

The BANK of Greenland's Remuneration Report for 2024

Introduction

The BANK of Greenland is Greenland's largest bank and offers a wide range of financial products and services, combined with expert advisory services, to private customers and to small and medium-sized enterprises. The Bank's knowledge and areas of expertise include the provision of loans and deposits, payment settlement services and pension and investment advice. Based on the business strategy to be "For the benefit of Greenland", the Bank wishes to be a responsible and value-creating company. The Bank naturally wishes to support the development in Greenland for the benefit of Greenland, its customers and shareholders, and the Bank as a company.

This Remuneration Report has been prepared in accordance with the requirements of Section 139b of the Danish Companies Act and presents an overview of the total remuneration received by each member of the Board of Directors and Executive Management of GrønlandsBANKEN A/S (the Bank), CVR no. 80050410, during the 2024 financial year, compared to the last five financial years.

The remuneration of the Board of Directors and Executive Management in the 2024 financial year was allocated in accordance with the Bank's Remuneration Policy, which was approved at the Annual General Meeting held on 29 March 2021 and which is available on the Bank's website: [BANK of Greenland](#)

The Remuneration Policy covers both the requirements in Sections 139 and 139 a of the Danish Companies Act and Section 77 d of the Danish Financial Business Act.

The overall purpose of the remuneration is to attract, motivate and retain qualified members of the Board of Directors and Executive Management, and to align the interests of the Board of Directors and Executive Management with the interests of the Bank and the Bank's shareholders.

The information contained in this Remuneration Report is derived from the audited annual reports for the 2019-2024 financial years. All amounts are stated in DKK.

Statement by the Board of Directors

The Board of Directors has today considered and approved the Remuneration Report for GrønlandsBANKEN A/S for the financial year 1 January – 31 December 2024. The Remuneration Report is presented in accordance with Section 139 b of the Danish Companies Act. In our opinion, the Remuneration Report is in accordance with the company's Remuneration Policy, which was approved at the company's Annual General Meeting, and is free from material misstatements and omissions, whether due to fraud or error. The Remuneration Report is recommended for an indicative vote at the company's Annual General Meeting.

Nuuk, 3 March 2025

Board of Directors:

Gunnar í Liða	Kristian Frederik Lennert	Maliina Bitsch Abelsen
Chair	Vice Chair	
Niels Peter Fleischer Rex	Peter Angutinguaq Wistoft	Tulliaq Angutimmarik Olsen

Pilunnguaq Frederikke Johansen Kristiansen

Remuneration – General

The Remuneration Report has been prepared on the basis of the recommendations from the Committee on Corporate Governance and the rules applying to Greenland.

The BANK of Greenland's Remuneration Policy is intended to ensure that the Bank can attract, motivate and retain qualified members of the Board of Directors, management and other employees.

The Remuneration Policy will ensure appropriate balance between the Executive Management's fixed remuneration and any variable remuneration. The remuneration is intended to ensure long-term value creation. The Remuneration Policy must therefore promote sound and effective financial management by not creating incentives for exaggerated risk-taking, or promoting unilateral short-term decisions to the detriment of the long-term requirements and objectives of customers and shareholders, as well as the Bank.

Remuneration of the Executive Management

The Executive Management consists of one person. The table below presents the remuneration of the Executive Management for 2024 and previous years:

TDKK	2024	2023	2022	2021	2020
Fixed salary, including value of free car, etc.	3,191	3,085	2,943	2,917	2,855
Pension	701	681	657	495	483
Provision for conditional pension/severance scheme	322*	313*	300*	284*	278*
In total (TDKK)	4,214	4,080	3,900	3,696	3,616
Annual change in total remuneration (%)	3.28	4.62	5.52	2.21	2.52

**In 2016, the Bank established a defined-benefit and conditional severance/pension scheme for the Bank's Managing Director. Under this scheme, subject to certain specifically agreed terms, the Bank is obliged to pay a fixed benefit for a period of time following the Managing Director's retirement. The present value of the year's share of the accumulated conditional obligation is TDKK 322 for the year 2024, which is recognised under pension for the Executive Management. The obligation, which is expected to be accrued in the 2016-2028 period, may total 0-24 months' salary and consists of 50% shares and 50% cash payment. A clawback clause is incorporated in the agreement, and also that the agreement may lapse in particular situations. There are no other variable salary elements in the Executive Management's remuneration.*

Distribution of the remuneration of the Executive Management	2024
Fixed salary, including value of free car, etc.	75 %
Pension	17 %
Provision for conditional pension/severance scheme	8* %
In total (TDKK)	100 %

The severance scheme may in total amount to 0-200% of the total annual remuneration as of the termination date, with the addition of remuneration during the notice period of up to 12 months. The metrics applied to eligibility for the severance package are employment for a specific number of years (retention), achievement of a minimum return on equity, and compliance with mandatory orders issued by the Danish FSA. The Executive Management may be employed until the end of the calendar year in which the Managing Director reaches the age of 62.

Remuneration of the Board of Directors

The remuneration for Board work is stated in the table below, whereby the Chairman of the Board of Directors receives double remuneration, and the Vice Chairman receives one and half times the remuneration. The remuneration for Audit Committee and Risk Committee work is fixed at DKK 30,000 in each case, whereby the Chairman of the committee receives double remuneration, and the Vice Chairman receives one and half times the remuneration.

The remuneration for other committee positions amounts to DKK 12,000 to all members. No members receive special remuneration for consulting work for the BANK of Greenland. The members' travel and accommodation costs are covered.

The remuneration of the Board of Directors of the BANK of Greenland is distributed as follows:

	Chairman	Vice Chairman	Board member
Board remuneration	300,000	225,000	150,000
Audit Committee	60,000	45,000	30,000
Risk Committee	60,000	45,000	30,000
Nomination Committee	12,000	12,000	0
Remuneration Committee	12,000	12,000	12,000
Total 2024	444,000	339,000	222,000/210,000
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Difference (DKK)	0 kr.	0 kr.	0 kr./0 kr.

The table below presents the remuneration of the individual Board members in total for both Board and committee work.

TDKK	2024	2023	2022	2021	2020
Gunnar í Liða	444	444	370	370	370
Kristian F. Lennert	339	339	282.5	282.5	257.5
Christina F. Bustrup	-	-	-	43.75(resigned)	175
Lars Holst	210	210	175	175	175
Maliina B. Abelsen	210	210	175	175	175
Peter A. Wistoft	210	210	175	175	175
Ellen Dalsgaard Zdravkovic	175(resigned)	210	175	131.25(appointed)	-
Yvonne J.P. Kyed (resigned)	-	55	185	185	185
Malene Christensen (resigned)	-	53	175	175	175
Peter F. Rex	222	219	175	175	175
Tulliaq Olsen (appointed)	210	122	-	-	-
Pilunnguaq Kristiansen (appointed)	210	158	-	-	-
Vitta Motzfeldt (appointed/resigned)	-	35	-	-	-
In total (TDKK)	2,230	2,265	1,887.50	1,887.50	1,862.50

The Remuneration Policy has been adopted on the basis of an objective to ensure stable long-term development in the Bank's business results. The business results are described in the key financial indicators. The Bank also has the objective to contribute to the social, economic and sustainable development of Greenland's society.

Collective bonus scheme

The Bank has established a collective bonus scheme for all employees, except for significant risk takers and the Executive Management. Payment is made on the basis of a number of general target figures 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, no more than 4% of the Bank's total payroll may be paid out, and no more than DKK 20,000 to each employee. The scheme is reviewed once a year.

	2024	2023	2022	2021	2020
Earned bonus (DKK)	16,000	14,000	11,000	12,000	11,750

Remuneration – Comparative figures

Below, the development in the remuneration of the Board of Directors and Executive Management is compared with the development in the Bank's profit before and after tax.

Overview of the Bank's key financial indicators in recent years:

DKK million	2024	2023	2022	2021	2020
Profit before tax	245.7	244.6	109.1	158.9	130.9
Difference (%)	0.4	124.2	-31.34	21.39	-14.97
Profit after tax	209.0	192.4	98.8	132.8	96.2
Difference (%)	8.6	94.75	-25.60	38.04	-35.03

Overview of the Bank's gross remuneration of full-time employees in recent years:

	2024	2023	2022**	2021	2020
Average employee remuneration*	718,186	691,392	704,255	642,470	615,371
Difference (%)	4 %	-2 %	10 %	4 %	2 %
Average number of employees	153.8	143.5	137.4	137.3	133.3

* Includes salaries and pension, as well as ATP, excluding the Board of Directors and the Executive Management's salary, pension and remuneration

** Principle for calculation of holiday pay obligation changed with one-off effect

Compliance with the Remuneration Policy

The remuneration of the Board of Directors and Executive Management for the 2024 financial year complies with the guidelines in the Remuneration Policy by contributing to the BANK of Greenland's business strategy, long-term interests, sustainability and value creation. There is therefore no deviation from or waiver of the guidelines laid down in the Remuneration Policy.