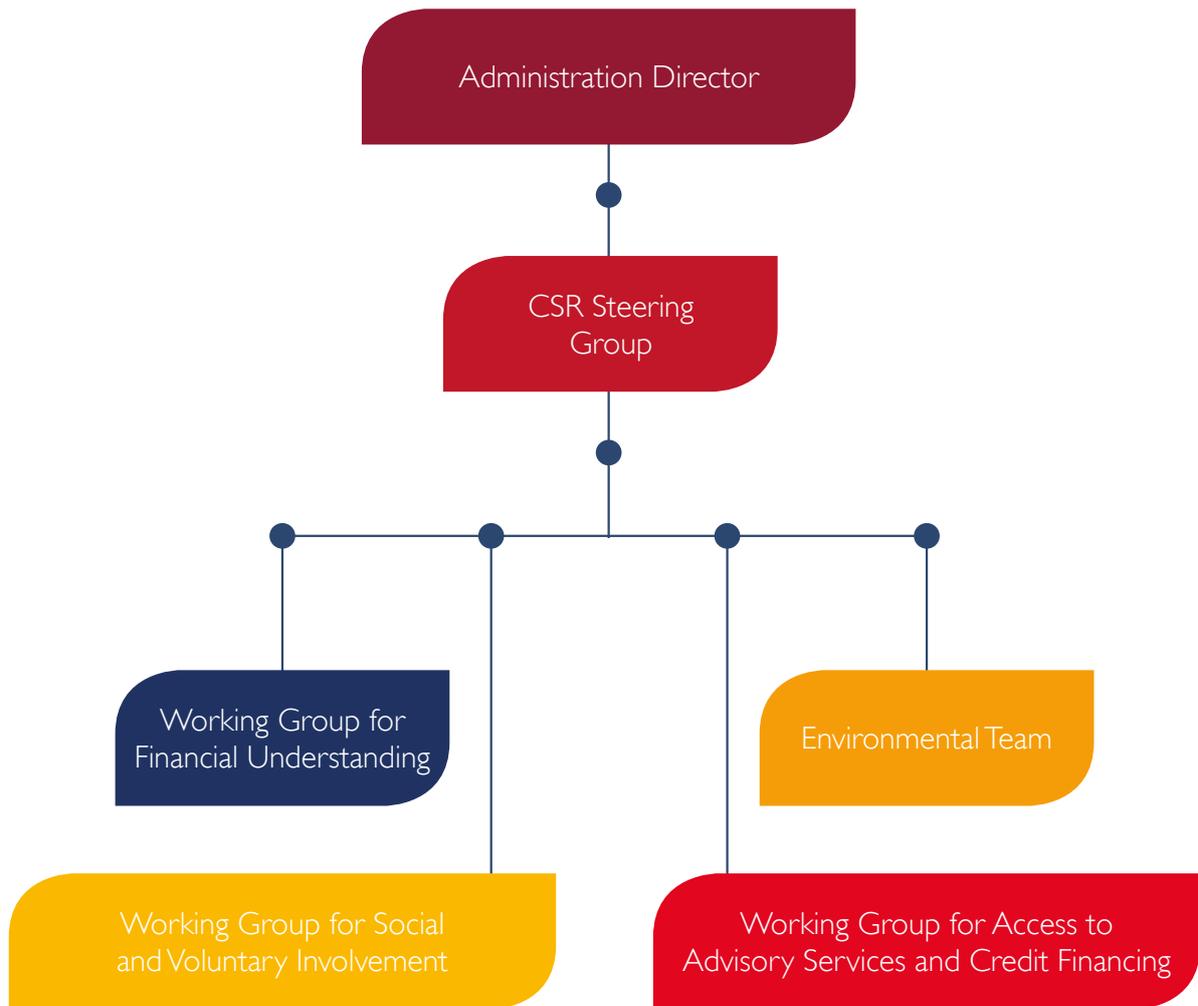
The overall responsibility for the Bank's CSR initiatives is held by the Administration Director, who keeps the Executive Management continuously informed of the progress of this work. The Bank's CSR work is also anchored in a Steering Group which comprises the Administration Director, the CSR Secretary, the HR Manager, and the primary persons responsible for key areas covering the existing strategy. In 2018, the Steering Group will be re-organised.

In March 2013, the BANK of Greenland endorsed UNGC, which is the UN programme for companies' and organisations' social responsibility.

Members of UNGC must submit an annual report on the progress of their work on the programme. The BANK of Greenland's fifth report is presented in March 2018 (this report).



Figure 2. Organisation of the Corporate Social Responsibility (CSR) work



Carsten Th. Pedersen
Administration Director





SUSTAINABLE DEVELOPMENT GOALS



In 2015, the UN identified 17 sustainable development goals, including 167 sub-goals, which will contribute to solving some of the biggest global problems before 2030. These sustainable development goals will help to show where and how organisations can contribute to achieving the goals. The goals are of a more universal nature and also concern the civil society, governments, NGOs, etc.

Not all of the 17 global goals are equally relevant for the Bank's activities as a financial institution. A selection has therefore been made of the areas in which the Bank has a particular impact on society. It is important to note, for example, that the report distinguishes between primary and secondary areas. The primary areas are more deeply anchored in the Bank's CSR strategy and are areas in which the Bank's business and social responsibility have a natural coherence.



Primary



DECENT JOBS AND ECONOMIC GROWTH

As Greenland's largest bank, the BANK of Greenland plays a natural role as a catalyst to create growth and workplaces, for the benefit of Greenland. We do this with a responsible lending policy, which ensures that the Bank is financially robust for good and less prosperous times, and which concerns all of Greenland, so that growth benefits several areas of the country. Parts of Greenland are currently enjoying an economic boom, which the Bank wishes to support with increased lending activity. The Bank's total lending in 2017 was a record-high DKK 3.3 billion.



QUALITY EDUCATION

Financial understanding is one of the focus areas of the Bank's CSR strategy. This education programme can help people to achieve the required financial understanding, which can be used to keep standards of living at a reasonable level. To promote this education programme, the Bank has a large number of initiatives underway. One of the them is the Qassit learning game, whereby pupils in the upper school grades can learn about budgeting and managing their personal finances.



In terms of reporting, the sustainable development goals are used to highlight the Bank's impact on society in selected areas. The global goals must also be viewed in the context of the Bank's membership of UNGC and the ten principles within the environment, human rights, labour rights and anti-corruption (see section 3.)



PARTNERSHIPS FOR ACTION

The BANK of Greenland is involved in various private and public partnerships for cohesive action in such areas as education, the environment, social conditions and finances. One example is the "Vi Ses" (See You) project (formerly VIS-SIV), of which the Bank is a member of the steering group. This project concerns how schools and businesses must have closer ties, in order to inspire young people to enrol for higher education.



SUSTAINABLE TOWNS AND LOCAL COMMUNITIES

The BANK of Greenland's ambition is to be of benefit to the whole of Greenland. This includes that we will contribute to creating a sustainable capital city, with considerable growth potential, and to helping smaller local communities with declining populations. The Bank can achieve this by e.g. ensuring availability and financing outside the market areas.



SUSTAINABLE ENERGY

The BANK of Greenland wishes to support and promote development in using sustainable energy sources. The Bank has installed solar panels on all of its branch buildings and offers environmentally friendly loans for cars and homes at lower interest rates than for ordinary types of loans.



ERADICATING POVERTY

In Greenland, there is considerable variation in income levels. This means, for example, that socially vulnerable people have very small incomes. This requires firm financial management and for several years the Bank has therefore cooperated with Sermersooq Municipality on courses in sound financial management for transfer income recipients. Instruction is given by the Bank's customer advisers.

TARGETS AND ACTIVITIES

Qassit



FINANCIAL UNDERSTANDING

Part of the BANK of Greenland's mission, as set out in Strategy 2020, is to increase financial understanding in society. Some of this work results in presentations and teaching at e.g. educational institutions. In 2017, advisers held 71 presentations on financial understanding at the Qaqortoq commercial college, INUILI, Campus Kujalleq and elementary schools in all of the towns where we have branches. We also visited family centres and made advisers available to the municipality, in order to hold courses for transfer income recipients.

In 2017, for the fourth consecutive year, the Bank's business advisers took part in the annual Business Combat, a reality game involving commercial col-

lege students and companies, at the local commercial college in Nuuk (Niuernermik Ilinniarfik) and the commercial college in Qaqortoq. The purpose of the game is to give the commercial college students an understanding of what running a business involves.

“ 71 presentations on financial understanding held in 2017 ”

Teaching at elementary schools has focused on "Qassit", which is a computer game developed by the Bank. The game supplements mathematics and social sciences, with focus on everyday finances, and is designed for the 8th to 10th grades. The plan is for the game to be published as a free app for tablets and smartphones in 2018, in order to make the game available to an even wider audience.



IN 2017



AVAILABILITY

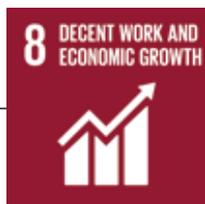
As the Bank becomes more and more digital, availability is also increasing. On all banking days, we offer customers training in the use of online banking and related self-service solutions. They can also receive guidance in using mobile banking. The aim is for all customers to be able to serve themselves to a greater degree.

Every year, the Bank sends advisers to Tasiilaq in East Greenland, where we do not normally offer physical banking services. Besides advisory services, they also provide guidance in self-service solutions and financial understanding. It is also possible to use video conferencing to hold advisory meetings, for which the Bank's aim is to make

even greater use of this opportunity as Internet connectivity in smaller towns improves.

For the third consecutive year, in collaboration with Nuna Attorneys, the Bank gave presentations in coastal settlements on such topics as inheritance, death, divorce and wills.

This has been in such high demand that the presentations are now being given in even more towns.



Students from Gammegarfik in Aasiaat
Participants from VIS-SIV 2017



VIS - SIV

The BANK of Greenland has been engaged in the “Companies visiting schools – Schools visiting companies” pilot project, which in overall terms concerns motivating the oldest elementary school pupils to continue in the education system after completing their elementary schooling. Through intensified cooperation between schools and companies, the aim is to motivate young people to take further training and education after elementary school, once they have gained some business experience.

The Bank is involved in the project as a sponsor and as a member of the steering group. The pilot project took place in Aasiaat, Sisimiut, Paamiut and Qaqortoq, with particular success in Aasiaat, where the BANK of Greenland’s branch manager,

Niels-Anthon Petersen, was involved as a steering group member for the project in Aasiaat.

“We’ve created a concept that works really well in Aasiaat. Fundamentally, this concerns inspiring schoolchildren through meetings with local companies. The aim of the project is for pupils to gain practical experience and get an impression of what local businesses have to offer in terms of future work opportunities,” says Niels-Anthon Petersen.

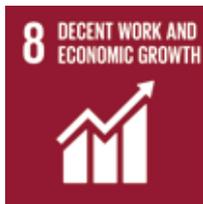
The pilot project and the model from Aasiaat will serve as inspiration for the ongoing work in the other towns where the Bank has branches, so as to widen the project to include other areas of the country.

Niels-Anthon Petersen
Branch Manager in Aasiaat



A HELPING HAND

In cooperation with Sermersooq Business Council, the BANK of Greenland Business Fund has allocated a pool of DKK 2 million for liable loans dedicated to small entrepreneurial projects that can create economic growth and workplaces in Greenland. The BANK of Greenland offers flexible repayment, so that after three years the entrepreneur can convert the loan to actual capital in the company.



“Greenland’s best company – for the benefit of Greenland” is implemented particularly in the voluntary work undertaken by the Bank’s employees every year. The Bank assigns working hours to CSR work, as social activities for the benefit of children and young people, as well as educational and environmental, cultural and sporting activities. In 2017, the Bank’s employees delivered 778 hours. The figure fluctuates from year to year, depending on whether there are major events taking place which require a lot of volunteers. The Bank also cooperates more systematically with a number of organisations to which the Bank’s employees contribute working hours on a voluntary basis.

There is also systematic cooperation with the NGO CSR Greenland. This cooperation has taken place since 2011, and the BANK of Greenland’s director, Martin Kviesgaard, is vice chairman of its board of directors.

Besides exchanging ideas on various initiatives for the benefit of society, the annual cleaning-up day in towns and cities is a recurring project under CSR Greenland, in which the BANK of Greenland has served as coordinator in most of the towns in which it has branches.



- Nuummi Uumasut (Dog logo)
- NANU MEEQQAT NANUBØRN (Polar bear logo)
- mio (Magnifying glass logo)
- Mælkebøttemønstret (Sun logo)
- mælkebøttemønstret (Sun logo)
- Meeqqat Ikiortigit Red Barnet Kalaallit Nunaat (Red figure logo)
- Association for Greenlandic drum dancers (Drum logo)
- NATTE RAVNENE NUUK (Birds logo)
- Kalaallit Røde Korsiat (Red cross logo)
- NS (Logo with letters)
- KATTUFIAT (Logo with cat)





ACTIVITIES AND TARGETS IN 2017

In 2013, the BANK of Greenland was the second Greenlandic company to become a member of UNGC. Membership requires compliance with ten universal principles within the main areas of the environment, human rights, labour rights and anti-corruption. As described, the key areas are naturally related to the SDGs in terms of focusing on the same areas.

In 2016, the Bank began to prepare a policy for compliance with human rights. This work continued in 2017 and the policy is expected to be adopted during 2018. As part of the responsibility accepted by the Bank, in the event of any human rights infringements the Bank will seek to rectify this as far as possible. This includes actions by employees, customers, suppliers and other business partners.



ENVIRONMENT AND SUSTAINABILITY

In the spring of 2014, an overall environmental policy was drawn up and adopted, based on the Bank's support for UNGC. The overall objective of the BANK of Greenland's environmental responsibility is continuous awareness of including sustainability and environmental considerations in our activities, on a sustainable business and economic basis. We ensure this by identifying and monitoring our key environmental impacts, initiating procedures to limit the consumption of resources, sharing our knowledge and experience, and giving employees, suppliers and customers the best opportunities to act on an environmentally responsible basis. In 2017 we continued this work of systematising our environmental efforts, which helps to reduce the Bank's costs, attract and retain employees, customers and investors, and enhance cooperation with authorities and suppliers.

The BANK of Greenland continues to focus on facilitating its customers' sustainable investments. One element is our environmental loan product, Nutarsaaneq, whereby customers can take loans of up to DKK 300,000 on favourable terms, on the basis of a normal credit assessment. These loans are for both private and business customers and can be used for energy improvements. Use of these loans has been increasing in recent years. At year-end 2017, a total of 394 Nutarsaaneq loans had been established, compared to 360 in 2016.

The Bank's Minguik eco-car loan to purchase ecofriendly cars in energy class A totalled 541 loans in 2017. For comparison, 312 loans were established in 2016. In 2015, we lowered the interest rate for the two environmental loans, which is now at 2.90%. The low level of interest rates continued in 2017.

The BANK of Greenland itself also sets a good example in terms of using sustainable energy sources. Since 2014, solar panels have been installed on the Bank's buildings, and in 2017 the last panels were installed at the Sisimiut-branch. Concrete reduction statistics will thus not be available until 2018.

Electricity consumption was reduced significantly in several towns up to 2016, but has increased a little in 2017. It is noteworthy, however, that particularly in Maniitsoq and Aasiaat, which do not have hydropower, solar panels produce 33% of electricity consumption in Maniitsoq and more than 50% in Aasiaat. In 2017, total electricity consumption increased by 7,326 kWh compared to 2016, as Qaqortoq, Ilulissat and Sisimiut have switched from oil to electricity solely generated by hydropower. In Aasiaat, electricity consumption almost doubled during some periods, due to conversion of the branch. In Maniitsoq and Aasiaat, once again in 2017 the solar panel systems even produced surplus electricity, which was sold to Nukissiorfiit for use in the rest of the town's electricity grid.



Employees in action for the annual cleanup day



SALIGAATSOQ
Ulloq saliiffik · Oprydningsdag

The BANK of Greenland has a canteen scheme in Nuuk, whereby a shelter for the homeless receives surplus food on every day of the week. The environmental team has assessed whether reduction of the food prepared could give environmental savings, but it was assessed that the social value of donating food to the homeless was greater.

The BANK of Greenland is a member of the Saliqaatsoq-Avantangiiserik environmental group, established by CSR Greenland in order to gather working groups which can coordinate environmental projects in Greenland across sectors, are-

as of expertise, etc. Under Saligaatsoq, the BANK of Greenland also participated in the aforementioned cleaning-up day, which again in 2017 took place in all of the towns in which the Bank has branches. The Bank is also a member of the steering group and takes part in coordination of the cleaning-up activities. The Bank is also involved in a project group under CSR Greenland with the aim of promoting focus on day-to-day opportunities to save resources in office environments.

11 SUSTAINABLE CITIES
AND COMMUNITIES





Environmental impacts
In 2017, the Bank once again succeeded in reducing its negative environmental impact by printing more effectively.



Progress in the BANK of Greenland's day-to-day environmental work is ensured by an environmental coordinator/project manager and a team consisting of a wide selection of employees with a special interest in environmental work. The building officer and procurement officer are permanent members of the team, as their areas of responsibility are the focus of the environmental initiative. All of the Bank's branches are also represented in the environmental team and coordinate elements of the environmental initiatives at the Bank.

In 2014, the environmental team mapped the Bank's overall environmental footprint and established registration and monitoring of the consumption of resources. The data basis, an assessment of the key environmental impacts and possible measures, and an action plan for concrete reduction targets for 2017, were included in a detailed environmental report up to 2020. Considering the Bank's printing using the Papercut solution, in 2017 the Bank reduced its environmental impact. In 2017, the Bank reduced printing by 27,606 pages, equivalent to a decrease of 5%

since 2016. It should also be mentioned that the Bank has optimised the use of double pages by almost 50%, which has a significant impact on the Bank's overall printing and paper consumption. It is also expected that, in the long term, the tighter management of procurement and stocks, and more environmentally sound procurement, will result in 5-10% lower consumption of paper, office supplies, etc.

The BANK of Greenland's CO2 consumption totalled 320.30 tonnes in 2017. The Bank achieved a small increase of 6.35 tonnes, equivalent to 1%, from 2016. This is especially due to an increase in hotel stays and transport costs. As the Bank works under geographical conditions that make other means of transport less accessible, or non-existent, its CO2 consumption can fluctuate from year to year. Nonetheless, the Bank aims to continuously reduce its consumption, but is aware that there will be challenges in fulfilling UNGC's goal of "Affordable and Clean Energy" and taking responsibility for "Climate Change".



HUMAN RIGHTS

A fundamental element of UNGC's goals is to work for gender equality, and the BANK of Greenland has the overall goal at management level of achieving and maintaining equal ratios of men and women in its management. In 2013, the BANK of Greenland's Board of Directors adopted "Policy and target levels" for the under-represented gender. Irrespective of gender, the BANK of Greenland's employees must experience that they have equal opportunities for career development and management positions. As at the end of 2017, the distribution ratio was 45% women and 55% men. The Bank's objective is for the ratio of managers of the under-represented gender to be held at minimum 40%. In 2017, the gender distribution of the BANK of Greenland's members of the Board of Directors elected by the annual general meeting comprised 16.67% women and 83.33% men. The Board of Directors' objective is for the ratio of female members of the Board of Directors elected by the annual general meeting to increase to 33% by 2020 at the latest.

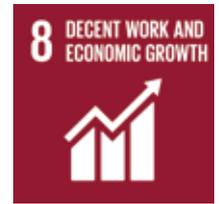
Back in 2016, the BANK of Greenland prepared a social media policy. This policy first and foremost ensures employees' freedom of expression and protection from digital harassment. Since inappropriate conduct on the social media can have legal employment consequences, the policy must also explicitly define current guidelines and provide guidance on good conduct.

Another element of the BANK of Greenland's CSR work is that the initiative has been taken to incorporate the UN's human rights principles in supplier contracts. This work will promote knowledge of and responsibility for observing the UN's human rights policy. In 2016, the Bank contacted the principal subsuppliers in order to update supplier conditions in accordance with our obligation towards the UNGC. As a result, 22 subsuppliers have signed up to confirm their obligations under the UN's human rights principles. In addition, five suppliers have so far refused to sign the declaration. The Bank still cooperates with these suppliers, as they are considered to be essential to the Bank's operations and activities as a financial institution. The Bank will engage in ongoing dialogue with new subsuppliers in order to promote knowledge of and responsibility for observing the UN's human rights policy.



45% 
FEMALE MANAGERS

55% 
MALE MANAGERS



Employees regarding to the BANK of Greenland's 50th anniversary in 2017

LABOUR RIGHTS

Training and competence development

Employees are part of the BANK of Greenland's public image, and it is our employees who create and maintain close relationships with our customers on a day-to-day basis. The BANK of Greenland has therefore continued to focus on competence development via trainee programmes, supplementary training, management development and "on the job training". Training must be seen as part of the employee's development and career planning, and in conjunction with the Bank's need to recruit and retain qualified manpower and to contribute trainee positions to the local community. One of UNGC's goals is to motivate companies to train people, Quality Education, for the benefit of both the individual and the company.

For the BANK of Greenland, it is very important to ensure the recruitment of employees with banking expertise, and in 2017 the Bank therefore employed seven trainees, who have taken the financial training programme at Niuernermik Ilinniarfik (Greenland's Commercial College) in Nuuk. Five trainees are placed in Nuuk, and the other two are attached to the Bank's coastal branches.

Besides the actual trainee programme, the Bank has created trainee positions for young people with a background as financial economists. One financial (commercial) trainee commenced in the Business Department in 2017. In addition, one bachelor of finance attended five months' practical training, and two financial economists attended three months' training.

The higher two-year financial programme is the secondary level of the financial diploma programme. In 2017, six advisers commenced the financial diploma programme. One manager completed an MBA programme, which strengthens management expertise. In 2017, two employees attended a project management course and were both certified in the PRINCE2 module.

In connection with the systematised CSR work, in 2017 the Bank trained two employees as CSR Sustainability Leaders, in order to e.g. develop the Bank's CSR reporting, which combines the 17 global goals in reporting.

The total number of employees was 118 at the end of 2017. The average age was 46, and of the total number of employees, 76 hold financial or extended higher educational qualifications. 86 women and 32 men are employed by the Bank.

A three-year partnership between the Department of Health, CSR Greenland and the Greenland Sports Association has launched "Project healthy companies". The project commenced with a health ambassador programme, attended by two of the Bank's employees.



Working environment, health and safety

A safe working environment and living healthily on a daily basis will enable both employees and customers to thrive at the Bank.

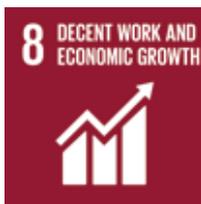
In 2017, four accidents and two occupational illnesses were notified. We are following up on whether less optimal changes have taken place in the working environment.

Registered absence due to illness at the BANK of Greenland increased from 685 (2016) to 1,203 (2017). This increase reflects additional long-term sick leave.

The Bank's ambition is to further reduce absence due to illness in 2018. To achieve this, a policy for absence due to illness, and follow-up interviews in relation to a high rate of absence due to illness, are planned to be introduced.

Inclusion

Since most of the work tasks at the BANK of Greenland require prior educational qualifications or very specialised training, it is a challenge for the Bank to work with inclusion in the broadest sense. As a socially responsible company, we consider it to be an important obligation to work with inclusion in the areas where this is possible. We therefore cooperate with Kommuneqarfik Sermersooq on job training for young people who find it difficult to achieve educational qualifications or join the job market, and for adults with special needs, but with prior administrative experience. For two years, the Bank has had an employee in various positions under this scheme. This has been such a great success that in 2017 we extended the inclusion training for the employee (1 May 2017-1 May 2018).



Bastian Nystrup
Financial trainee in
the BANK of Greenland

ANTI-CORRUPTION

The BANK of Greenland works with all aspects of anti-corruption, including preventing extortion and bribery. In 2014 the BANK of Greenland therefore adopted a gift policy which lays down rules for which gifts employees may receive (and their value). The policy also sets out guidelines for how, for example, employees should handle services for which there is an expectation of receiving something in return. In 2014 the Bank also adopted an anti-corruption policy that, among other things, stipulates zero tolerance towards conflicts of interest, bribery, extortion, fraud, embezzlement, misuse of gifts and nepotism.

All of the Bank's employees have received training in the gift and anti-corruption policies. In accordance with the BANK of Greenland's overall CSR policy and the BANK of Greenland's environmental policy, the BANK of Greenland's anti-corruption policy is published at Banken.gl. The policies were not challenged in 2017.

At the BANK of Greenland we also continuously register and monitor our customer complaints so that we can optimally ensure balanced and fair case handling, and improve our service and information. It is in the Bank's own interest to handle all relevant complaints in accordance with current guidelines and so that customers understand the Bank's reasons for refusing loans and other similar transactions.

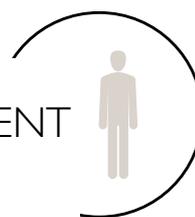
In 2017, we received 11 complaints. This is seven fewer than in 2016. Of these 11 cases, four complaints were recognised in full or in part, which is one less recognised complaint than in 2016. In 2015, we also established a separate new complaints process reserved for business customers. So far, we have not received any complaints via this channel.





Anja Nielsen
Customer Adviser in the BANK of Greenland in Nuuk

PRIVATE
BANKING
DEPARTMENT



2017: 1 COMPLAINTS
2016: 18 COMPLAINTS

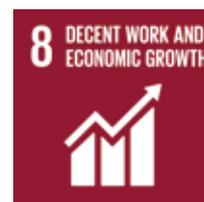
BUSINESS
DEPARTMENT



2017: 0 COMPLAINTS
2016: 0 COMPLAINTS



In addition, in 2016 the Bank introduced a whistleblower scheme on an equal footing with other Danish banks, so that employees can file anonymous reports if they experience any matters at the Bank which may be in conflict with human rights or legislation.



EVALUATION OF THE BANK'S CSR WORK

One of the key parameters by which we measure our progress is the Bank's reputation as a socially responsible company that makes a positive difference for the local community. This was most recently confirmed in the autumn of 2016 by Comparative Image Analysis in Greenland, in which the BANK of Greenland achieved a top-level rating compared to companies of equivalent size and importance to Greenland. The Bank aims to maintain a top-3 position in the Image Analysis for 2018. The analysis is prepared every second year.

In the customer satisfaction survey, customers were asked how they assessed the BANK of Greenland as a socially responsible company on a scale from 1 to 10. Out of 100 possible index points, the BANK of Greenland scored 75.5 index points in 2017. This is slightly below the level for 2016. This achieves the target for 2017, however, which was set lower than in 2016. The expected lower target is due to prioritisation of action areas which do not have the same CSR return as in 2016.

For a number of years, the Bank's employee satisfaction score has been high, and has exceeded the average for the financial sector.

In 2017 it was measured at 80 index points out of 100 possible – slightly below the record of 82 in 2016. The ambition was to maintain the high score, but this was not fully achieved. A result of 80 for job satisfaction is still significantly above the industry target for 2017.

In 2017, it was also possible to fill 98.7 % of the positions at the Bank. "Decent Work and Economic Growth" is one of UNGC's values to create good working conditions for the company's employees. The Bank considers the employee satisfaction survey to serve as an indication that we comply with this area of UNGC on a satisfactory basis, even though there is always room for improvement.



This is also the first time that we work systematically with SDGs in our reporting. The ambition is to continue to work with them in conjunction with our vision for 2020:

*“Greenland’s best company
– for the benefit of Greenland”.*



APPENDIX TABLE

OF RESULTS AND TARGETS

Social and voluntary involvement			2015	2016	2016	2017	2017	2018
			Result	Target	Result	Target	Result	Target
CSR Greenland	hours		87.50	150	n/a	200	50.5	200
CSR for branches	hours		38.75	Reg. code omitted	Omitted	Omitted	Omitted	Omitted
CSR – Social and voluntary involvement	hours		491	450	525	650	319.67	650
CSR - Arctic Winter Games 2016	hours		319	900	1,473	Discontinued	n/a	Omitted
Various CSR work	hours		400.17	100	207	250	268	250
CSR – Financial understanding	hours		190	200	90	300	121	300
hours in total			1,527	1,800	2,089	1,400	778.17	1,400
Access to advisory services and credit financing								
Tasiilaq	Two annual visits	number	2	2	2	2	1	2
Uummanaq	Two annual visits	number	2	2	2	2	0	2
Financial understanding								
Teaching – school visits	number	Continuation of the visit concept		Min. 50 school visits	60	40	75	0
Teaching – money game	number	Ongoing		Ongoing	Ongoing	19	Ongoing	20
Entrepreneur and business succession advisory services	hours		> 125	> 150	150	> 150	> 150	> 150
Stakeholder dialogue								
Customers								
Is a socially responsible company	index targets		77.5	78	77.5	75	75.5	77
Overall customer satisfaction for private and business sectors	index targets		72.5	75	76.5	77	76.5	79
Complaints	number		17	n/a	18	n/a	13	n/a
Employees								
Professional and personal development	index targets		75/77	≥75/77	74/77	≥75/77	76/77	76/77
Employee satisfaction	index targets		80	80	83	86	80	83
Working environment and safety								
Absence due to illness	days		786	500	685	500	1,203	500
APV		Completed		n/a	n/a	n/a	n/a	To be performed
Notification of occupational injuries	number		0	0	0	0	6	0
Climate/environment								
Energy consumption by the Bank	tonnes CO ₂	286.13 t CO ₂ (reduction equivalent to 14.4 %)		<250 t CO ₂	9 % increase 313.95 t CO ₂	<250 t CO ₂	<250 t CO ₂	<225 t CO ₂
Number of environmental loans	number	470 (314/156)		550	672	800	935	1,200



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