

# Annual Report

2024

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# Management's Review

## Annual Report in Headlines

### Lending growth and fine results

2024 began with a relatively high level of interest rates, and a drop in interest rates came later than expected in 2024. The higher level of interest rates has reduced the appetite for investment, but Greenland's economy is nevertheless still robust. The financial markets' performance and Greenland's robustness are both reflected in the Bank's Annual Report for 2024.

The BANK of Greenland achieved a profit before tax of DKK 245.7 million in 2024, compared with DKK 244.6 million in 2023. The result is at the level of the revised guidance from October 2024 of a profit at the level of DKK 225-250 million, but exceeds the expectations at the start of the year of a profit of DKK 180-230 million.

### Core operations at an improved level

The Bank's core operations improved from DKK 218.7 million in 2023 to DKK 236.0 million in 2024.

Lending increased by DKK 218 million to DKK 5,031 million at the close of 2024, which is the highest level in the Bank's history. The increase in lending is a consequence of the Bank's favourable market position and competitiveness, and Greenland's continued sound economic performance.

In 2024, net interest income increased by DKK 35.2 million or 8% to DKK 470.3 million. The increase among other things reflects the Bank's high lending throughout 2024. At the same time, the level of interest rates increased interest income from both bonds and lending. The bond and money market interest rates also improved the return on the Bank's surplus liquidity, which has expanded due to the strong increase in deposits.

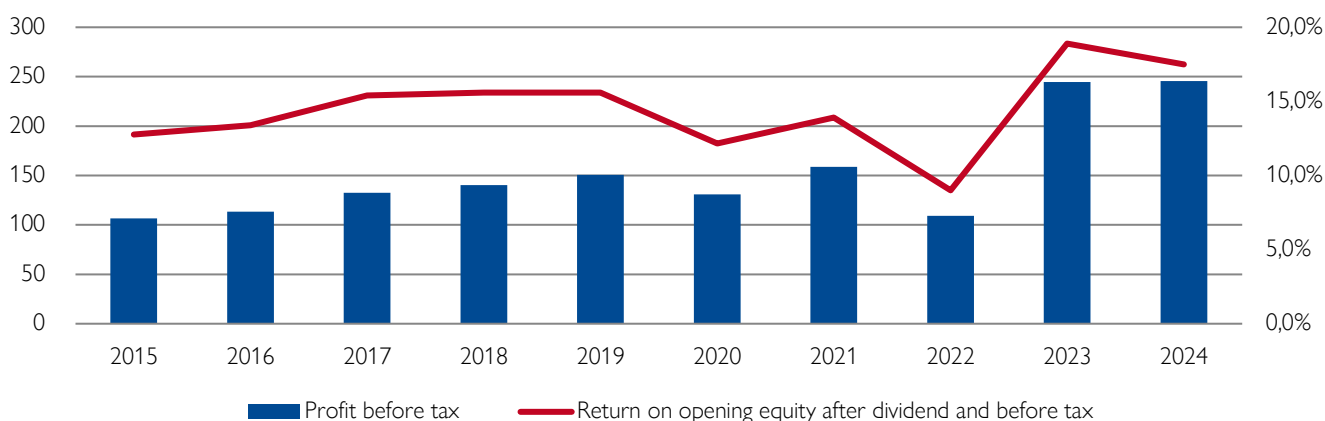
The guarantee volume declined in 2024. At the end of 2024, guarantees amounted to DKK 1,423 million, compared with DKK 1,774 million in 2023. The decrease is primarily due to a change in the guarantee scheme with DLR Kredit in 2024.

The higher level of interest rates pushed up deposit rates in 2024. At the same time, deposits increased by more than DKK 700 million in 2024, to DKK 7.1 billion.

Fee and commission income decreased in 2024, compared to the previous year. Guarantee commission and payment settlement are the key reasons for this decline, while the securities area increased.

As expected, costs also increased in 2024. Staff expenses rose and the total number of full-time employees increased by ten, just as the pay increase under collective agreements also pushed up staff expenses. Administration expenses also increased in 2024. One reason is an increase in BEC costs, other IT expenses and marketing costs.

DKK million



### Limited losses and write-downs

Write-downs and provisions were a modest DKK 18.9 million in 2024, compared to DKK 14.2 million in 2023. Despite the increase, the total level of write-downs is still low and reflects a significant management reserve amounting to DKK 42.3 million, including amounts for the derived cyclical effect. In view of the low level of impairment write-downs, the economy and our customers have once again demonstrated considerable economic resilience.

### Significant capital gains

The Bank's liquidity is placed in the money market, in bonds and, to a certain extent, in sector shares. The prevailing interest rates resulted in slightly lower capital gains on the Bank's bond holdings. However, the Bank's sector shares and the currency area also made a positive contribution. In 2024, value adjustments resulted in total income of DKK 28.6 million, compared to income of DKK 40.1 million in 2023.

### Growth in the Bank

The Bank once again achieved sound growth in 2024. Lending increased by 4.5%, reaching the highest level in the Bank's history, while deposits and the pension area are also expanding. Total assets therefore also reached a new milestone of DKK 10,023 million.

### Balance sheet, capital and dividend

As an SIFI-designated banking institution since 2017, this means that the Bank's management continuously assesses the capital structure. In this respect, consideration of the authorities' expectations of the current and future optimum capitalisation of a banking institution is a significant aspect. There is also a need to have sufficient capital to take part in credit granting in Greenland.

In view of the ongoing phasing-in of the Bank's MREL capital requirement, in 2024 the Bank therefore continued to issue both Tier 2 and Tier 3 capital.

The capital base is still assessed to be robust. On this basis, dividend of DKK 100 per share, compared to DKK 55 for the previous year, is proposed. The dividend is equivalent to 86% of the profit for the year, after which the Bank has a solvency ratio of 26.9, compared to 26.0 in 2023. The solvency requirement is unchanged at 11.1%.

The Bank's core capital accounts for 25.1% and despite the significant dividend rate this exceeds the Bank's long-term target of 24%. The Bank assesses that the forthcoming implementation of CRR3 will bring an increase in the Bank's risk-weighted assets and thereby reduce the capital ratio, which is the background to the higher capital ratio.

### Outlook for 2025

Short-term yields are expected to fall in 2025 as inflation comes under control in Europe. It is expected that this in turn will reduce costs and increase the Bank's customers' investment appetite. The lower interest rates will have a significant negative effect on core earnings, however.

Uncertainty in the capital markets will affect the Bank's value adjustments. We nonetheless expect losses and write-downs to remain at a low level, and derived risks related to inflation and cyclical uncertainty in 2025 are assessed to be addressed by the current level of impairment write-downs.

In both the short and longer term, the considerable focus on Greenland, which escalated at the beginning of 2025, can affect the economic development and the framework conditions in Greenland. However, the BANK of Greenland has no basis to assess that this will be of any material significance in the short term in 2025, so that it is the circumstances described in this report – the macroeconomic and local conditions – that are generally expected to influence the Bank's operations.

The Bank expects a profit before tax of DKK 150-185 million for 2025. There is thus no change in the expected profit for the year, which is in line with the notification in the stock exchange announcement of 11 December 2024.

Nuuk, 3 March 2025

Martin Birkmose Kviesgaard, Managing Director





## Greenland's Society and Economy

Greenland's economy has remained relatively strong in the face of several years marked by global uncertainty, international tensions and economic crises. Compared with recent years' international economic downturn – including high inflation, rising interest rates and declining purchasing power – Greenland's economy has been remarkably robust, despite some negative impacts. Structural challenges give rise to some uncertainty of development in the coming years, when both international and local conditions will play a decisive role.

One key reason for Greenland's economic growth is the major capital investments, which are expected to have peaked in 2024. These building and construction activities are very important for overall economic activity, since they primarily rely on production in Greenland and only require imports on a smaller scale. It is important to note, however, that the manpower required for these projects is predominantly brought in from abroad for these particular assignments. The enormous investments in modernisation of Greenland's infrastructure, including new airports, incineration plants and energy supply facilities, therefore have a great impact on economic growth. It is nonetheless vital that this economic activity is accompanied by a strong focus on ensuring a good balance with other economic conditions. Fiscal policy that can be described as expansionary, among other things due to these major investments, can impose increasing pressure on the labour market, higher pay levels and thereby diminished competitiveness. When economic growth is financed by greater indebtedness, this exacerbates vulnerability to unexpected economic setbacks.

Even though the macroeconomic indicators have been generally positive and Greenland's activity level is generally high, significant challenges lie ahead. These challenges pose a threat to long-term economic stability. The population is ageing and there are ever-increasing expectations of public benefits. There is close to full employment – particularly among groups with professional skills – which emphasises the lack of trained manpower in several areas where demand is high. Ensuring structural economic sustainability requires ongoing reforms and targeted initiatives, including strengthening the level of educational attainment, matched more closely to society's needs.

With Sustainability and Growth Plan II as a structural economic guiding principle, Greenland's Finance Act is aimed to set the course for long-term economic sustainability, reduce business vulnerability and pave the way for sustainable and socially equitable growth. One means to achieve this is by raising levels of education and professional skills, as well as economic diversification and reform of the tax, duty and pension systems.

The annual report reviews these topics under four overall themes. The first theme concerns the general course of the economy, while the second theme focuses on the dynamics and growth potentials of the business community. The third theme is an in-depth review of the structural challenges currently faced by Greenland. The fourth and final theme focuses on how it is important for Greenland to be open towards external investments and capital, as they will be vital for the country's continued development.

The escalated international focus on Greenland, culminating at the start of 2025, affects the media, population, politicians and everyday life in Greenland. In view of the rhetoric from the parties involved, the potential political and economic impacts are very extensive and uncertain. For the time being, however, no circumstances have any real impact on Greenland's economy, households and businesses on a scale that makes it possible to assess any real economic effect, or impact on particular segments of society. This analysis of the economic conditions therefore does not take account of these potential outcomes, since at the time of writing this would be based on excessive speculation and theoretical considerations.

## Overall economic development

### *Economic growth*

Despite global challenges and crises, Greenland's economy has shown its strength in the past years. As Figure 1 shows, according to provisional data, GDP grew by 1.8% in 2023. More subdued economic growth is expected in 2024, however, with a forecast 0.9% increase, and 1.1% in 2025.

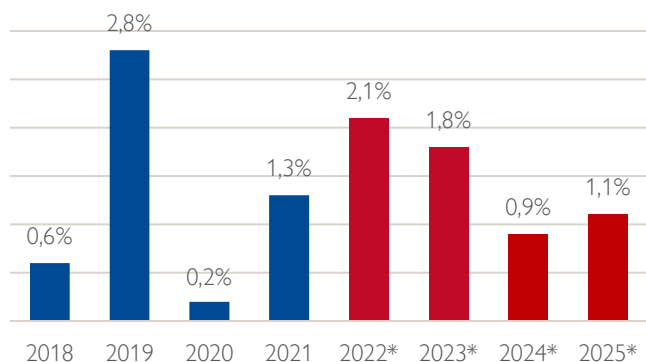
Economic activity in Greenland is primarily driven by major capital investments, in particular the three new airports in Nuuk, Ilulissat and Qaqortoq. Nuuk's international airport opened in November 2024, and has accounted for a substantial share of capital investments in recent years. The airports in Ilulissat and Qaqortoq will be completed in the following years – after which there are plans to commence the expansion of the Buksefjord hydroelectric power plant. Even though the building and construction activities have peaked so far, the general perception in the locally based element of the construction industry is that order books are thinning out. If the sector undergoes a critical decline in activity, one possible strategy might be to intensify the renovation of the existing building stock. Reducing the maintenance backlog for rental homes, ports and energy installations would not only support local activity in the sector, but also reduce the implicit debt. However, this should be planned with due consideration of the risk of overheating the economy, and its significance to the overall indebtedness.

It is also crucial that public capital investment projects are assessed on the basis that each of them should strengthen the economy. Even though there may be other political grounds for completing a construction project than those related to the economy, Greenland's economic resilience is weakened whenever an economically weak project is adopted, or a good project is curtailed. This is most clearly apparent when decisions are taken without economic calculations, or when an economically sound project is linked with a poorer project in order to gain political endorsement.

Unemployment is still extremely low and almost non-existent for those with vocational or higher academic qualifications, while overall employment has reached a record-high level. Due to this development, which to a high degree is driven by foreign manpower, the workforce is fully utilised, and further economic growth cannot be driven solely by reducing unemployment. To generate new growth, it will therefore be necessary to increase productivity through investment in innovation and rationalisation measures, while also upgrading the competence level of the existing workforce. Strategic efforts are also needed to renew and expand the business structure, so that more sectors can contribute to the economy.

**Figure 1**  
**Economic development**

Real GDP growth



Note: 2018-2019 are final figures, while 2020-2021 are provisional figures. 2022-2025\* are preliminary forecasts. The figure shows real GDP growth, compiled in 2010 prices.

Sources: Statistics Greenland and Greenland's Economic Council.

As a small, open economy, Greenland's future economic development will also depend on the international cyclical development. In global terms, the IMF and OECD assess that growth in Europe will increase from 2024 to 2025. Short-term yields are expected to fall as inflation approaches the ECB's target level.

These international trends may to some extent contribute positively to Greenland's economic performance. Lower interest rates and a more subdued increase in import prices can reduce costs for both households and businesses. It should be noted that inflation in Greenland has been lower than in many other countries, which can strengthen Greenland's competitiveness and present advantages in the export markets.<sup>1</sup>

Another key driver of economic growth is fisheries exports, as fish and fish products account for 98% of Greenland's total goods exports. According to the annual report on food production and prices from the FAO and OECD, prices for fish products are expected to decrease in both nominal and real terms towards 2025-2027, before they are expected to slowly rise again.<sup>2</sup> This price drop is due among other things to increased competition from alternative protein sources, in particular poultry. The FAO and OECD predict that real fish prices will fall by 15% up to 2033. Calculations from Greenland's Economic Council show that a 25% decline for fish and shellfish will reduce public finances by more than DKK 369 million, due to lower income from resource taxes, A-tax and corporate taxes. There is no doubt, however, that the strong reliance on fisheries exports makes Greenland's economy particularly vulnerable to fluctuations in prices for fish products. This emphasises the need to reduce the risk exposure through greater economic diversification, with full utilisation of potential within, for example, tourism, mining and sustainable new business areas. A broader economic footing would create a stable foundation for future growth.

In September 2024, Greenland's Economic Council assessed that GDP growth in 2025 would be 1.1%. Since then, the BANK of Greenland has assessed that expectations of fisheries' economic contribution in 2025 can be adjusted downwards due to new executive orders subject to consultation, as well as lower quotas. Since a number of construction activities are approaching completion, GDP growth closer to zero is possible.

In the longer term, Greenland's economy still faces several unresolved structural challenges. In previous reports, Greenland's Economic Council has pointed out that fiscal policy is not sustainable, as expenditure is expected to significantly outpace revenue.<sup>3</sup> This imbalance is aggravated by Greenland's ageing population, a workforce close to being fully utilised, and persistent challenges in the area of children and young people. This makes extensive reforms necessary, to ensure structural sustainability.

<sup>1</sup> Finance Bill for 2025

<sup>2</sup> See OECD-FAO Agricultural Outlook 2024-2033, July 2024.

<sup>3</sup> See Greenland's Economic Council's autumn 2023 report.

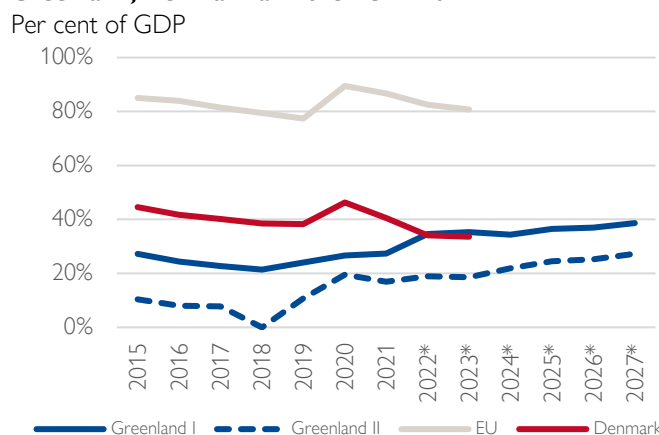
**Debt accumulation**

At the end of 2023, the Greenland Government, the municipalities and the publicly-owned enterprises had net debt of just over DKK 1 billion, while the total gross debt of the Greenland Government, municipalities and publicly-owned enterprises was almost DKK 8 billion, equivalent to around 35% of GDP. The debt is primarily concentrated in the government-owned companies, with the gross debt totalling close to DKK 7 billion. For the last many years, Naalakkersuisut (the Government of Greenland) has pursued a prudent debt policy. As a consequence, Greenland's government debt has for some time accounted for a relatively low share of GDP. Figure 2 compares Greenland's debt level with international levels, where the EU's gross average debt in 2023 was 80.8%. Naalakkersuisut expects the overall debt level to increase in coming years as a consequence of planned borrowing for the expansion and establishment of hydroelectric power stations.<sup>4</sup> Under the 2025 Finance Bill, the total debt will increase to DKK 9.2 billion in 2026 and DKK 9.9 billion in 2027, equivalent to gross debt of 37% and 39% of GDP in the respective years. This naturally diminishes the fiscal policy scope and makes the economy more vulnerable to unexpected economic downturns. There is also a considerable maintenance backlog for ports, energy facilities and rental homes, which should be viewed as implicit debt. It is important to take this implicit debt into consideration, as its handling would either require increased indebtedness or entail higher prices for consumers. Price increases can lead to inflation and conceal the actual cost of indebtedness, leaving the impression of an artificially low overall economic impact.

Debt levels are currently still relatively low from a European perspective, which is positive as it contributes to a flexible economy. Investments can also help to tackle structural challenges, among other things by diversifying the economy. It is important, however, that the favourable debt situation is not

undermined by less profitable investments, merely because current indebtedness appears reasonable. The debt is approaching the highest level in 30 years and the balance between investments and indebtedness will be particularly important in the next few years, when the focus must be on identifying projects that contribute to resolving the structural challenges, at the lowest possible economic cost to Greenland.

**Figure 2**  
**Development in gross public interest-bearing debt in Greenland, Denmark and the EU in 2022**



Note: Greenland I measures the interest-bearing debt as a ratio of GDP. Greenland II measures the net interest-bearing debt as a ratio of GDP. Both Greenland I and Greenland II include the Greenland Government, municipalities and government-owned limited liability companies. EU and Denmark cover the gross debt. \*Indicates projected values for Greenland I and II.

Sources: Finance Bill 2019, 2020, 2022, 2023, 2024 and 2025, Statistics Greenland and Eurostat.

The total proceeds from direct and indirect taxes in 2023 significantly exceeded the expectations in the 2024 Finance Bill. Public expenditure was slightly lower than expected, resulting in a budget improvement exceeding DKK 400 million in the Greenland Government's OI balance (see Table 1). According

**Table 1**  
**The Greenland Government's OI balance**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2020-2023	2025-2028
Budgeted OI balance, Finance Bill, 2025						+103.3	+18,7	+126.7	+187.1		+598.8
Budgeted OI balance, Finance Act	+49.6	-76.2	+7.6	+6.1	+284.4	-130.1	+57.2	+31.3	+143.6		+102.0
Actual OI result	-134.8	-150.0	+113.2	+424.0						+253.0	
Difference	-184.4	-73.8	+105.4	+417.9							

Note: All prices are stated in DKK million. A minus indicates a deficit. 2019-2023 are realised figures, while 2024-2025 have been adopted for the year. 2026-2028 are budget estimates. Sources: Finance Acts for 2019, 2020, 2021, 2022, 2023, 2024 and 2025 and the Finance Bill for 2025.

<sup>4</sup> Finance Bill for 2025.



to the 2025 Finance Bill, increases in taxes and duties are expected to exceed the general economic growth rate, and the Treasury's OI balance is expected to be positive as from 2025 and up to 2028. The balance expectations were subject to significant downward adjustment from the Finance Act for 2024, however, with the surplus only reaching 30-50% of the previous forecasts. This downward adjustment is due to such factors as higher expectations of operational expenses, particularly in the healthcare area, which have increased significantly, as well as rising administration expenses. Even though the proceeds from taxes, duties and transfers also increased, this income only partly matches the increase in total expenses, which overall results in a lower expected balance. This was reduced considerably in the 2025 Finance Act, and a deficit in 2025 is now budgeted for, followed by three years with surpluses, which overall will give a four-year surplus of DKK 102 million. This is mainly due to the adoption of the Tax Reform, *Let's all make Greenland a better place*, which increases the employment deduction and raises the municipal block grant. The reform is only partly financed and thereby weakens government finances and reduces economic sustainability. In overall terms, and in the immediate short term, Greenland's government finances are currently in a sound position. It is important to point out, however, that the planned increase in indebtedness does not include the implicit debt in the form of the significant maintenance deficit for government-owned buildings and infrastructure.

If indebtedness increases up to 2027, the scope for manoeuvre will be reduced, and economic vulnerability will increase. The Budget Act therefore also requires that any debt expansion is kept under control. The Act ensures that borrowing is exclusively used for economically viable investments, while maintaining balanced government finances. The Budget Act determines that the Greenland Government's OI balance must as a minimum be in balance, and that the overall appropriations for operations, grants and investments may not exceed real growth of 1% over one year, and 2% over four years. In practice, the Act serves as a ceiling to regulate growth in the public sector. The Finance Act for 2025 showed compliance with the balance requirements.<sup>5</sup> The budget only just fulfilled the Budget Act's requirements, however, as the difference between the maximum and the planned expenditure for the 2025-2028 period only amounted to DKK 6.5 million, after inclusion of the recommended reserve for coming Finance Acts. Any such full utilisation of the Budget Act's four-year framework would significantly reduce opportunities to manage any future fluctuations, which could make Greenland's economy more vulnerable to cyclical fluctuations.

Greenland's current cyclical position, characterised by low unemployment, a high level of activity and a labour market under pressure, does not favour a policy with full utilisation of the framework. In these circumstances, excessive easing of fiscal policy could exacerbate the pressure on the economy and increase the imbalance. Instead, the fiscal policy instruments should be used to stabilise the economy by dampening cyclical fluctuations.

Greenland's economy also faces an unresolved structural sustainability problem that requires long-term solutions to ensure the economy's sustainability. The development plan should be to widen the margin to the expenditure limit, so that the economic scope can be more closely targeted at new economically profitable investments that can help resolve the structural challenges and/or reduce the negative consequences of economic downturns, to make Greenland's economy more sustainable going forward.

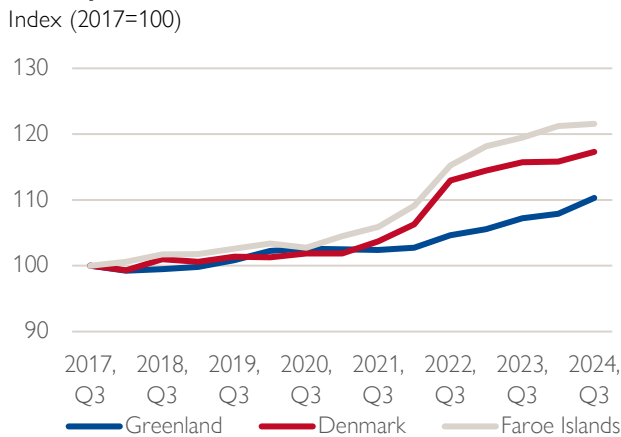
#### *Price trends*

After a period in which higher interest rates were used as an instrument to manage the significant inflation rate, the level of interest rates has begun to fall. Denmark's Nationalbank followed the ECB's lowering of interest rates and cut its rate by a total of 1% point from June to December. Inflation is expected to decrease further, which gives reasonable grounds to expect a further significant drop in interest rates in 2025.

As Figure 3 shows, so far Greenland has been relatively protected from the significant price increases experienced by many other countries during the global inflation crisis. This is particularly due to KNI's hedging of fixed prices for oil and diesel products, as well as the fact that Greenland could use its hydroelectric power supplies. The agreement on a fixed oil price expired at the end of 2023, however, which brought the price development in 2024 into question.

<sup>5</sup> Finance Act 2025, p. 137.

**Figure 3**  
**Development in inflation**



Note: Development in the consumer price index from 2015 to 2023, with 2015 as index 100. The figure is calculated at six-monthly intervals. Q3 is the third quarter.

Sources: Statistics Greenland, Statistics Denmark and Statistics Faroe Island

KNi raised oil and diesel prices at the beginning of 2024, but the increase was lower than expected compared to world market performance, and in an international perspective fuel prices are still low. In July 2024, prices were 2.9% higher than the same month in 2023, with rising fuel prices and increasing housing expenses as the most significant inflationary factors. Inflation in the past year was therefore below expectations, but there is still some uncertainty due to the international energy markets and Greenland's dependence on imported goods. Fossil fuel prices in Greenland have thereby not adjusted to a new natural level, and price rises must also be expected in 2025.

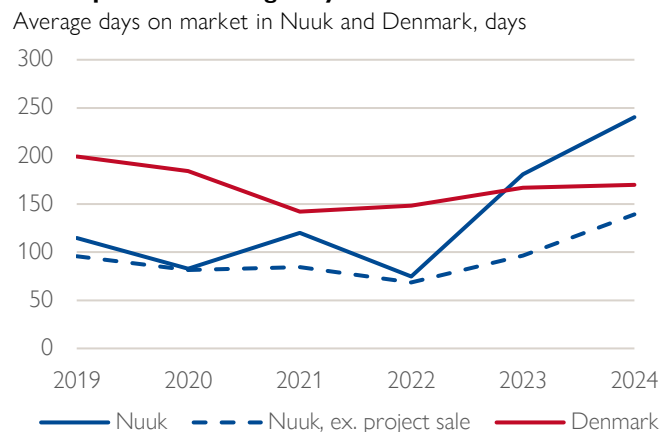
In addition, Nukissiorfiit (the Greenland Energy Company) announced electricity and water tariff increases at 3.5% in both 2024 and 2025, and Naalakkersuisut's renovation of public housing may also lead to price increases.<sup>6</sup> Furthermore, last year Naalakkersuisut approved Royal Arctic Line's freight rate hike at 12% over a three-year period, while as from 2025 an ongoing rate increase of 2.5% per year is introduced. Moreover, the current manpower shortage in Greenland and the countries from which manpower is recruited can be expected to generate wage pressure, together with inflation. In combination, these factors will help to push up inflation in the coming years. This makes it important to continuously monitor the development in prices, so as not to conduct fiscal policy that generates more inflation.

**Housing market**

After several years with very few days on market and rising sales prices and prices per square metre, figures for 2023 and the first nine months of 2024 show a downturn in Nuuk's

housing market. In 2022, the average number of days on market was 75 days. This more than doubled in 2023, when days on market increased to 181 days, and this trend prevailed in 2024, when the average days on market in Q3 increased to 240 days, see Figure 4. For homes that are not newly-built properties, days on market are considerably shorter (140 days), but in this case too, the pattern is for significantly more days on market than in previous years.

**Figure 4**  
**Development in average days on market**



Note: Days on market denotes the average number of days a detached or terraced house, or owner-occupied flat, has been offered for sale before it is removed from the market. For Greenland, only sold homes are included, while the Danish figures also include homes that are not sold. Days on market are calculated on the basis of the date of sale/delisting.

Sources: The BANK of Greenland and Finance Denmark

At the same time, the average price per square metre fell by 6% from DKK 31,688 in 2023 to DKK 29,878 in 2024, see Figure 5. Nonetheless, housing prices in nominal terms in 2024 are still at the 2021 level. This development does not reflect trends in Denmark, which saw price increases in 2024 (current prices). The rising level of interest rates is therefore not necessarily the only explanation for this slowdown in the housing market.

It should also be taken into account that in 2023 and 2024, a large number of newly-built properties were completed for sale, which increased the supply of new residential units. Since there is no significant difference in the number of homes newly occupied by a buyer, this shows that the increasing number of days on market is primarily influenced by higher supply (newly-built properties) and to a lesser extent by demand.

Moreover, many vendors have redeemed public loans at a discounted rate or converted mortgage loans in recent years, which could explain how part of the price drop does not affect vendors. The financing structure of fixed interest rates and repayment of mortgage debt also demonstrates its strength,

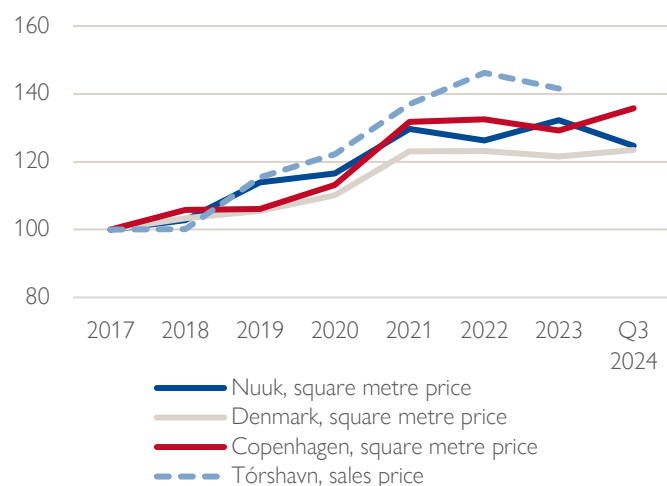
<sup>6</sup> Greenland's Economic Council's autumn 2024 report.

supporting homeowners' resilience, and is also evident from a very low impairment write-down requirement for the Bank's exposure to homeowners.

The BANK of Greenland can note slightly lower house sale activity in a period of 2023 and 2024, but in view of the higher supply and high interest rates this must be seen as a normal market reaction. On the other hand, the BANK of Greenland assesses that the addition of newly-built properties to the market will more or less come to a standstill during 2025, which should stabilise the ratio between supply and demand. The existing lower interest rate will also support activity in the housing market.

**Figure 5**  
**Development in housing prices**

Housing prices in Nuuk, Denmark, Copenhagen and Thorshavn, index (2016=100)



*Note:* 2017=100. Price trends in Nuuk (Greenland), Denmark and Copenhagen are compiled in DKK per square metre for detached and terrace houses, as well as owneroccupied flats, while for Thorshavn (the Faroe Islands) and Nuuk (Greenland) the prices are compiled on the basis of sales prices. The prices are not adjusted by the consumer price index and therefore reflect the nominal development in housing prices. Data for the Faroe Islands is only until 2023, due to missing data. Data for Nuuk in 2024 only includes the first three quarters.

Sources: Finance Denmark, BANK of Greenland and Statistics Faroe Islands.

### Business conditions

Greenland's business activities are strongly affected by a narrow sector structure, with fisheries playing a dominant role, as a vital source of both employment and export income. Since 98% of Greenland's total goods exports comprise fish and fish products, the country's economy relies strongly on stable catch and price conditions. This dependence on fisheries exposes the economy to adverse fluctuations, which emphasises the need for a broader business structure. Initiatives focused on tourism, mining and other sustainable new business areas may be key activities to reduce vulnerability and create a more robust economic foundation.

### Fisheries

Fisheries continue to be a central element of Greenland's economy, but as a sector that faces biological, market-related and structural challenges. The adoption of Greenland's new Fisheries Act in May 2024 is a step towards more sustainable management of the fisheries resources. The Act entered into force at the beginning of 2025, as the result of a long and complex process which showed that various stakeholders – from small fishing boats to major shipping companies – had diverging needs and faced different challenges. The purpose of the Act is to improve the framework for increasing the value of catches, modernising equipment, and retaining workplaces, particularly in the small communities that rely on fisheries for their livelihoods. The Act is also intended to make some elements of fisheries more effective and to maintain fish stocks at a level where they can give a maximum, long-term and sustainable yield.

The Fisheries Act thus addresses some of the sector's challenges and seeks to create better framework conditions, among other things by granting individual transferable quotas (ITQ) to small fishing boat owners, to give these fishermen greater flexibility. Some small-scale fishermen will use the opportunity to sell their quotas for a one-off sum. This will make it possible to boost investments in these fisheries and make them profitable, while the uncertainty among other things relates to whether this could undermine the settlements' economic viability, leading to centralisation and causing settlements to disappear.

However, the Act has given rise to concern in some areas of the sector. The criticism includes the risk of the quotas being spread across too many small operators, which can exert further pressure on profitability and make fisheries less economically sustainable.

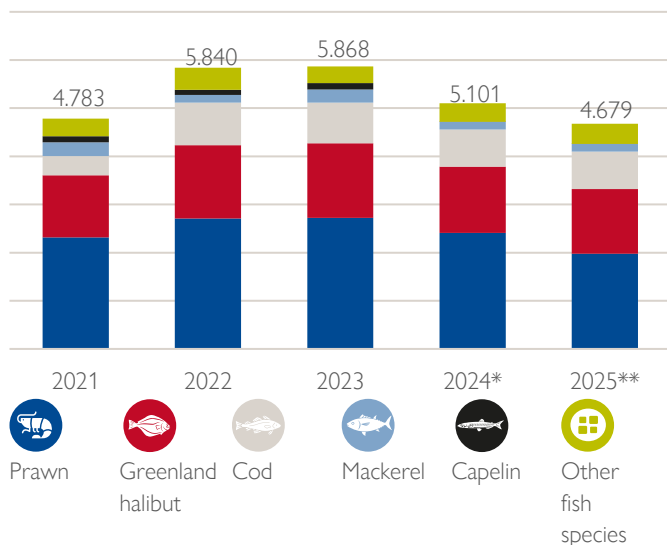
The BANK of Greenland assesses that the adoption of this Act represents several important positive steps forward in terms of safeguarding long-term economically sustainable coastal Greenland halibut fishing. On the other hand, limitations of ownership under the Fisheries Act address other political priorities and not the long-term maximisation of fisheries' yields. Moreover, some elements of the legislative amendments represent intervention in some aspects of fisheries, which can lead to uncertainty concerning future investments in this industry, since the framework can change significantly and beyond the fisheries commission's proposals. There is no doubt, however, that there are considerable positive aspects to the introduction of ITQ in coastal Greenland halibut fishing. It can assure older fishermen approaching retirement of economic security, and secure development opportunities for others, while ensuring more effective fishing. However, the

decisive aspect will be how the Act is implemented in executive orders.

The biological framework sets a natural limit to growth in the sector. The quotas for the most important species are already on the way down, particularly for prawn, while Greenland halibut is also under pressure. Despite these warnings, the biological recommendations are sometimes not always followed. In the longer term this strategy is not sustainable, however, as excessive fishing depletes stocks and reduces future catch opportunities. It is therefore still vital to adhere to the biological recommendations and the Fisheries Act is a step towards ensuring this.

The fishing industry has experienced considerable volatility in the international markets in recent years. Competition from countries such as Norway has also intensified, which exerts pressure on prices.

**Figure 6**  
Annual value of exports of fish and shellfish  
DKK million



*Note: 2024\* are estimates, where mackerel, capelin and other fish species are projected on the basis of the first three quarters' of 2024, due to data availability. The projections are calculated on the basis of seasonal trends from the previous years' catches at fish type level. 2024\*\* are projections, where prices are on average assumed to be identical to 2023, while volumes are assumed to change equivalently to quota changes. The prices are not adjusted in relation to the consumer price index and are therefore nominal/current prices*

*Sources: Statistics Greenland, Naalakkersuisut (the Government of Greenland) and own estimates.*

Looking back on the last few years, the export value of fish and shellfish has been rising, and in 2023 the export value was DKK 28 million higher than in 2022, equivalent to an increase of 0.5% from an already high level, see Figure 6. After several strong years, fisheries now show signs of a slowdown, however, and in 2024 the export value is predicted to drop by

around 13% to DKK 5.1 billion. The decline can be attributed to such factors as falling kilo prices for fish and shellfish in Q1 2024, which were 3-4% lower than in the same period of the previous year. There was no equivalent decrease in Q2. Fish product prices are generally expected to decline, however, in both nominal and real terms, up to 2025-2027, before they are expected to slowly increase again.<sup>7</sup>

There is also the challenge of limited port capacity, which at worst can lead to the loss of valuable working days, with economic consequences for the sector.

Even though quota flexibility gives opportunities to transfer unused quotas to 2025, and thereby temporary relief from some of the economic consequences, this is only a short-term solution. This can lead to lower catch volumes, affecting fishermen's income, business income and the Treasury's tax revenue. For many areas for which fisheries is the economic foundation, declining activity can have significant consequences and increase relocation and centralisation. The situation also emphasises the need for tighter management and a more sustainable balance, to ensure fisheries' long-term development.

*Tourism and aviation*

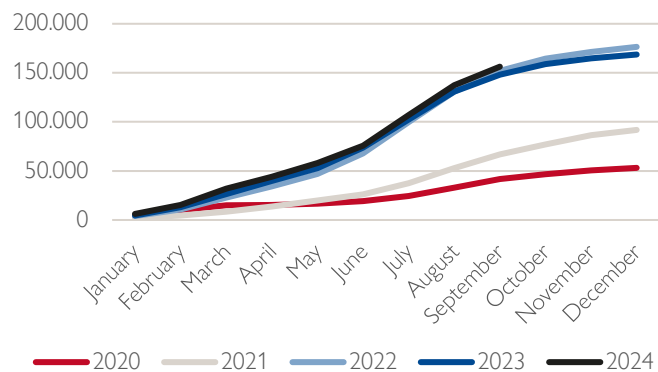
Tourism is one of the fastest-growing global industries. The sector is expected to expand in importance in the coming years, and forecasts show that in ten years' time tourism and travel will account for 11.4% of total global GDP.<sup>8</sup> For Greenland, this development represents an obvious opportunity to create economic growth and local development. At the end of 2024, Greenland's tourism sector stood on the threshold of an exciting new period, where the opening of the new international airport in Nuuk and a number of forthcoming direct summer routes brings the promise of considerable growth potential for the sector.

In recent years there has been a clear increase in Greenland's tourism. In September 2024, the accumulated number of foreign overnight stays was around 5% higher than in the same period of 2023 (see Figure 7), while provisional figures indicate growth exceeding 20% in the number of foreign airline passengers from 2023 to 2024 (see Figure 8). This development emphasises that foreign tourism already plays a greater role in Greenland's economy. On the other hand, the statistics show that both hotel overnight stays and international aviation involving residents of Greenland declined in 2024. This indicates that a growing share of the tourism economy originates from foreign tourists.

<sup>7</sup> See OECD-FAO Agricultural Outlook 2024-2033, July 2024.

<sup>8</sup> Statista, <https://www.statista.com/statistics/1099933/travel-and-tourism-share-of-gdp/>,

**Figure 7**  
**Increase in foreign-visitor overnight hotel stays**  
 Number of foreign-visitor overnight hotel stays, acc. annually

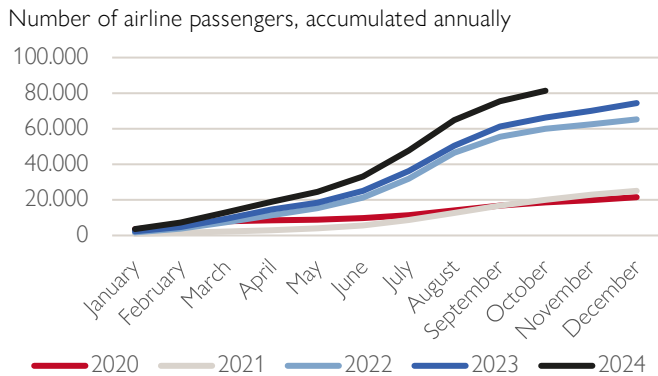


*Note:* The figure shows the number of foreign-visitor overnight hotel stays for 2020 to 2024. Foreign refers to all countries that are not Greenland, i.e. including Denmark. The number of overnight hotel stays is accumulated for each year. This means that the last month represents the total annual number: For 2024, the first nine months are included due to data availability.

*Source:* Statistics Greenland

Naalakkersuisut's ambition is for tourism to account for 40% of the value of Greenland's exports in 2035, with a doubling of the number of tourists. To achieve this goal, it is vital to develop the tourism sector in step with the increasing demand.

**Figure 8**  
**Development in the number of airline passengers**  
 Number of airline passengers, accumulated annually



*Note:* The figure shows the number of foreign departing airline passengers for 2020 to 2024. Foreign refers to all countries that are not Greenland. The number of departing airline passengers is accumulated for each year. This means that the last month represents the total annual number: For 2024, the first ten months are included due to data availability.

*Source:* Statistics Greenland

With the opening of the new international airport in Nuuk in November 2024, the inflow of tourists is not expected to materialise until the new routes start up in high season in the summer of 2025, and subsequent years. Capacity analyses from Visit Greenland<sup>9</sup> show, however, that it is already challenging to meet the need for overnight stays, restaurants and attractions. With average annual growth of 5%, the analysis shows that Nuuk will face a severe lack of hotel capacity in 2027, unless

there is investment in new hotels and expansion of existing facilities. Restaurants in Nuuk are already under a lot of pressure, and the sector is struggling to obtain sufficient manpower and suitable premises. The challenge is even more acute in Ilulissat, and the capacity analysis shows that, with the expected increase in demand, there will already be a severe shortage of hotel rooms as from 2026, particularly during high season in July and August.

To ensure sustainable, long-term growth, it is not sufficient to focus solely on quantitative growth. It is vital that tourism is developed with due consideration of sustainability in the environmental, social and cultural areas. The growth in tourism must be balanced, so as to strengthen the economy, and contribute to local value creation and employment, without this being at the expense of Greenland's unique nature and culture. This does not mean, however, that external investment must be ruled out – quite the contrary, in fact. The much-needed growth requires injection of capital, experience and know-how from foreign parties that can cooperate closely with local businesses to ensure responsible, profitable development.

Greenland thus has opportunities to balance strong growth in tourism with sustainability, utilising tourism's full potential for the benefit of the local community, local and foreign investors, and Greenland's overall economy.

To support this development and ensure responsible growth, in November Naalakkersuisut adopted a new Tourism Act that entered into force as from 1 January 2025. The purpose of the Act is to establish a more sustainable and regulated tourism sector, with focus on safety, quality and a local anchoring. The key initiatives include a requirement for a licence to operate tourism activities, where at least two thirds Greenlandic ownership is required for a licence to be issued. The Act has received a mixed reception from the sector. On the one hand, it is assessed to be positive that local parties are ensured better conditions and visibility, but there are also concerns that strict requirements can deter foreign investors from engaging in a sector for which external capital and know-how are vital to realising tourism's full potential.

Besides the new Tourism Act, discussions continue concerning possible new taxes, including overnight stay taxes, that will also impact the sector. While these taxes could potentially boost the municipalities' finances and opportunities to maintain the tourism infrastructure, it is vital that they are introduced on a predictable basis, and with sufficient notice. Unforeseen changes, such as a passenger tax on cruise liner calls, have

<sup>9</sup> <https://traveltrade.visitgreenland.com/da/seneste-nyt/visit-greenland-udgiver-kapacitetsanalyse-for-nuuk/>

previously presented challenges for operators who did not have sufficient time to adjust their pricing accordingly.

Greenland's new Tourism Act and the proposed taxes can be an important step towards a more structured and sustainable tourism sector, but a fine balance needs to be maintained, so that they do not inadvertently impede growth and investment in the sector. The BANK of Greenland has expressed scepticism about the adopted restriction of dominion and advocated for the necessity of foreign investments and partnerships between local and foreign operators. It will therefore also be particularly important to monitor whether restrictions to foreign ownership impede investments and development to such an extent that this cannot be set off by the upswing in local investment. This would present the risk that the basis for tourism investments in infrastructure, hotel capacity, etc. is not financially viable.

#### *Mineral resources and the mining industry*

The strategic global importance of Greenland's geology has been recognised for many years, and in recent years both the EU and the USA have stepped up their interest in Greenland, particularly with regard to critical mineral resources. At the beginning of 2024, Naalakkersuisut and the EU entered into a strategic partnership on the development of mineral resources in Greenland. This partnership reflects the EU's need for access to rare-earth elements and other critical raw materials, and the wish to reduce dependence on China, which today supplies most of the EU's consumption of rare-earth elements. This gives Greenland a unique opportunity to play a key role in the global supply chain. For Greenland, this situation provides opportunities for economic growth and development, but realising this potential will require a targeted effort to strengthen and develop Greenland's mineral resources sector.

Despite the increasing international interest in Greenland's mineral resources, activity in the sector is still limited. At the end of 2024, there was only one active mineral project, Lumina Sustainable Materials' anorthosite mine, while there are expectations that the gold mine north of Nanortalik will reopen during 2025.

Greenland thus still faces the challenge of turning the mineral resources sector into a reliable economic factor. This will inevitably require significant foreign investment. Insufficient data is emphasised as one of the greatest barriers to this development. This particularly concerns geological data from mineral resources exploration, so as to document the occurrence of critical minerals and give a better overview of their quality and prevalence.

Another key barrier is the absence of a proof of concept to demonstrate that mining projects in Greenland can be

profitable. A successful major project would attract further investment and boost confidence in the sector.

There is also political focus on ensuring that Greenland derives the greatest possible benefit from its mineral resources. Initiatives such as Greenland's Small Scale Exploration and Utilisation Act and the requirement for local management are political tools to ensure value creation for the local population and to support the mineral resources sector's development based on a proper understanding of the local context. However, the uncertainty concerning political changes, such as the introduction of Greenland's Uranium Act to ban uranium mining in Greenland, has previously provoked investor concern and may continue to affect Greenland's status as a sound investment object.

The mineral resources and mining sector is characterised by long-term investment and a high capital commitment. For Greenland this entails creating an attractive and stable investment environment in which political receptiveness and a clear framework walk hand in hand with a society that acknowledges the legitimacy of economic returns. If the sector is to achieve its potential as a central driver of Greenland's economy, contributing to the global green transition, it is vital to build trust between all parties concerned. Greenland must be able to offer a combination of stable framework conditions, effective administration and a clear political strategy that signals predictability, competitiveness and ambition. Predictability in administrative practice is vital, but difficult to legislate on. The BANK of Greenland cannot assess whether a strategic partnership with the EU can address this issue, and strengthen the administrative structure, but it must be made easier to attract new investment and there is an obvious need for several new initiatives, based on a broad political mandate.

#### *Other business opportunities and potential*

Besides the established sectors such as fisheries and tourism, Greenland has considerable potential for developing sustainable new business areas. The coming hydroelectric power stations are expected to generate energy volumes far exceeding Greenland's demand, which opens up opportunities for innovation in energy-intensive industries such as Power-to-X technologies or data centres.

Other exciting perspectives include Greenlandic mud (glacial rock flour) for use as a fertiliser and to bind CO<sub>2</sub>, and storage of liquid CO<sub>2</sub> (Carbon Capture and Storage) in Greenland's basalt underground, which is assessed to be suitable for this at several locations.

Over time, these new sectors may perhaps contribute to local business development and creation of new workplaces in Greenland, while strengthening Greenland's role in the global

green transition. These are all very long-term areas, however, presenting significant technical and commercial risks, so that mainly foreign capital holders with commercial insight will have to take on the risk together with opportunities to generate returns.

Greenland's role in a geopolitical context may also lead to real investment with business development potential. The EU partnership, and several bilateral and geopolitical interests in Greenland, may pave the way for investments not only in green energy and mineral resources, but also with potential for infrastructure, education, etc. for the benefit of Greenland's long-term economic development.

**Structural challenges**

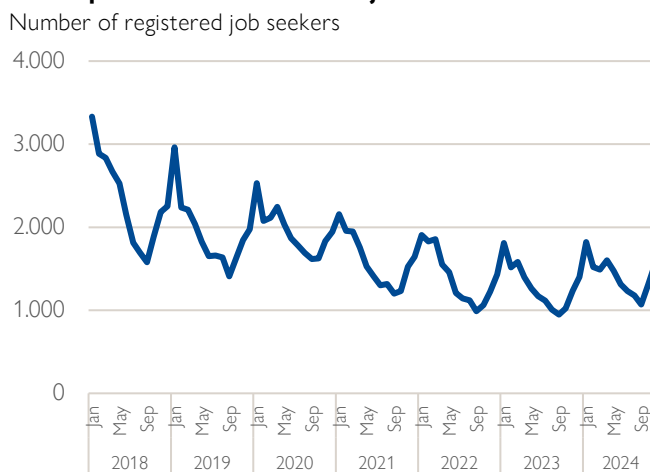
Greenland faces several structural challenges that may become more prominent in the coming years, unless they are given priority now. A lack of manpower, a low competence level, an ageing population and significant inequality exert pressure on both the economy and social cohesion.

*Labour market*

Greenland's labour market reflects the economic upswing in recent years. In March 2024, measured on the basis of the last 12 months' average, the number of jobseekers was the lowest in over ten years, with only around 1,000 registered jobseekers in September 2024, see Figure 9.<sup>10</sup> This means that the labour force is close to full utilisation.

Full employment is positive for public finances, as higher income tax revenue combined with lower expenditure on public benefits can boost budgets. A demand for manpower that exceeds supply when unemployment is low and economic growth is an objective can present a challenge, however. The structural labour market challenge has persisted for several years, although this has been partly offset by a steady increase in the number of foreign nationals working in Greenland. During the past three years, more than 1,000 people of employable age have moved to Greenland, which has increased the labour force by around 3.5%.<sup>11</sup> In recent years the nature of immigration to Greenland has changed. More and more new immigrants are Asians and unskilled workers.

**Figure 9**  
**Development in the number of job seekers**



Note: Monthly figures for the number of registered job seekers. The number is calculated on the basis of the entire population.

Source: Statistics Greenland

Greenland's workforce is just under 80% of the population, see Figure 11. Even though this ratio is marginally higher than in Denmark, it could potentially be higher in Greenland, in view of the shorter life expectancy and lower number of pensioners. For comparison, the ratio for the Faroe Islands exceeds 90%. If Greenland could increase its workforce to the Faroese level, this would add just over 4,400 people to the labour force.

While Greenland's unemployment rate stood at around 2.7% in 2023 and is expected to be close to unchanged in 2024, unemployment rates vary quite considerably across Greenland. The variation is particularly apparent from a comparison of smaller settlements with larger towns. In Tasiilaq, the unemployment rate is 12.6%, in contrast to Ilulissat, where the rate is 1.1%. In view of the high demand for labour, it is important to investigate opportunities for regional initiatives to optimise utilisation of the workforce. Even with full utilisation, productivity growth and more foreign manpower will probably be necessary. This necessity is emphasised by population projections, which, despite their uncertainty, indicate a population decline.

As a measure to increase the supply of labour and also increase the degree of self-reliance, a political agreement to reform the personal income and tax system has been established. The reform entails raising both the basic deduction and the employment deduction, in order to increase the incentive to work and to improve the circumstances of low-income groups.

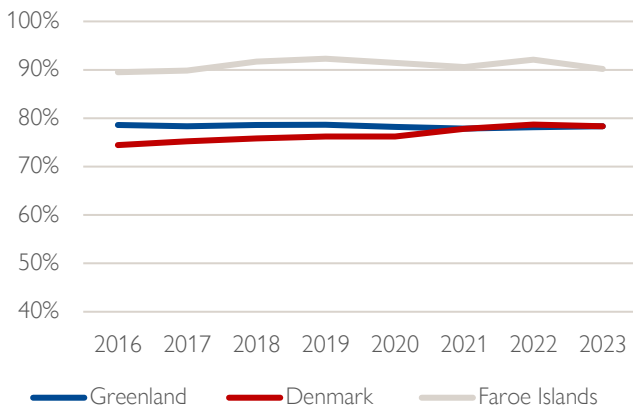
<sup>10</sup> It should be noted, however, that in the months from April to September 2024, there were around 15% more jobseekers than for the same months in 2023. This increase should be viewed in the light of such factors as the new jobseekers' allowance from 2024, which has increased the financial incentive to register as looking for work.

<sup>11</sup> Statistics Greenland.

However, increasing the supply of labour is not enough in itself. To achieve a well-functioning labour market it is also necessary to ensure a workforce with skills and qualifications that match businesses' needs and requirements. There is a particular lack of trained and qualified manpower, while unemployment rates are significantly higher for those with a lower level of educational achievement. This means that the labour market policy must be viewed in close relation to the education policy, as this will not only increase the labour supply, but also benefit productivity.

**Figure 11**  
**Workforce as a ratio of the population**

Workforce as a ratio of the population of working age



*Note: The figure shows the workforce (unemployed and employed in total) as a percentage of the population in Greenland, Denmark and the Faroe Islands, respectively. Due to data limitations, the ratios are compiled for marginally different population groups for the three countries (populations: 16-64 year-olds in Denmark, 15-64 year-olds in the Faroe Islands and 18-retirement age in Greenland). Reservation is therefore made for comparability.*

*Sources: Statistics Denmark, Statistics Greenland and Statistics Faroe Islands*

**Education**

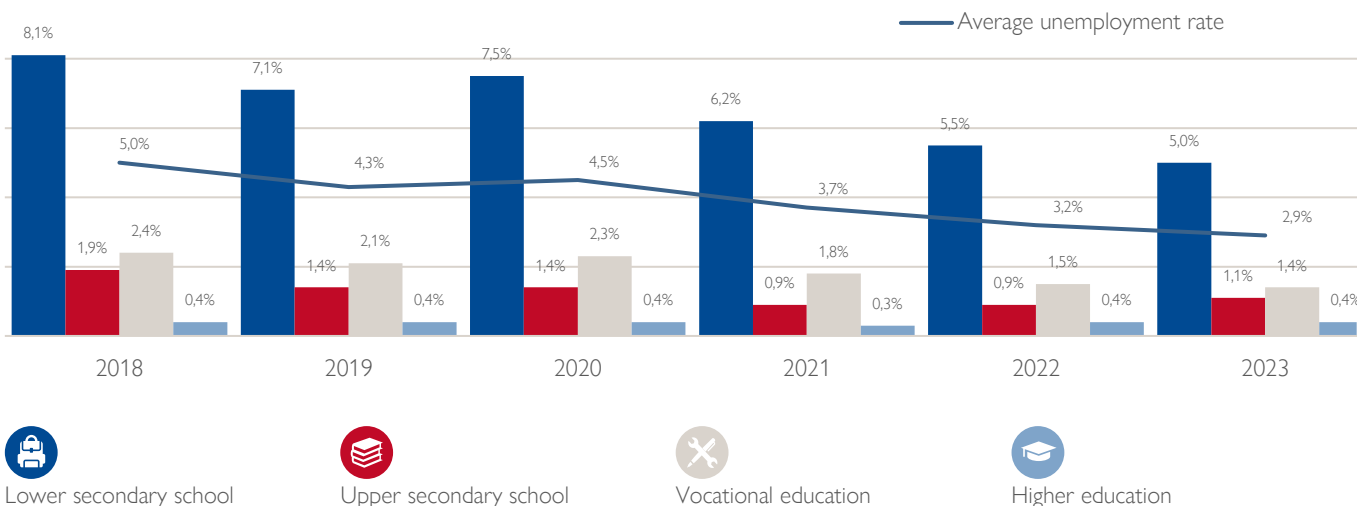
Even though Greenland's unemployment is low, there is a clear connection between unemployment and level of education. This tendency is not unique to Greenland, but can also be seen in the other OECD countries. This emphasises the need to raise the education level to increase future employment levels. For as long as a large proportion of the population has only achieved lower secondary education, the average unemployment rate will remain high. This is also apparent from **Fejl! Henvisningskilde ikke fundet.**, which shows that unemployment is significantly higher among those with lower secondary education as their highest educational qualification. Figure 12 shows that in 2023, 57% of Greenland's population had lower secondary education as their highest educational qualification – an improvement from 71% in 2003 and 65% in 2013, but still a challenge for the labour market and the economy. Analyses from Greenland's Economic Council show a productivity gain from further education of between 40 and 90%.<sup>12</sup>

In June 2024, Naalakkersuisut therefore approved the new education strategy for 2024-2030, as an initiative for more people to complete upper secondary education. It is important, however, that sufficient funding is provided to this area, since Greenland's geography and population size will require substantial efforts.

Young people wishing to achieve higher educational qualifications are still obliged to study abroad to a great extent. The challenge this presents is that a large proportion of new graduates do not return to Greenland. A key condition for success is that the young people also gain the language skills

**Figure 10**  
**Unemployment by level of education**

Unemployment rate calculated for each of the four education levels



*Note: The columns show the level of unemployment for each of the four education levels in Greenland from 2018 to 2023.*

*Source: Statistics Greenland*

<sup>12</sup>Greenland's Economic Council, January 2024.



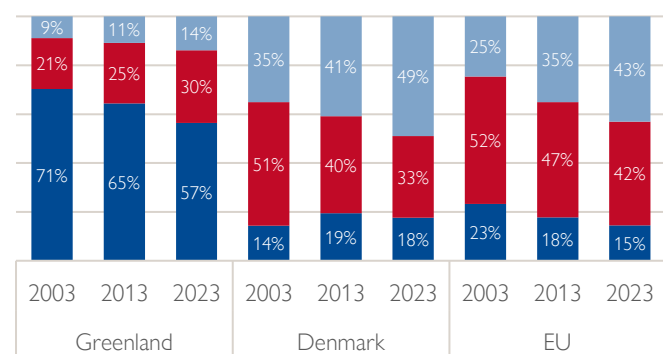
that are crucial for them to flourish in an increasingly more globalised labour market.

The positive aspect is that Sustainability and Growth Plan II focuses on the education area. Especially such initiatives as improved guidance and bridge-building can help to achieve a better match between skills and labour market requirements. This includes the fisheries sector, where there is high demand for qualified manpower.

It is doubtful, however, whether these measures alone can improve the level of education to the extent and at the speed that is likely to be a socioeconomic necessity. There is a need for broader, more targeted efforts to ensure that more young people gain the right skills and qualifications. There is an urgent need to think in new ways, which requires cooperation with other countries, institutions and everyone who can make it realistically possible to raise education levels, starting with elementary school and also including vocational colleges and upper secondary programmes. The BANK of Greenland cannot assess whether partnerships with the EU, such as in the mineral resources area, is a path to take, but there is an urgent need for new measures that can bring about concrete development.

**Figure 12**  
**Development in level of education**

Distribution of education



-   
 Lower secondary school
-   
 Upper secondary school
-   
 Higher education

*Note: The columns show the distribution of education on the populations between the ages of 25 and 64 in Greenland, the EU and Denmark for 2003, 2013 and 2023.*

*Sources: Statistics Greenland, Eurostat and Statistics Denmark.*

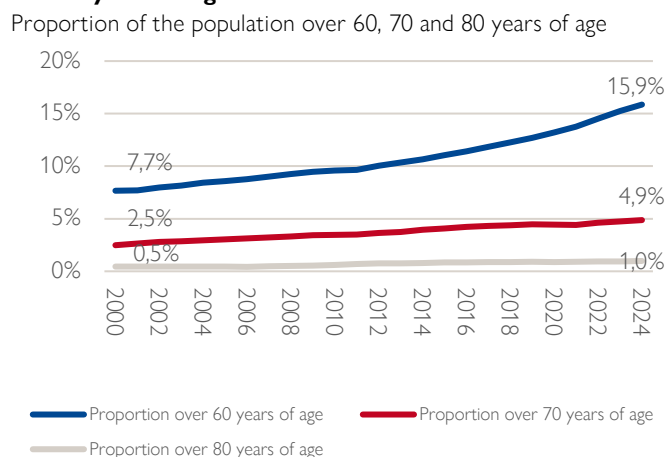
**Demographic challenges**

In recent decades the ageing of Greenland's population has increased steadily, and this trend is set to continue. In 2024, people aged over 60 accounted for almost 16% of the population, while the over-70s and over-80s made up almost 5% and 1%, respectively (see Figure 13). Compared to 2000,

the proportion of all three elderly age groups has approximately doubled. This reflects the positive trend of longer life expectancy, but also presents considerable challenges. The rising ratio of elderly people will increase public expenditure on elderly care, healthcare and pensions. Greater prosperity also leads to the expectation of a higher quality of welfare benefits, which further increases the pressure on government finances. The government health agreement of November 2023 resulted in an appropriation of DKK 35 million to the health service. Furthermore, at Naalakkersuisut's request, in connection with the Danish Finance Act the Danish government has proposed the allocation of a healthcare pool of DKK 140 million for 2025 to 2028, to cover patients from Greenland who are assigned for treatment in Denmark.

This pressure is further amplified by a declining birth rate. Fertility in Greenland has dropped by almost 26% from 1990 to 2022, which means that in future fewer people of working age will have to provide for a growing proportion of elderly people. This presents a twofold challenge. Government revenue from taxes is expected to decline, while expenditure is expected to rise as a consequence of the demographic development. This structural challenge is not unique to Greenland, and is also apparent in many western countries, but is nonetheless a significant structural problem.

**Figure 13**  
**Development in proportion of the population over 60, 70 and 80 years of age**



*Note: Proportion of the population aged over 60 from 2000 to 2024.*

*Sources: Statistics Greenland*

Increasing public expenditure in the future, in the face of falling revenue, will result in an unsustainable fiscal policy, and according to Greenland's Economic Council, there will be an

annual financing deficit of over DKK 1 billion.<sup>13</sup> This is equivalent to around 6% of GDP, which further emphasises the need for reforms. Based on this challenge, the need for reforms has been considered by Greenland's Economic Council and in this section of the BANK of Greenland's annual reports for many years, while the measures actually taken during this period have been limited.

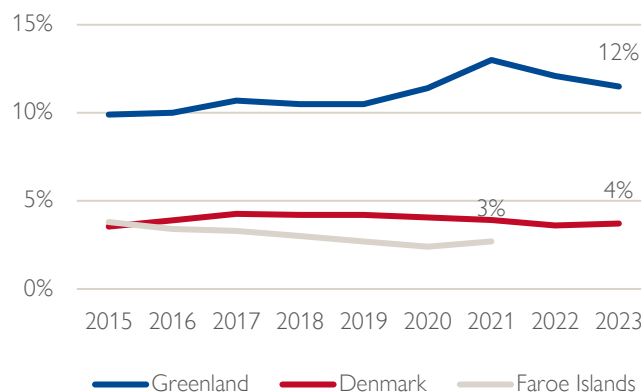
In 2023, Inatsisartut (the Greenland Parliament) adopted a decision to abolish the mutual dependency obligation applied to the calculation of pensions for old-age and disability pension recipients. This change removes the financial incentives which led elderly people to leave the labour market earlier than necessary. It is therefore a positive step that can contribute to retaining elderly people in the labour market, for the benefit of the economy, while increasing the supply of manpower to a labour market that is under pressure. It is important to note, however, that this initiative alone is not sufficient to resolve Greenland's structural sustainability problem.

Besides increasing the incentive to stay in the labour market, Inatsisartut has also already raised the retirement age in several instances. First from 65 to 66 years of age, and then later to the current 67 years of age. In addition, specific proposals are expected for automatic adjustment of the retirement age based on remaining life expectancy, to meet the rising costs of people living longer. This is particularly important because the current pension system is only based on private pension plans to a minimum degree.

The measures will also have the effect of reducing social inequality across the entire population. The proportion of Greenland's population living in relative poverty was<sup>14</sup> 12% in 2022. This is more than three times the proportion in Denmark and the Faroe Islands, at around 3-4%, see Figure 14. The proportion living in relative poverty is generally increasing. The proportion was particularly high in the Covid-19 pandemic years, but disregarding these years, there is an upward development trend.

**Figure 14**  
**Inequality in Greenland compared to Denmark and the Faroe Islands**

Proportion of the population living in relative poverty



*Note: The proportion of the population aged over 14 years whose income is below 50% of the median of the equivalised disposable income. Equivalised disposable income is an income measure that corrects income on the basis of the number of family members, i.e. the scale economies that may arise from more adults and the expenses associated with having children.*

*Sources: Statistics Greenland and Statistics Denmark*

To handle the structural challenges at a pace that prevents them from developing out of hand, it is vital to regard them as related elements of the whole picture. Improving one area can often have derived positive effects in other areas. For example, raising education levels can contribute to increasing the workforce, higher productivity and less inequality. These improvements can also improve social mobility, which can further strengthen education levels. Focusing on how the different areas are mutually related can create a positive spiral effect, giving the economy in general a boost.

### **External investments as one of several driving forces for Greenland's future development**

Reforms that primarily affect local conditions and economic sustainability can and should be supplemented with good framework conditions to attract foreign investment. To ensure Greenland's economic growth and sustainable development it is vital not to exclude opportunities for investment from abroad. Greenland's own capital reserves and manpower are already fully utilised and future growth will require new capital, experience and know-how to be contributed by external parties. These investments can play a key role in supporting innovation, rationalisation measures and strategic expansion of the business structure.

While other countries seek actively to attract foreign investment, in Greenland it is often feared that major international companies could drain the country of profits and assets. Even though it is vital that investors can legitimately profit from their investment, this concern should be addressed

<sup>13</sup> Greenland Economic Council's report from autumn 2023.

<sup>14</sup> Relative poverty also indicates the proportion of the population who live on less than 50% of the country's median income, taking due account of family size and structure.

and also promote responsible investment. Foreign investment can create unique new opportunities. They can ensure that Greenland attracts and builds up know-how within green energy solutions, tourism and mining, which are sectors with considerable growth potential. For this to succeed, it is necessary to establish a stable, attractive investment environment where a clear framework and political responsiveness can ensure value-generating collaboration between local and international parties.

In this respect, impact investments and blended finance can be relevant instruments. Impact investments focus on generating economic returns, as well as positive social or environmental effects, such as promoting green energy solutions or strengthening local communities. Blended finance is a model whereby public and private capital are combined to reduce the risk for private investors and also ensure investment in projects of great economic importance. These methods can support Greenland in attracting investments that not only benefit investors, but also ensure sustainable development, for the benefit of all of society.

In the context of Greenland it is vital that this cooperation is not impeded by the necessary regulation and framework conditions, but that it instead promotes responsible and sustainable investments.

It is vital that Greenland does not isolate itself, but instead finds the right balance between international investments and local interests. Through close cooperation and acknowledgement of the legitimacy of economic returns on investments, Greenland can leverage its unique position to ensure a future with appropriate attractive community development.



**About the BANK of Greenland in Brief**

The BANK of Greenland was established in 1967 by a group of Danish banks. The founding general meeting was held on 26 May 1967 at Danske Bankers Fællesrepræsentation's premises in Copenhagen. This marked the birth of the first bank in Greenland. The Bank opened on 1 July 1967.

Nine months before, Bikuben (restructured in 1985 as Nuna Bank) established a branch in Nuuk. In 1997, the BANK of Greenland and Nuna Bank merged.

**The BANK of Greenland's mission**

"The BANK of Greenland creates income and value through advisory services and other services in the financial area for 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 Bank's mission should thus be viewed in a broader perspective whereby the BANK of Greenland can be seen as the Bank for all of Greenland. This imposes an enhanced responsibility to participate positively and actively in society's development and to help to create opportunities in Greenland, while also ensuring sound financial activities. The BANK of Greenland is highly aware of this vital role.

**The BANK of Greenland's values**

The BANK of Greenland's values are firmly anchored in the Bank and its employees. The values are **Commitment, Decency, Customer-oriented** and **Development-oriented**. These values serve as a guide for how we act and wish to be seen within and outside the Bank.

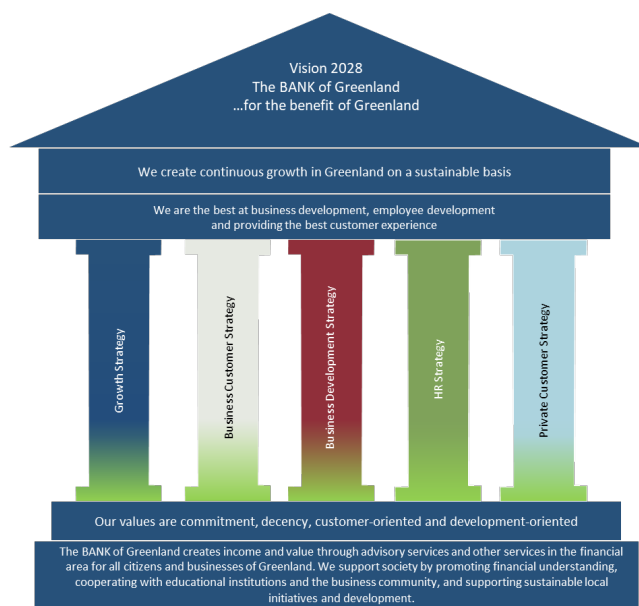
**The BANK of Greenland's strategy, vision and objectives**

In December 2024, the BANK of Greenland's Board of Directors approved the Bank's strategy for the coming years. "Strategy 2028" will support the vision and objective to be "for the benefit of Greenland". The strategy determines the Bank's key development areas for the coming years, as well as setting out an overall action plan. The Bank seeks to involve all staff in achieving the Bank's vision to be "for the benefit of Greenland".

The BANK of Greenland hereby wishes to ensure the Bank's continued favourable development through a balanced focus on the three main areas:

**Business development, employee development and customer experience**

On an annual basis, the main areas are included in objectives, which are continuously adjusted to the long-term strategy and vision for 2028. The BANK of Greenland will thereby ensure that we continue to give value to society and are the preferred bank for customers, shareholders and employees, fulfilling the vision to be "for the benefit of Greenland".



**Figure 15**  
The Bank's vision for 2028 – for the benefit of Greenland

## Summary of Financial Highlights

	2024	2023	2022	2021	2020
SELECTED OPERATING ITEMS:					
Net interest and fee income	470,264	435,012	351,485	338,933	326,513
Value adjustments	28,578	40,058	-39,356	11,219	136
Other operating income	5,400	5,803	6,588	6,185	5,369
Staff and administration expenses	226,362	211,166	195,056	186,385	178,734
Depreciation and impairment of tangible assets	9,017	8,158	7,320	7,014	6,948
Other operating expenses	4,255	2,815	2,706	2,497	2,610
Write-downs on loans and receivables, etc.	18,909	14,160	4,523	1,537	12,828
<b>Profit before tax</b>	<b>245,699</b>	<b>244,574</b>	<b>109,112</b>	<b>158,904</b>	<b>130,898</b>
Tax	36,689	52,179	10,361	26,072	34,671
<b>Profit for the year</b>	<b>209,010</b>	<b>192,395</b>	<b>98,751</b>	<b>132,832</b>	<b>96,227</b>
SELECTED BALANCE SHEET ITEMS:					
Lending	5,030,995	4,812,975	4,353,585	3,783,681	4,006,248
Deposits	7,152,807	6,413,469	5,942,479	5,363,871	5,847,772
Equity	1,593,622	1,479,123	1,318,592	1,267,911	1,176,917
Total assets	10,021,543	8,840,981	7,949,566	7,226,988	7,438,325
Contingent liabilities	1,422,643	1,774,426	1,934,125	1,781,465	1,621,831
KEY FIGURES FOR THE BANK (IN PER CENT)					
Return on opening equity before tax and dividend	17.5	18.9	9.0	13.9	12.1
Return on opening equity after tax and dividend	14.9	14.9	8.1	11.6	8.9
Capital ratio	26.9	26.0	23.6	24.4	23.5
Individual solvency requirement	11.1	11.1	11.1	10.7	11.2
KEY RATIOS PER SHARE IN DKK					
Profit for the year per share, before tax	136.5	135.9	60.6	88.2	72.7
Profit for the year per share, after tax	116.1	106.9	54.9	73.8	53.5
Net book value per share	885	822	733	704	654
Dividend per share	100	55	20	40	25
Closing share price	700	625	590	598	590

### Definition of key figures for the Bank

The period's return on equity before tax and after dividend

Profit before tax as a ratio of equity less the taxable value of dividend.

The period's return on equity after tax and after dividend

Profit after tax as a ratio of equity less the taxable value of dividend.

## Management's Review for 2024

### Principal activity

The BANK of Greenland's principal activity is to offer financial services to private customers, business customers and public institutions in Greenland. The Bank wishes to offer a wide range of products that is adapted to Greenland's society and customers' requirements, combined with professional advisory services.

### Statement of income

Net interest income increased by TDKK 30,259 from 2023. A higher level of interest rates than expected, and lending growth in 2024, had a positive effect on lending rates. Market interest rates in 2024 also had a positive impact on the return on the Bank's surplus liquidity, both as direct investments placed in Danmarks Nationalbank and as interest on bonds.

Dividend on the Bank's shareholdings amounts to TDKK 8,859, compared to TDKK 2,155 in 2023. The development is due to DKR Kredit's payment of dividend for the first time.

Fee and commission income decreased by TDKK 1,803 from 2023 to 2024. The decreasing guarantee volume and payment settlement fees during the year drove the decline. In total, net interest and fee income increased by TDKK 35,252 to TDKK 470,264.

Other operating income, primarily external rental income on the Bank's residential properties, amounted to TDKK 5,400, compared to TDKK 5,803 in 2023.

Staff and administration expenses increased by TDKK 15,196 to TDKK 226,362. Staff expenses increased as a consequence of pay increases under collective agreements and several staff increases. The average number of full-time employees increased by around ten people in 2024. Administration expenses were at a higher level of TDKK 106,438, compared to TDKK 102,054 in 2023. The higher level reflects an increase in BEC and other IT expenses and in marketing costs.

Depreciation of property and fixtures and fittings increased to TDKK 9,017, compared to DKK 8,158 in 2023. Additional staff properties increased depreciation in 2024.

Other operating expenses increased by TDKK 1,440 to TDKK 4,255. Other operating expenses primarily concern operation and maintenance of bank buildings, as well as contributions to guarantee and settlement assets. The increase in costs is primarily due to maintenance of bank buildings.

The profit before value adjustments and write-downs is thereby above the 2023 level, amounting to TDKK 236,030, compared to TDKK 218,676 in 2023.

### Selected Highlights and Key Figures (not audited)

DKK 1,000

	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Net interest and fee income	114,392	113,509	122,734	119,629	119,981	111,043	99,933	104,056
Costs, depreciation and amortisation	65,959	56,190	58,299	59,186	61,918	51,492	51,814	56,914
Other operating income	1,428	1,355	1,316	1,301	1,346	1,451	1,613	1,392
Profit before value adjustments and write-downs	49,861	58,674	65,751	61,744	59,409	61,002	49,732	48,534
Value adjustments	6,004	18,657	-1,450	5,367	20,248	8,817	3,085	7,907
Write-downs on loans, etc.	3,745	3,892	5,946	5,326	5,907	1,974	-713	6,992
Profit before tax	52,120	73,439	58,355	61,785	73,750	67,845	53,530	49,449

Considering Q4 2024 in isolation, net interest and fee income amounted to TDKK 114,392, compared to TDKK 119,981 for the same period of 2023. The development in Q4 2024 is primarily due to higher fee income in Q4 compared to Q3 2024. Comparison of the quarters of 2024 with Q4 2023 shows declining income from interest, despite a higher level of lending and deposits, and thereby a negative effect of the falling level of interest rates in the last part of 2024.

Total costs are at a higher level than for the same period of the previous year, amounting to TDKK 65,959, compared to TDKK 61,918 in Q4 2023. The increase particularly reflects the aforementioned increase in staff numbers. Moreover, additional staff expenses of a one-off nature were incurred in Q4 2024, which was not the case in 2023. Value adjustments at DKK 6 million are thereby significantly below Q3 and the same quarter of 2023. Write-downs and provisions are TDKK 3,745 lower than for the same period of the previous year. The profit before tax in Q4 is thus TDKK 52,120, compared to TDKK 73,750 in Q4 2023.

For the overall year, value adjustment of securities and currencies resulted in a gain of TDKK 28,578, compared to a gain of TDKK 40,058 in 2023. The Bank's holdings of sector equities gave lower gains than the previous year, although this should be viewed against higher share dividends. The market's performance entailed greater fluctuation in the value adjustment of the Bank's bond holdings, but nonetheless a gain for the year of DKK 16.0 million in 2024, compared to a gain of DKK 23.7 million in 2023.

Impairment write-downs on loans, etc. were TDKK 18,909 in 2024, which is TDKK 4,749 higher than in 2023. This is still a modest overall level. The total impairment write-downs amount to 0.3% of the Bank's loans and guarantees. The Bank continues to see generally strong credit quality in the lending portfolio.

In addition to the Bank's individual impairment models, a management estimate is allocated, which at the end of 2024 totalled DKK 42.3 million. The estimate addresses industry and credit risk, but in particular also risks associated with rising inflation and cyclical uncertainties.

The profit before tax is TDKK 245,699, compared to TDKK 244,574 in 2023. The profit for the year is thereby within the interval of DKK 225-250 million stated in October 2024. The profit before tax gives a return on equity of 16.0%.

Tax is calculated at 25% of the profit before tax, adjusted for non-tax-liable income and non-deductible expenses. The profit after tax is TDKK 209,010 in 2024 and gives a return on equity of 13.6%.

### Balance sheet and equity

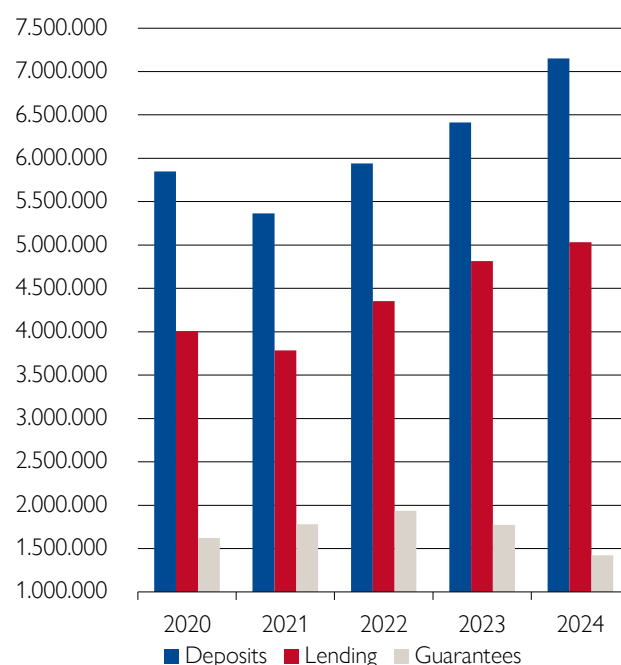
The BANK of Greenland's balance sheet at year-end 2024 totalled a record TDKK 10,021,543, after an increase of TDKK 1,180,562 from 2023. Deposits were on a rising trend throughout 2024, amounting to TDKK 7,152,807 at the end of 2024. Compared to 2023, this is an increase of TDKK 739,338. Deposits primarily increased in the public-sector customer segment and from business customers in 2024. The Bank's deposits are mainly held on demand.

Lending in 2024 increased by 4.5% or TDKK 218,020 to TDKK 5,030,995. At the start of 2024, the Bank expected that the economic development in Greenland would bring an increase in lending in 2024, but generally with a lower growth rate than in previous years. At the same time, the Bank's guarantees decreased by TDKK 351,783 to TDKK 1,422,643. The primary reason for the decline is that the Bank has entered into a new guarantee agreement with DLR Kredit, which entails lower guarantee commission than before.

Total loans and guarantees thereby decreased by a total of TDKK 133,763 to TDKK 6,453,638.

### Development in business scope

TDKK



The Bank's bond holdings increased by TDKK 195,420 to TDKK 1,498,540.

Land and buildings increased by TDKK 12,718 to TDKK 310,860 in 2024. Due to increasing staff numbers, the Bank acquired five new staff accommodation units in 2024.



Including returns, the pension area, expressed as assets in pool schemes, increased by 31.5% in 2024, to TDKK 675,765.

In accordance with the capital plan, in 2024 the Bank made an additional Senior-Non-Preferred bond issue of TDKK 100,000.

The Bank also issued supplementary capital of TDKK 40,000 in 2024.

Equity amounts to TDKK 1,593.622, compared to TDKK 1,479,123 at the end of 2023. Share capital amounts to TDKK 180,000. The Bank does not have hybrid loan capital. The capital ratio is 26.9, compared to 26.0 in 2023.

### Uncertainty of recognition and measurement

The main uncertainties concerning recognition and measurement are related to write-downs on loans, provisions on guarantees, the valuation of financial instruments, and properties. The management assesses that the uncertainty concerning the presentation of the accounts for 2024 is at a responsible level and is unchanged from the previous year.

### Compliance and anti-money laundering

The Danish FSA conducted an anti-money laundering inspection visit in June 2024, with a concluding report on 20 August 2024. The mandatory orders received after the inspection are described on the Bank's website under the following link:

[https://www.banken.gl/media/opop542c/bem%C3%A6rkninger-til-hvidvaskinspektion\\_uk.pdf](https://www.banken.gl/media/opop542c/bem%C3%A6rkninger-til-hvidvaskinspektion_uk.pdf)

In general, the Bank considers the inspection process to be constructive and satisfactory, and mandatory orders were issued for areas of which the Bank is aware and is now in the process of correcting.

The Bank has established a separate department to handle anti-money laundering and measures to prevent the financing of terrorism. The department is among other things responsible for control of new customer registrations, alarm processing and reporting to the Anti-Money Laundering Secretariat. In addition, the department undertakes the annual reporting to the Board of Directors concerning the Bank's money laundering risks. In order for the Bank to comply with the statutory obligation to act in the event of suspected money laundering, in 2023 the Bank implemented a new transaction monitoring system, which facilitates more detailed monitoring by the Bank.

There is also a separate compliance function. The compliance function is responsible for independent reporting to the Executive Management and the Board of Directors. The compliance function is responsible for assessment and control

of compliance with applicable legislation, market standards and internal regulations. In addition, it advises on how compliance risks can be reduced.

### Financial risks

The BANK of Greenland is exposed to various financial risks, which are managed at different levels of the organisation. The Bank's financial risks consist of:

**Credit risk:** Risk of loss as a consequence of debtors' or counterparties' default on actual payment obligations.

**Market risk:** Risk of loss as a consequence of fluctuation in the fair value of financial instruments and derivative financial instruments, due to changes in market prices. The BANK of Greenland classifies three types of risk within the market risk area: interest rate risk, foreign exchange risk and share risk.

**Liquidity risk:** Risk of loss as a consequence of the financing costs increasing disproportionately, the risk that the Bank is prevented from maintaining the adopted business model as a consequence of a lack of financing/funding, or ultimately, the risk that the Bank cannot fulfil agreed payment commitments when they fall due, as a consequence of the lack of financing/funding.

**Operational risk:** The risk that the Bank in full or in part incurs financial losses as a consequence of inadequate or deficient internal procedures, or human errors, IT systems, etc.

### Capital requirement

The BANK of Greenland must by law have a capital base that supports the risk profile. The BANK of Greenland compiles the credit and market risk according to the standard method and the operational risk according to the basic indicator method. The Bank assesses that there is no need for more advanced methods to be used. Concerning risk management, reference is made to Note 2.

#### *MREL requirement*

The requirement concerning own funds and eligible liabilities must be viewed as an element of the recovery and resolution of banks. This entails that banks which are subject to this requirement must maintain a ratio of capital instruments and debt obligations that, in a resolution situation, can be written down or converted before simple claims.

On 30 November 2023, a revised MREL requirement was determined for the BANK of Greenland, at 30.2% of the Bank's risk-weighted assets at the end of 2022. The MREL requirement is being phased in up to 2027. This means that in the course of the coming years, the Bank must fulfil the

requirement by issuing capital instruments and through consolidation of equity capital.

On the basis of the established MREL requirement, the Bank made two further issues in 2024, with a view to targeted coverage of the MREL requirement. Issues of DKK 100 million Senior Non-Preferred and DKK 40 million subordinated debt were made.

Capital requirement	2024	2023
Pillar I	8.00%	8.00%
Pillar II	3.10%	3.10%
<b>Solvency requirement</b>	<b>11.1%</b>	<b>11.1%</b>
SIFI buffer requirement	1.50%	1.50%
Capital reserve buffer requirement	2.50%	2.50%
<b>Capital requirement</b>	<b>15.1%</b>	<b>15.1%</b>
MREL requirement (phased in linearly as from 1 January 2022)	7.55%	4.90%
<b>Total capital requirement</b>	<b>22.7%</b>	<b>20.0%</b>
Capital base, cf. Note 23	1,535,841	1,450,158
SNP issue cf. Note 19	273,569	173,969
<b>MREL capital base</b>	<b>1,809,410</b>	<b>1,624,127</b>
MREL capital ratio	31.70%	29.10%
Surplus capital cover	<b>9.05%</b>	<b>9.10%</b>

The MREL requirement is being phased in as from 1 January 2022 on a linear basis over six years. This entails that the Bank must fulfil an MREL requirement of 7.55% in 2024. As from 1 January 2025, the Bank must fulfil an MREL requirement of 10.07% on the basis of a revised MREL requirement of 30.2% notified on 10 December 2024.

#### Sound capital

In accordance with the Danish Financial Activities Act, the Board of Directors and the Executive Management must ensure that the BANK of Greenland has an adequate capital base. The capital adequacy requirement is the capital which, according to the management's assessment, as a minimum is needed to cover all risks.

The BANK of Greenland was designated as an SIFI institution in April 2017. Based on the requirements concerning eligible liabilities, the Board of Directors expects that the total capital reserves must be increased during the coming years. The aim of the Board of Directors is that there must be sufficient capital for growth in the Bank's business activities.

There must also be sufficient capital to cover ongoing fluctuations in the risks assumed by the Bank.

The Bank's risk-weighted assets amount to TDKK 5,710,361, compared to TDKK 5,573,039 in 2023.

The Bank's Board of Directors has adopted a capital objective with a CET1 target of 24%. The BANK of Greenland's core capital ratio was 25.1 at the end of 2024, and the capital ratio is 26.9 after payment of the proposed dividend. The core capital ratio is thereby achieved above the long-term target of 24, which is due to the expected increase in risk-weighted assets on the implementation of CRR3. CRR3 is expected to be implemented in the law of Greenland in 2026, but the Bank already expects to make adjustment in line with the directive in 2025. The Bank therefore assesses it to be appropriate to maintain a higher core capital level at the end of 2024, in the expectation that the implementation of CRR3 and the general development in the Bank's activities will bring the core capital closer to the target.

Based on the aforementioned, the Bank's Board of Directors proposes to the Annual General Meeting that dividend of DKK 100 per share be paid for 2024, equivalent to 86% of the profit after tax.

At 31 December 2024, the Bank's individual solvency requirement was compiled at 11.1%. The BANK of Greenland thereby has surplus capital cover before the buffer requirements of 15.8%. After deductions for the capital reserve buffer requirement of 2.5% and the SIFI buffer requirement of 1.5%, the surplus cover is 11.8%.

In December 2024, the Minister of Industry, Business and Financial Affairs approved the phasing-in of a contracyclical capital buffer requirement of 0.5% as from 1 January 2026, and an additional 0.5% as from 1 July 2026.

The individual solvency requirement is compiled on the basis of the Order on the calculation of risk exposures, capital base and solvency requirements, as well as the Danish FSA's guideline in this respect. On the basis of the calculated capital requirement, the Bank has compiled surplus cover at TDKK 901,743, which comprises the difference between the capital requirement (solvency requirement) and the actual capital (capital ratio). The management assesses that the capital is adequate to cover the risk entailed by the Bank's activities.

The BANK of Greenland's capital plan meets the requirements in full, so that the annual financial statements are presented on a going-concern basis.

### The BANK of Greenland's calculated capital and solvency requirement according to the 8+ model

DKK 1,000	2024		2023	
	Capital requirement	Solvency requirement	Capital requirement	Solvency requirement
Pillar I requirement	456,829	8.0%	445,843	8.0%
Credit risk	114,534	2.0%	120,061	2.2%
Market risk	27,320	0.5%	22,404	0.4%
Liquidity risk	6,270	0.1%	0	0.0%
Operational risk	23,621	0.4%	15,646	0.3%
Other risk	5,524	0.1%	12,256	0.2%
<b>Capital and solvency requirement</b>	<b>634,098</b>	<b>11.1%</b>	<b>612,574</b>	<b>11.1%</b>

Reference is made to the BANK of Greenland's website for a description and amplification of the method of calculation of the capital and solvency requirement for 2024. Reference is also made to the Bank's risk management report for 2024 at <https://www.banken.gl/en/investor/public-disclosure/>. The report has not been audited.

#### Liquidity

The BANK of Greenland has a comfortable deposit surplus and the Bank's funding is based on deposits and capital issues.

The official measure of liquidity is the Liquidity Coverage Ratio (LCR), which is a minimum requirement of the ratio between current assets and liabilities, to ensure a satisfactory liquidity ratio. LCR must be at least 100%.

At the end of 2024, the Bank had an LCR of 266.2% and thereby fulfilled the LCR requirement.

DKK 1,000

	2024	2023
Liquidity buffer LCR	3,454,167	2,735,104
Outflow, net	1,297,598	1,055,997
LCR	266.2%	259.0%

#### The Supervisory Diamond

The BANK of Greenland has considered the benchmarks set out in the Danish FSA's Supervisory Diamond for banks. The Supervisory Diamond states four benchmarks for banking activities which the Bank aims to fulfil. At the end of 2024, the BANK of Greenland lies within all of the threshold values in the Supervisory Diamond.

Supervisory diamond	2024	2023	Limit
Sum of large exposures	136.0%	150.00%	< 175%
Property exposure	19.8%	22.10%	< 25%
Growth in lending	4.50%	10.60%	< 20%
Liquidity benchmark	268.4%	259.00%	> 100%

In accordance with the table below, the sum of the Bank's 20 largest exposures can be stated at 36.0%, which is adequately below the Danish FSA's threshold of 175%. It must be noted that approximately 45 percentage points concern exposures to publicly-owned enterprises.

The property exposure has been reduced and amounts to 19.8% according to the table below. This exposure is subject to considerable subordinate public financing. In addition, some of the exposure is based on lease contracts with the state, the Government of Greenland or municipalities. The Bank assesses that these factors contribute to stabilising the overall sector exposure.

#### Investor Relations

The BANK of Greenland seeks to ensure transparency concerning the Bank and there is good communication and dialogue with the Bank's shareholders and other stakeholders. This takes place, for example, by providing information to Nasdaq OMX Copenhagen, where the Bank is listed. The purpose of publishing information is to:

- Comply with applicable disclosure obligations and current stock-exchange ethical regulations.
- Ensure openness concerning the Bank.
- Ensure good and positive dialogue with the Bank's stakeholders.
- Increase awareness of the BANK of Greenland in investor circles in Greenland and abroad.
- Give investors structured, continuous and planned information which fulfils the investors' information requirements when investment decisions are taken.
- Increase the liquidity of the BANK of Greenland share.

The objective will result in rapid, accurate information concerning both price-relevant and other matters relating to the Bank. In 2023, the BANK of Greenland entered into a collaboration with HC Andersen Capital, which includes quarterly online investor presentations.

The BANK of Greenland publishes information that may be of relevance to its share price as company notifications via Notified – Nasdaq OMX and on the Bank's website under "Investor" <https://banken.gl/en/about-us/investor/>. The content of the notifications includes quarterly, interim and annual reports, including management reviews, general meetings and other news. All company notifications are drawn up in Danish and English on publication. Furthermore, information is made available in Danish, Greenlandic and English on our website: <https://banken.gl/en/about-us/investor/>.

When investor presentations are held, the material is subsequently published on the BANK of Greenland's website, so that it is generally available.

The Executive Management is responsible for informing investors and other stakeholders, by agreement with the Board of Directors. In special cases, the Executive Management may authorise senior staff members to notify investors and other stakeholders.

At a price of 700 at the end of 2024, the price of the BANK of Greenland's share has increased since the end of 2023, when the price was 625. The BANK of Greenland proposes to the Annual General Meeting that the dividend payment for 2024 is DKK 100 per share, or a total of DKK 180 million. It should be noted that in Greenland dividend is tax deductible for the dividend-paying company.

#### Shareholders

The BANK of Greenland's overall financial objective is to achieve a competitive return for the shareholders.

At 31 December 2024, the BANK of Greenland had 2,484 shareholders registered by name, which is slightly fewer than at 31 December 2023, when the number of shareholders registered by name was 2,539. Shareholders registered by name account for approximately 93% of the share capital. In accordance with Section 28a of the Danish Companies Act, six shareholders have notified shareholdings in excess of 5%, see Note 22.

#### Dividend policy

The BANK of Greenland's objective is to continue to distribute dividend to its shareholders, according to the expected development in the Bank's operations and balance sheet, tax optimisation and regulatory solvency requirements. The

dividend payment for 2024 recommended to the Annual General Meeting is DKK 100 per share, which should be viewed in conjunction with the description given under Capital. The capital ratio is 26.9 and the core capital ratio is 25.1, and thereby above the long-term target of 24, see the previous description.

#### Historic pay-out ratio



Note: Under Greenland's tax legislation, distributed dividend is fully tax-deductible.

#### Events occurring after the close of the financial year

As from the balance sheet date and up to today's date no events have occurred to change the assessment of the Annual Report.

#### Outlook for 2025

It is assessed that Greenland saw positive economic growth in both 2023 and 2024. The BANK of Greenland expects close to zero economic growth in 2025, as described under "Greenland's Society and Economy" in this report.

In both the short and longer term, the considerable focus on Greenland, which escalated at the beginning of 2025, can affect the economic development and the framework conditions in Greenland. However, the BANK of Greenland has no basis to assess that this will be of any material significance in the short term in 2025, so that it is the circumstances described in this report – the macroeconomic and local conditions – that are generally expected to influence the Bank's operations.

Expected declining interest rates are expected to increase the appetite for investment, however, and lending is expected to develop positively towards year-end, but with lower growth than in 2024. Deposits are expected to be at the level of the end of 2024.

The Bank will be affected if inflation and cyclical trends are exacerbated or amplified to any significant degree.

Total core income is expected to decrease in 2025, for which the primary reason is the development in interest rates.

Total expenses including depreciation and amortisation are expected to be higher than in 2024. A few staff increases and the full effect of staff increases are expected in 2024. Administration expenses are also expected to increase, primarily in the IT area.

The Bank assesses that the credit quality of the loan portfolio is satisfactory. Impairment write-downs on loans are therefore still expected to be at a low, but normalised, level.

Based on the expected level of interest rates, gains on the Bank's listed securities must be expected. Capital gains are also expected from the currency area and sector shares.

Based on these conditions, a profit before tax at the level of DKK 150-185 million is expected for 2025, compared to DKK 245.7 million in 2024. The result is in accordance with the stock exchange announcement of 11 December 2024.

## Customers

The BANK of Greenland has strong focus on customer satisfaction, which is measured by an annual customer satisfaction survey. On this basis, measures are being initiated in areas where customers believe that the Bank can do better.

The BANK of Greenland seeks to provide *Greenland's best customer experience*, which is a key aspect of the Bank's strategy. Through ongoing feedback from our customers immediately after each customer meeting, we work to continuously improve the customer experience. Our customers' constructive feedback is welcomed with great appreciation and we know that our customers appreciate being heard. The Bank uses NPS (Net Promoter Score) for these surveys.

As *the Bank for all of Greenland*, it is positive that the Bank's presence at coastal locations is considered to add value for individual local areas. The cooperation with the Bank's customers is based on close relations between business advisers, specialists and business enterprises, which gives a deep insight into each enterprise's business model and needs. Combined with local knowledge and an understanding of economic conditions, this insight facilitates value-adding business advisory services.

The Bank's Business Department cooperates with other financial partners to ensure that the Bank's customers have access to the best solutions and opportunities in such areas as

insurance and mortgage credit. The Bank's aim is to serve as a power centre that creates growth throughout Greenland.

The Bank's role as a powerhouse is clearly apparent from the current major infrastructure investments. To maximise the benefit for Greenland, during the past two years, the Bank, together with the Greenland Business Association, the BANK of Greenland Business Fund and a number of other good partners, has facilitated a number of customer initiatives and events. The topics have included "Women in Business", "Future Greenland 2024", "Global Greenland" – local business development, after-work meetings on such topics as tourism development, investment events, and various network initiatives.

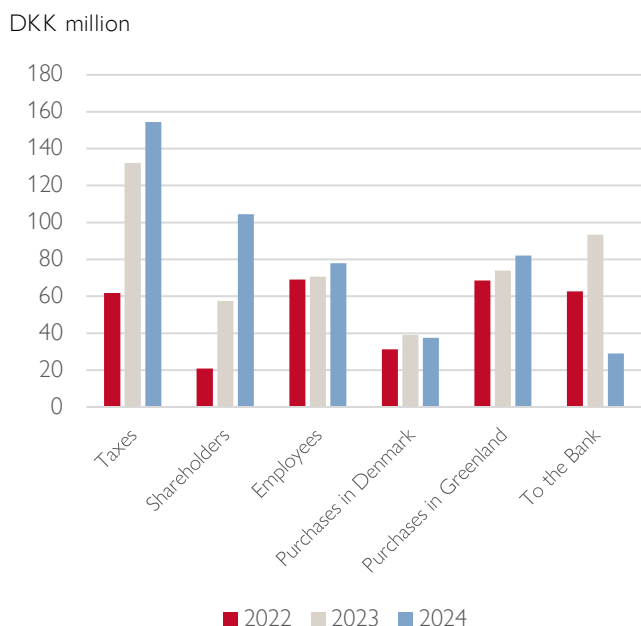
Private customers are offered a simple and flexible product range, and in 2024 advisers' training included a focus on sustainable customer dialogues. These products are used to provide each customer with an individual solution, matched to the customer's needs. Ongoing contact with the customer is crucial to ensuring a good customer relationship, and the Bank seeks to be available both in person and on the digital platforms required by the customer. In 2024, the Bank had the major task of updating our customers' scope and purpose of business with the Bank. This is to protect customers, the Bank and Greenland in general from economic crime.

## The Bank and society

The day-to-day business with the Bank's customers in the course of the year gave income totalling DKK 485 million, compared to DKK 467 million in 2023. The income is the sum of net interest and fee income, other operating income and value adjustments, after deduction of write-downs on loans.

The Greenland Government and the municipalities receive corporate tax, dividend tax and tax on staff remuneration. Employees receive salary and pension contributions, etc., after deduction of PAYE tax. The purchases made by the Bank from Danish suppliers are mainly IT services from BEC and Nets.

The BANK of Greenland makes a significant contribution to society as tax payments in the last three years amounting to around DKK 116 million on average per year.



### Employees

Our employees are the Bank's DNA and our most important resource, and it is our employees who create and maintain trusting relationships with our customers on a day-to-day basis.

The BANK of Greenland has a strong focus on competence development via trainee programmes, trainee courses, supplementary training, leadership development (HD, MBA and other leadership programmes) and "on the job training".

In 2024, the Bank commenced a new competence clarification project, called "kompetenceSPIND", which has been incorporated as part of the annual staff appraisal interviews (SUS). The competence clarification has supported reconciliation of expectations between employees and their line managers, if there is a need for further development to reach the Bank's expected level. The measurement is followed by individual initiatives, and for some employee groups, additional competence measurements, which help to ensure that the development initiatives are optimised.

The BANK of Greenland considers it important to ensure the recruitment of qualified banking professionals, and in 2024, five financial trainees completed their training.

Besides the traineeships, the Bank has very successfully offered internships and created trainee positions for young people with a commercial college background as business economists, or in administration or finance. At the same time, six advisers/finance assistants are taking the financial academy training programme, which they are expected to complete by mid-2025.

In 2024, the Bank launched significant new employee programmes in collaboration with the Danish Financial Sector's

Education Centre, including a learning culture programme for everyone in the Bank. The purpose is to develop the Bank's learning culture, so that the Bank's employees promote open, curious, secure and solution-oriented behaviour, and experience psychological security in the workplace, while the Bank learns and develops in step with the employees.

In 2024, it was possible to fill 98.77% of the positions in the Bank.

The total number of employees was 152 at the end of 2024. The average age is 44.9 and the average length of service is 8 years and 5 months. 103 women and 49 men are employed.

### Partners

The BANK of Greenland is a full-service bank in Greenland. Via cooperation agreements with the best operators within financial IT systems, mortgage credit, insurance, payment settlement, pensions and investment, the Bank wishes to continuously offer a broad, flexible and competitive range of products.

The BANK of Greenland is part of the Danish and international payment infrastructure. In accordance with a service contract with the Greenland Government, the Bank contributes to ensuring that the service level for payment settlement required by the Greenland Government is established at the locations in Greenland where there is no commercial background for the establishment of bank branches.

### Corporate Social Responsibility Policy (CSR) and ESG

"Via the Bank's commercial activities and CSR initiatives, we will support sustainable development in Greenland and among other things contribute to Greenland achieving the Sustainable Development Goals, for the benefit of society and of the BANK of Greenland.

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. In the vision, the Bank has therefore expressed the wish to be 'for the benefit of Greenland'.

Focus area: Financial understanding

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, which is to create financial understanding.

Creating financial understanding for the individual customer, company or citizen opens up new opportunities and gives insights in order to make the best choices.

*Focus area: Social and voluntary involvement*

*In the Bank, we have more than 300 helping hands to undertake voluntary work, also during working hours.*

*Focus area: Environment*

*The Bank is committed to including environmental considerations in our activities on a sustainable business and economic basis. A number of loan options can be used for energy renovation measures, or electric car purchases, for example. We also work with strategic environmental management, where our focus is on reducing consumption of resources, as well as carbon emissions.*

*Employee involvement*

*In all our initiatives, we wish to involve our employees on a broad basis, and support other CSR-related projects, by making it possible for employees to work on CSR projects during working hours, within a defined framework.*

*Our current obligations*

*As a signatory to the UN Global Compact, the BANK of Greenland has endorsed ten principles for responsible business conduct with focus on human rights, labour rights, environment and development, and anti-corruption. We will actively manage our obligation to respect the ten principles, including our obligation to handle human rights in accordance with the UN Guiding Principles on Business and Human Rights, and in particular in relation to our customers, employees and Greenland's society. The Bank will also work according to the requirements and expectations as a consequence of the Forum for Sustainable Finance's recommendations."*

*The above is an excerpt from the BANK of Greenland's CSR and ESG Policy. In 2025 there will be additional requirements of the Bank's ESG reporting (see the Corporate Sustainability Reporting Directive – the CSRD Directive), due to the business volume, and the fact that the Bank is listed within the EU and has below 750 employees.*

*CSR and sustainability (ESG) on a day-to-day basis*

*The overall responsibility for the Bank's CSR work lies with the Managing Director, while responsibility for sustainability (ESG), including preparation for CSRD reporting in the future, is held by the Bank's Business Development Director.*

*ESG*

In the coming years, ESG and sustainability will be more and more important for banks in the EU, including the BANK of Greenland, as a consequence of the CSRD Directive, which requires financial institutions to prepare a double materiality analysis (DMA) showing:

1. Impact materiality – how the Bank contributes to impacts on climate, the environment and people through its activities, and

2. Financial materiality – an assessment of what is of material significance for the Bank's development, earnings, results and cash flows.

Based on the DMA, annual CSRD reporting is prepared within up to ten overall topics (ESRS), and a number of derived data points.

In 2026, with data from 2025, the BANK of Greenland will report ESG points in the Annual Report in accordance with the EU's Corporate Sustainability Reporting Directive (CSRD). Already in 2025, using data from 2024, the Bank will voluntarily prepare a transition report focusing on individual areas of the ten ESRS (including standards E1, S1 and G1). The BANK of Greenland wishes to continue the previous strategic efforts to be "purpose-driven" in its ESG/sustainability initiatives, to ensure continued sustainable growth and development in Greenland, and prepare for coming new reporting requirements.

The BANK of Greenland's Statutory Corporate Social Responsibility Report, cf. Section 135 of the Order on the financial reporting of credit institutions and investment service companies, etc., is available on the Bank's website:

<https://www.banken.gl/en/investor/social-responsibility/>

### **Corporate governance – and statutory corporate governance statement**

The BANK of Greenland's objective is to adhere to the recommendations at all times and to the greatest possible extent. The Corporate Governance report is available on the Bank's website: <https://www.banken.gl/en/investor/corporate-governance/>

### **Data ethics**

The BANK of Greenland has adopted a Data Ethics Policy. This policy presents the framework for the BANK of Greenland's data ethics principles and conduct.

A report on the Data Ethics Policy can be found on the Bank's website: <https://www.banken.gl/en/investor/data-ethics>

### **Policy and target level for the under-represented gender**

The BANK of Greenland's "Policy and target level for the under-represented gender" is adjusted continuously. At the end of 2024, the gender distribution of the members of the Board of Directors of the BANK of Greenland elected by the Annual General Meeting comprised 20% women and 80% men. This falls short of the Bank's objective and is due to the early resignation of a female member of the Board of Directors in autumn 2024. The Board of Directors' objective is for the ratio of the under-represented gender to be at least 33%. The target

level for the under-represented gender is thus not fulfilled, but is expected to be fulfilled after the next annual general meeting.

At other management levels, the Bank's overall objective is to achieve and maintain an appropriate equal distribution of men and women in its management. Irrespective of gender, the BANK of Greenland's employees must enjoy equal opportunities for career development and management positions. At the end of 2024, managers reporting to the Managing Director comprised 14% women and 86% men. For the rest of the management team, the distribution at the end of 2024 was 63% women and 37% men (including deputy managers). The Bank's objective is for the distribution of male and female managers to be maintained at between 40% and 60% at all times.

### **Board of Directors and Executive Management**

In accordance with Section 80(8) of the Danish Financial Business Act, at least once a year the Bank must publish details of the offices which the Board of Directors has approved for persons who in accordance with statutory provisions or Articles of Association are appointed by the Board of Directors, cf. Section 80(1) of the Act. More information is available at [www.banken.gl](http://www.banken.gl)

In accordance with Section 132 a of the Accounting Order, the Annual Report must include details of the managerial posts held by listed banks' Board of Directors and Executive Management members in business enterprises. Reference is made to pages 82-83.

### **Evaluation of the Board of Directors**

The Board of Directors of the BANK of Greenland undertakes an annual evaluation of the Board. This takes place every third year with the external assistance of the Danish Financial Sector's Education Centre or other external providers of this service. This evaluation is the basis for an assessment of several matters concerning the Board of Directors: the Board members' competences, working method, cooperation internally and with the Executive Management, the Chairman's planning of meetings, and the quality of the material provided to the Board of Directors. The most recent evaluation was prepared by the Bank in October 2024. The evaluation of the Board of Directors was at a high level, and it was concluded that the Board has a good overall combination of competences in relation to the Bank's business model. Training in new areas for the Board of Directors has been arranged in 2025, in order to keep the Board updated.

### **Authorisation of the Board of Directors concerning trading in own shares**

In accordance with an Annual General Meeting decision of 20 March 2024, up to 1 March 2029 the Board of Directors is

authorised to allow the Bank to acquire own shares for a nominal value of up to 10% of the share capital, at the listed price on the date of acquisition, with upward or downward variation of 10%.

### **Audit Committee**

The Audit Committee consists of the full Board of Directors, and it has therefore been found most appropriate to maintain the same structure as in the Board of Directors, so that the Chair of the Board of Directors is also the Chair of the Audit Committee.

The tasks of the Audit Committee are to:

- Monitor the presentation of accounts process;
- Monitor the effective functioning of the Bank's internal control system, internal auditing and risk systems;
- Monitor the statutory audit of the Annual Report; and
- Monitor and control the independence of the auditor, and in particular the provision of further services to the Bank.

In this respect, the Bank's control environment for the calculation of the significant accounting estimates is reviewed and assessed. The committee meets immediately prior to the meetings of the Board of Directors.

The mandate of the Audit Committee is presented here:

<https://www.banken.gl/en/about-us/board-of-directors/the-audit-committee-and-risk-committee/>

### **Risk Committee**

The Risk Committee consists of the full Board of Directors, and it has therefore been found most appropriate to maintain the same structure as in the Board of Directors, so that the Chair of the Board of Directors is also the Chair of the Risk Committee.

The tasks of the Risk Committee are to:

- Advise on the Bank's overall current and future risk profile and strategy;
- Assist with ensuring that the Board of Directors' risk strategy is implemented correctly in the organisation;
- Assess whether the Bank's range of financial products and services is in accordance with the business model and risk profile;
- Assess whether the incentives in the Bank's remuneration structure take account of the Bank's risks, capital and liquidity; and
- Assess the Bank's insurance cover of risks.

The mandate of the Risk Committee is presented here:

<https://www.banken.gl/en/about-us/board-of-directors/the-audit-committee-and-risk-committee/>



## Remuneration Committee

The Remuneration Committee consists of the Chair and Vice Chair of the Board of Directors and one member of the Board of Directors elected by the employees.

The Remuneration Committee determines the remuneration policy, which is approved by the Annual General Meeting.

In 2024, the Remuneration Committee was among other things engaged in the following:

- Control of bonus paid in accordance with the Remuneration Policy.
- Determination of the Remuneration Policy
- Preparation of a Remuneration Report
- Assessment of the remuneration of the Board of Directors and Executive Management, and the criteria for this
- General assessment of remuneration and the criteria for this, including remuneration as a competition parameter.

The Bank of Greenland has prepared a Remuneration Report.

The report is available on the Bank's website:

<https://www.banken.gl/en/about-us/board-of-directors/remuneration-committee/>

The mandate of the Remuneration Committee and the Remuneration Policy are presented here:

<https://www.banken.gl/en/about-us/board-of-directors/remuneration-committee/>

## Nomination Committee

The Nomination Committee consists of the Chair and Vice Chair of the Board of Directors. In 2024, the Nomination Committee was among other things engaged in the following:

- Description of competence requirements for the Executive Management and Board of Directors.
- Nomination of candidates for election to the Board of Directors.
- Evaluation of the Board of Directors and composition of the Board of Directors based on the competence requirements.
- Determination of a diversity policy.
- Determination of a policy for the under-represented gender and a target level for this.

The Committee assesses that the composition of the Board of Directors reflects the objective of the diversity policy.

The mandate of the Nomination Committee is presented here:

<https://www.banken.gl/en/about-us/board-of-directors/nomination-committee/>

The number of meetings in 2024 and attendance of the meetings of the Board of Directors and all four committees can be seen here: <https://www.banken.gl/en/about-us/board-of-directors/>

## General meeting

The Board of Directors is authorised to make the changes and additions to the Articles of Association that are required by public authorities pursuant to the current legislation in force at any time. In addition, the BANK of Greenland's Articles of Association may be amended by a decision of the general meeting if the proposal is adopted by at least 2/3 of both the votes cast and the share capital with voting rights represented at the general meeting.

The members of the Board of Directors are elected by the general meeting, with the exception of the members who are elected in accordance with the statutory regulations concerning the representation of employees on the Board of Directors. The members of the Board of Directors elected by the general meeting comprise at least five and at most ten members. Each year, the three members of the Board of Directors elected by the general meeting who have served longest, calculated from the last election of the members concerned, will resign. If several members have served equally long, their resignation is decided by drawing lots. Resigning members may be re-elected.

## Significant agreements that will be amended or will expire on a change of control of the company

At the end of 2024, the BANK of Greenland had the following agreements that are assessed to be significant and that would be amended or would expire on a change of control of the Bank in conjunction with e.g. a merger.

- Data processing agreement with BEC Financial Technologies (BEC)
- Cooperation agreement with DLR Kredit A/S

## BEC

It is specified in BEC's Articles of Association that membership of BEC can be subject to three years' notice of termination, by either BEC or the BANK of Greenland, to the end of a financial year. If membership expires by other means related to the BANK of Greenland, the Bank will pay a withdrawal fee to BEC, as specified in the Articles of Association. If a bank is subject to a merger, and ceases to be a separate bank, membership of BEC will expire without notice, but with the opportunity for a transition scheme.

**DLR Kredit**

As a shareholder of DLR Kredit and in view of the Bank's membership of the Association of Local Banks, the BANK of Greenland has entered into a cooperation agreement with DLR concerning the intermediation of mortgage-credit loans to the Bank's customers. The cooperation agreement is irrevocable for as long as the BANK of Greenland is a shareholder of DLR Kredit. If the BANK of Greenland divests or deposits its shareholding, the Bank will automatically be deemed to have withdrawn from the cooperation agreement with effect from the end of the calendar year in which the shareholding was divested/deposited. The cooperation agreement may be terminated by DLR Kredit, if this is adopted by DLR's Board of Directors, subject to three months' notice to the end of a calendar year.

# Management Statement

The Board of Directors and Executive Management have today considered and approved the Annual Report for the financial year from 1 January to 31 December 2024 for GrønlandsBANKEN, aktieselskab.

The Annual Report has been prepared in accordance with the statutory requirements, including the Danish Financial Business Act, the statutory order on financial reports for credit institutions and investment service companies, etc. and the disclosure requirements for listed financial companies in Denmark.

It is our opinion that the annual financial statements give a true and fair view of the Bank's assets, liabilities and financial position as at 31 December 2024, and of the result of the Bank's activities and cash flows for the financial year from 1 January to 31 December 2024.

Nuuk, 3 March 2025

## Executive Management

Martin Birkmose Kviesgaard

## Board of Directors

Gunnar í Liða

Chair

Kristian Frederik Lennert

Vice Chair

Maliina Bitsch Abelsen

Pilunnguaq F. Johansen Kristiansen

Tulliaq Angutimmarik Olsen

Niels Peter Fleischer Rex

Peter Angutinguaq Wistoft

It is our opinion that the Management's Review gives a true and fair review of the development in the Bank's activities and financial affairs, as well as a description of the significant risks and uncertainties to which the Bank is subject.

It is our opinion that, in all material respects, the Annual Report for GrønlandsBANKEN A/S for the financial year from 1 January 2024 to 31 December 2024, with the file name "80050410-2024-12-31-da", has been prepared in accordance with the ESEF Regulation.

The Annual Report is submitted for approval by the Annual General Meeting.

# Audit Statement

## **The independent auditor's report To the shareholders of GrønlandsBANKEN A/S Opinion**

We have audited the annual financial statements of GrønlandsBANKEN A/S for the financial year from 1 January to 31 December 2024, which comprise the statement of income, the statement of comprehensive income, the balance sheet, the statement of changes in equity and the notes, including the accounting policies applied and the cash flow statement. The annual financial statements are prepared in accordance with the Danish Financial Activities Act and additional Danish disclosure requirements for listed financial companies.

It is our opinion that the annual financial statements give a true and fair view of the Bank's assets, liabilities and financial position as at 31 December 2024, and of the result of the Bank's activities for the financial year from 1 January to 31 December 2024, in accordance with the Danish Financial Activities Act and additional Danish disclosure requirements for listed financial companies.

Our opinion is consistent with our audit report to the audit committee and Board of Directors.

## **Basis for opinion**

We conducted our audit in accordance with international auditing standards and additional requirements under Danish auditing legislation. Our responsibility according to these standards and requirements is described further in "Auditor's responsibility for the audit of the annual financial statements". We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (the IESBA Code) and the additional ethical requirements applying in Denmark, just as we have fulfilled our other ethical obligations in accordance with these requirements and the IESBA Code. It is our view that the audit evidence obtained is an adequate and appropriate basis for our opinion.

To the best of our knowledge, no prohibited non-auditing services as described in Article 5(1) of Regulation (EU) no. 537/2014 have been performed.

We were elected as auditors of GrønlandsBANKEN A/S for the first time on 1 July 1967, for the 1967 financial year. We have been re-elected each year by decision of the Annual General Meeting for a total continuous assignment period of 58 years up to and including the 2024 financial year.

## **Key audit matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the annual financial statements for the financial year from 1 January to 31 December 2024. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming an opinion thereon, and We do not provide a separate opinion on these matters.

<p>Write-downs on loans and provisions for losses on guarantees, etc.</p> <p>Lending amounted to DKK 5,031 million and guarantees to DKK 1,423 million at 31 December 2024 (lending amounted to DKK 4,813 million and guarantees to DKK 1,774 million at 31 December 2023).</p> <p>The determination of expected write-downs on loans and provisions for losses on guarantees, etc. is subject to considerable uncertainty and to a certain extent is based on managerial estimates. As a consequence of the significance of these estimates and the size of the loans and guarantees, etc. of the Bank, the auditing of write-downs on loans and provisions for losses on guarantees, etc. is a key audit matter.</p> <p>The principles for the compilation of write-downs on loans and provisions for losses on guarantees, etc. are described further in the accounting policies applied, and the management has described the handling of credit risks and the assessment of the impairment requirement for loans and the need for provisions for losses on guarantees, etc. in Notes 2 and 11 to the annual financial statements.</p> <p>The aspects of loans and guarantees, etc. which entail the greatest degree of estimation, and which therefore require greater auditing attention, are:</p> <ul style="list-style-type: none"> <li>• Identification of exposures that are credit-impaired.</li> <li>• Parameters and managerial estimates in the calculation model applied to determining the expected losses in stages 1 and 2, including the classification thereof.</li> <li>• Assessment of the consequences of events that are not already taken into account, as managerial estimates incorporated in the models, and as managerial additions to the models.</li> </ul>	<p>The matter was considered as follows during the audit</p> <p>On the basis of our risk assessment, the audit has included a review of the Bank's relevant procedures for write-downs on loans and provisions for losses on guarantees, etc., the testing of relevant controls, and the examination of exposures on the basis of random sampling.</p> <p>Our audit procedures included testing of relevant controls concerning:</p> <ul style="list-style-type: none"> <li>• Ongoing assessment of the credit risk</li> <li>• Assessment and validation of input and assumptions applied to the calculation of write-downs on loans and the provisions for losses on guarantees in stages 1 and 2.</li> <li>• Determination of managerial estimates in addition to the model-based write-downs.</li> </ul> <p>Our audit procedures also included:</p> <ul style="list-style-type: none"> <li>• Review by random sampling of exposures to ensure correct identification of the credit impairment of loans and guarantees, etc.</li> <li>• Obtaining and evaluating an audit declaration from the Bank's data centre that comprises an assessment of the calculation model applied by the Bank to write-downs on loans and provisions for losses on guarantees, etc.</li> <li>• Challenging of the significant parameters in the calculation model applied, with special focus on objectivity and the data basis used.</li> <li>• Challenging of managerial estimates, with special focus on the management's consistency and objectivity.</li> <li>• Challenging of managerial estimates incorporated in the models, as well as managerial additions relating to the consequences of events that are not already taken into account.</li> </ul>
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### Statement concerning the Management's Review

The Management is responsible for the Management's Review.

Our opinion concerning the annual financial statements does not include the Management's Review, and we do not express any opinion concerning the Management's Review.

In connection with our audit of the annual financial statements our responsibility is to read the Management's Review and to consider whether the Management's Review has significant inconsistencies with the annual financial statements or the knowledge we have obtained from the audit, or otherwise appears to contain material misstatements.

It is also our responsibility to consider whether the Management's Review includes the information required in accordance with the Financial Activities Act.

On this basis it is our view that the information in the Management's Review is in accordance with the annual financial statements and has been prepared in accordance with the requirements of the Financial Activities Act. We have not found any material misstatements in the Management's Review.

### **The management's responsibility for the annual financial statements**

The management is responsible for the preparation of annual financial statements that present a true and fair view, in accordance with the Financial Activities Act and the additional disclosure requirements for listed financial companies in Denmark. The management is also responsible for the internal control deemed necessary by the management in order to prepare annual financial statements that are free of material misstatement, whether this is due to fraud or error.

On the preparation of the annual financial statements, the management is responsible for assessing the Bank's ability to continue as a going concern, for disclosing information concerning continuation as a going concern, where relevant, and for applying the going concern basis of accounting, unless the management intends to either liquidate the Bank, discontinue operations, or has no other realistic alternative to this.

### **Auditor's responsibility for the audit of the annual financial statements**

Our objective is to obtain reasonable assurance of whether the financial statements as a whole are free from material misstatement, whether this is due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee, that an audit conducted in accordance with international auditing standards and additional requirements applying in Denmark will always detect a significant material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the annual financial statements.

As part of an audit in accordance with international auditing standards and additional requirements applying in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the overriding of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose

of expressing an opinion on the effectiveness of the Bank's internal control.

- Evaluate the appropriateness of the accounting policies applied by the management, as well as the reasonableness of accounting estimates and related information prepared by the management.
- Draw conclusions concerning the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures in the Notes, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the top-level management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the top-level management with a statement that we have complied with relevant ethical requirements regarding independence, and notify them of all relations and other matters that might reasonably influence our independence and, where relevant, the safeguards or actions used to eliminate threats.

On the basis of the matters communicated to the top-level management, we determine the matters of most significance to the audit of the annual financial statements for the relevant period and which are thereby key audit matters. We describe these matters in our auditor's report, unless disclosure of the matter is prescribed by statutory or other regulation, or in the very rare cases where we find that the matter is not to be communicated in our auditor's report because its negative consequences might reasonably be expected to carry greater weight than the advantages to the general public of such disclosure.

**Declaration concerning compliance with the ESEF Regulation**

As an element of the audit of the annual financial statements of GrønlandsBANKEN A/S we have performed procedures in order to express an opinion as to whether the Annual Report for the financial year from 1 January 2024 to 31 December 2024, with the file name "80050410-2024-12-31-da", has been prepared in accordance with European Commission Delegated Regulation (EU) 2019/815 on the specification of a single electronic reporting format (the ESEF Regulation), with requirements concerning the preparation of an annual report in XHTML format.

The management is responsible for the preparation of an annual report in compliance with the ESEF Regulation, including the preparation of an annual report in XHTML format.

Based on the evidence obtained, it is our responsibility to achieve a high degree of certainty that, in all material respects, the annual report has been prepared in accordance with the ESEF Regulation, and to express an opinion.

Copenhagen, 3 March 2025

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR no. 33 96 35 56

Anders O. Gjelstrup

State-Authorised Public Accountant

MNE-no. mne10777

The procedures include control that the annual report is prepared in XHTML format.

It is our opinion that, in all material respects, the Annual Report for the financial year from 1 January 2024 to 31 December 2024, with the file name "80050410-2024-12-31-da", has been prepared in accordance with the ESEF Regulation.





## Statement of Income

DKK 1,000

Notes		2024	2023
3	Interest income	476,909	417,162
4	Interest expenses	116,956	87,468
	<b>Net interest income</b>	<b>359,953</b>	<b>329,694</b>
	Share dividend, etc.	8,859	2,155
5	Fees and commission income	102,129	103,932
	Fees paid and commission expenses	677	769
	<b>Net interest and fee income</b>	<b>470,264</b>	<b>435,012</b>
6	Value adjustments	28,578	40,058
	Other operating income	5,400	5,803
7, 8	Staff and administration expenses	226,362	211,166
	Depreciation and impairment of tangible assets	9,017	8,158
	Other operating expenses	4,255	2,815
11	Write-downs on loans and receivables, etc.	18,909	14,160
	<b>Profit before tax</b>	<b>245,699</b>	<b>244,574</b>
9	Tax	36,689	52,179
	<b>Profit for the year</b>	<b>209,010</b>	<b>192,395</b>
	PROPOSED ALLOCATION OF PROFIT		
	Profit for the year	209,010	192,395
	<b>In total available for allocation</b>	<b>209,010</b>	<b>192,395</b>
	Proposed dividend	180,000	99,000
	Retained profit	29,010	93,395
	<b>Total allocation</b>	<b>209,010</b>	<b>192,395</b>

## Statement of Comprehensive Income

DKK 1,000

	<b>2024</b>	<b>2023</b>
Profit for the year	209,010	192,395
Other comprehensive income:		
Value adjustment of properties	6,084	5,643
Value adjustment of defined-benefit severance/pension scheme	-74	-96
Tax on value adjustment of properties	-1,521	-1,411
<b>Other comprehensive income after tax</b>	<b>4,489</b>	<b>4,136</b>
<b>Comprehensive income for the year</b>	<b>213,499</b>	<b>196,531</b>

## Balance Sheet

(year-end)

DKK 1,000

Notes		2024	2023
	Cash balance and demand deposits with central banks	2,080,989	1,552,747
10	Receivables from credit institutions and central banks	155,989	120,150
11	Loans and other receivables at amortised cost	5,030,995	4,812,975
12	Bonds at fair value	1,498,540	1,303,120
13	Shares, etc.	150,963	135,614
16	Assets connected to pool schemes	675,765	513,822
	Land and buildings in total	310,860	298,142
14	- Domicile properties	310,860	298,142
15	Other tangible assets	7,627	6,781
	Current tax assets	658	0
	Other assets	104,342	93,202
	Accruals and deferred income	4,815	4,428
	<b>Total assets</b>	<b>10,021,543</b>	<b>8,840,981</b>
17	Liabilities to credit institutions and central banks	15,698	22,105
18	Deposits and other liabilities	7,152,807	6,413,469
	Deposits in pool schemes	675,765	513,822
19	Issued bonds at amortised cost	273,569	173,969
	Current tax liabilities	0	11
	Other liabilities	73,807	63,274
	Prepayments and deferred expenses	4,395	5,451
	<b>Total debt</b>	<b>8,196,041</b>	<b>7,192,101</b>
	Provisions for pensions and similar obligations	2,902	2,506
20	Provisions for deferred tax	106,393	84,762
11	Provisions for losses on guarantees	11,241	9,733
	Other provisions	7,322	8,427
	<b>Total provisions</b>	<b>127,858</b>	<b>105,428</b>
21	Subordinated debt	104,022	64,329
	<b>Total subordinated debt</b>	<b>104,022</b>	<b>64,329</b>
	Equity		
22	Share capital	180,000	180,000
	Revaluation reserves	70,446	65,883
	Retained earnings	1,163,176	1,134,240
	Proposed dividend	180,000	99,000
	<b>Total equity</b>	<b>1,593,622</b>	<b>1,479,123</b>
	<b>Total liabilities</b>	<b>10,021,543</b>	<b>8,840,981</b>

1 Accounting policies applied

2 Financial risks and policies

23-33 Other Notes

## Statement of Changes in Equity

DKK 1,000

	Share capital	Revaluation reserves	Retained earnings	Proposed dividend, net	Total equity
<b>Equity, 1 January 2023</b>	<b>180,000</b>	<b>61,651</b>	<b>1,040,941</b>	<b>36,000</b>	<b>1,318,592</b>
Dividend paid	0	0	0	-36,000	-36,000
Other comprehensive income	0	4,232	-96	0	4,136
Profit for the period	0	0	93,395	99,000	192,395
<b>Equity, 31 December 2023</b>	<b>180,000</b>	<b>65,883</b>	<b>1,134,240</b>	<b>99,000</b>	<b>1,479,123</b>
<b>Equity, 1 January 2024</b>	<b>180,000</b>	<b>65,883</b>	<b>1,134,240</b>	<b>99,000</b>	<b>1,479,123</b>
Dividend paid	0	0	0	-99,000	-99,000
Other comprehensive income	0	4,563	-74	0	4,489
Profit for the year	0	0	29,010	180,000	209,010
<b>Equity, 31 December 2024</b>	<b>180,000</b>	<b>70,446</b>	<b>1,163,176</b>	<b>180,000</b>	<b>1,593,622</b>

## Cash Flow Statement

DKK 1,000

	<b>2024</b>	<b>2023</b>
Profit for the year	209,010	192,395
Write-downs on loans	18,909	14,160
Depreciation and impairment of tangible assets	9,017	8,158
Recognised profit on sale of tangible assets	0	-360
Accruals and deferred expenses, net	-1,444	-2,533
<b>Profit for the year after adjustment for non-cash operating items</b>	<b>235,492</b>	<b>211,820</b>
Liabilities to credit institutions and central banks	-6,407	-493
Deposits	901,281	590,236
Issued bonds	329	141
Subordinated debt	163	63
Lending	-236,929	-473,550
Other working capital	-189,090	-112,854
Other liabilities	31,357	2,692
<b>Change in working capital</b>	<b>500,704</b>	<b>6,235</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>736,196</b>	<b>218,055</b>
Sale of tangible assets	0	904
Purchase, etc. of tangible assets	-16,496	-17,606
<b>CASH FLOWS FROM INVESTMENT ACTIVITIES</b>	<b>-16,496</b>	<b>-16,702</b>
Dividend paid	-99,000	-36,000
Bond issue, including amortisation effect	99,271	99,265
Subordinated debt issue, including amortisation effect	39,530	39,558
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>39,801</b>	<b>102,823</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>759,501</b>	<b>304,176</b>
Cash and cash equivalents, beginning of year	2,926,017	2,621,841
<b>Cash and cash equivalents, end of year</b>	<b>3,685,518</b>	<b>2,926,017</b>
Cash balance and demand deposits with central banks	2,080,989	1,552,747
Fully secured and liquid cash and cash equivalents in credit institutions, cf. Note 12	155,989	120,150
Non-mortgaged securities	1,448,540	1,253,120
<b>Cash and cash equivalents, end of year</b>	<b>3,685,518</b>	<b>2,926,017</b>



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# Notes to the Annual Report, including Accounting Policies Applied

## 1. Accounting policies applied

The Annual Financial Statements are presented in accordance with the Danish Financial Activities Act, including the Order on financial reports for credit institutions and investment service companies, etc. The Annual Report is furthermore presented in accordance with additional Danish disclosure requirements for the annual reports of listed financial companies.

The Annual Report is presented in Danish kroner, rounded to the nearest DKK 1,000.

The accounting policies applied are unchanged from the Annual Report for 2023.

### About recognition and measurement in general

Assets are recognised in the balance sheet when it is probable, due to a previous event, that future economic benefits will accrue to the Bank, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Bank, due to a previous event, has a legal or actual obligation, and it is probable that future economic benefits will divest from the Bank, and the value of the liability can be measured reliably.

On first recognition, assets and liabilities are measured at fair value. However, tangible assets are measured at cost price at the time of first recognition. Measurement after first recognition takes place as described for each accounting item below.

On recognition and measurement, account is taken of predictable risks and losses arising before the presentation of the Annual Report, and which confirm or refute conditions existing as of the balance sheet date.

Income is recognised in the statement of income as it is earned, while costs are recognised at the amounts concerning the financial year. However, increases in the value of head office properties that do not match previous impairment are recognised directly to the statement of comprehensive income.

Purchase and sale of financial instruments is recognised on the trading date, and recognition ceases when the right to receive/cede cash flows concerning the financial asset or liability has expired, or has been assigned, and the Bank has in principle transferred all risks and yields related to the property ownership. The BANK of Greenland does not apply the rule on reclassification of certain financial assets from fair value to amortised cost.

### Significant accounting estimates, assumptions and uncertainties

The Annual Financial Statements are prepared on the basis of certain special assumptions which entail the use of accounting estimates. These estimates are made by the Bank's management in accordance with accounting policies, and on the basis of historical experience, as well as assumptions which the management considers to be responsible and realistic.

The assumptions may be incomplete, and unexpected future events or circumstances may arise, just as other parties might be able to make other estimates. The areas which entail a higher degree of assessment or complexity, or areas where assumptions and estimates are significant to the accounts, are stated below.

On the preparation of the annual financial statements, the management undertakes a number of accounting assessments as the basis for the presentation, recognition and measurement of the institution's assets and liabilities. The Annual Financial Statements are presented in accordance with the going concern principle, based on current practice and interpretation of the rules for Danish banking institutions. The key estimates made by the management in conjunction with recognition and measurement of these assets and liabilities, and the significant estimation uncertainty related to the preparation of the Annual Report for 2024, are:

- Write-downs for impairment of lending and provisions for guarantees and credit undertakings are made in accordance with the accounting policies, and are based on a number of assumptions. If these assumptions are changed, the



presentation of the accounts may be affected, and this may be significant.

- Listed financial instruments may be priced in markets with low turnover, whereby the use of stock exchange prices to measure fair value may be subject to some uncertainty.
- Unlisted financial instruments may involve significant estimates in connection with the measurement of fair value. See Notes 13 and 29.
- For provisions, there are significant estimates related to the determination of the future employee turnover rate, as well as determining the interest obligation for tax-free savings accounts.
- The measurement of the fair value of head office properties is likewise subject to significant estimates and assessments, including expectations of the properties' future returns and the rates of return fixed. The Bank's principal property is the head office property in Nuuk. A change in the percentage yield of e.g. 0.5% would change the valuation by DKK 9 million for this property. On the valuation of the Bank's head office property in Nuuk, different prices per square metre are used in relation to market rent and potential use.

In 2022, the Bank obtained external broker assessments of a wide selection of the Bank's properties, to support the valuation. In 2024, an assessment was obtained of the Bank's head office property in Nuuk.

### Determination of fair value

The fair value is the amount at which an asset can be traded or a liability can be redeemed, in a trade under normal conditions between qualified, willing and mutually independent parties.

The fair value of financial instruments for which there is an active market is determined at the closing price on the balance sheet date or, if not available, another published price that must be assumed to be best equivalent.

For financial instruments for which there is no active market, the fair value is determined with the help of generally recognised valuation techniques, which are based on observable current market data.

### Hedge accounting

The Bank applies the special hedge accounting rules to avoid the inconsistency which arises when certain financial assets or financial liabilities (the hedged items) are measured at amortised cost, while derivative financial instruments (the hedging instruments) are measured at fair value.

When the criteria for the application of the hedge accounting rules are fulfilled, the accounting value of the hedged assets and

liabilities is subject to adjustment via the statement of income for changes in fair value concerning the hedged risks (fair value hedging). Hedging is established by the Bank for lending at fixed interest rates.

### Derivative financial instruments

Derivative financial instruments are measured at fair value, which in principle is based on listed market prices. With regard to unlisted instruments, the fair value is compiled according to generally recognised principles. Derivative financial instruments are recognised under other assets, or other liabilities.

Changes in the fair value of derivative financial instruments which are classified as and fulfil the conditions for hedging the fair value of a recognised asset or liability, are recognised in the statement of income together with changes in the value of the hedged asset or liability. Other changes are recognised in the statement of income as financial items.

### Translation of foreign currencies

On first recognition, transactions in foreign currencies are translated at the exchange rate on the transaction date. Receivables, debt and other monetary items in foreign currency which are not settled as of the balance sheet date, are converted at the closing rate for the currency on the balance sheet date. Exchange-rate differences arising between the rate on the transaction date and the rate on the payment date, or the rate on the balance sheet date, are recognised as value adjustments in the statement of income.

### Set-offs

The Bank sets off receivables and liabilities when the Bank has a legal right to set off the recognised amounts and also has the intention of net set-off or realisation of the asset and redemption of the liability at the same time.

### Agreement with the Ministry of Industry, Business and Financial Affairs in Denmark

The BANK of Greenland has entered into an agreement with the Ministry of Industry, Business and Financial Affairs in Denmark on contributions to support financial stability in Greenland. The contribution is divided into directly attributable compensation contributions for the Bank's MREL issuance costs, and a basic amount.

Compensation has been received for the Bank's MREL issuance costs for the element of the Bank's issues that exceeds the agreed average level to which a small bank in the Association of Local Banks, Savings Banks and Cooperative Banks in Denmark will be subject.

The compensation is presented as a set-off against subsidy-entitled interest items, or negative interest income and interest expenses, respectively.

Basic amounts received are not directly attributable to a single cost element and are therefore recognised under other operating income. Compensation is recognised in the statement of income in the relevant period.

The Bank has no unfulfilled commitments at the balance sheet date, or other contingent items related to the public compensation.

## Statement of income

### Interest, fees and commission

Interest income and interest expenses are recognised in the statement of income for the period which they concern. Commission and fees which are an integrated element of the effective interest rate on a loan are recognised as part of the amortised cost and thereby as an integrated element of the financial instrument (lending) under interest income.

Commission and fees which are part of the ongoing servicing of the loan are accrued over the term to maturity. Other fees are recognised in the statement of income as of the transaction date.

Interest on lending classified as stage 3 is calculated on the basis of the net amount after write-downs. For other lending, the interest rate is calculated on the basis of the contractual outstanding amount. This entails that interest income from loans that have been written down either in full or in part is included under "Write-downs on loans and receivables, etc." with regard to the interest on the impaired element of the loans.

### Share dividend

Share dividend is recognised in the income statement when the Bank is entitled to receive dividend. This will normally be when the dividend has been adopted at the company's general meeting.

### Value adjustments

Value adjustments comprise realised and unrealised value adjustments of assets and liabilities measured at fair value. Exchange rate adjustments and the effect of value adjustments of hedge accounting are also included in the value adjustment.

### Staff and administration expenses

Staff costs comprise salaries and social security expenses, pensions, staff accommodation, etc. Costs of services and benefits to employees, including anniversary bonuses, are recognised in step with the employees' performance of the

work which entitles them to the services and benefits in question. Costs of incentive programmes are recognised in the statement of income in the financial year to which the cost can be attributed.

Administration expenses include IT expenses, marketing, insurance, etc.

### Pension schemes

The Bank has established a defined-benefit severance/pension scheme for the Bank's managing director.

The Bank has established contribution-based pension schemes with all employees. Under the contribution-based pension schemes, fixed contributions are paid to an independent pension institution, or to the Bank's own pension product, "Qimatut". The Bank's own pension product is not managed by the Bank itself, but by the employee or in pool schemes managed by an independent investment company.

### Other operating income and operating expenses

Other operating income includes income of a secondary nature in relation to the Bank's activities, including external rent income, and profit and loss on sale of the Bank's properties.

Other operating expenses include expenses of a secondary nature in relation to the Bank's activities, including operation and maintenance of the Bank's head office properties, and contributions to sector solutions.

### Tax

Tax for the year, which consists of current tax and changes in deferred tax, is recognised in the statement of income when it relates to the result for the period, and in other comprehensive income or directly to equity when it relates to items recognised directly in other comprehensive income or directly to equity, respectively.

Current tax liabilities are recognised in the balance sheet, compiled as the tax calculated on the taxable income for the year.

On calculating the taxable income, Greenland allows tax deduction of dividend.

Deferred tax is recognised on all temporary difference between accounting values and taxable values of assets and liabilities.

**Balance sheet total****Cash balances and demand deposits at central banks**

Comprise cash balances and demand deposits at central banks and are measured at fair value on first recognition, and subsequently measured at amortised cost.

**Receivables from and debt to credit institutions and central banks**

Comprises receivables from credit institutions and time deposits with central banks. Debt to credit institutions and central banks comprises debt to other credit institutions and central banks. Receivables are measured at fair value. Debt is measured at amortised cost.

**Loans and other receivables at amortised cost**

Financial instruments that, after first recognition, are recognised on an ongoing basis at amortised cost must, however, on initial recognition be measured at fair value with addition of the transaction costs directly related to the acquisition or issue of the financial instrument, and deduction of the fees and commission received, which are an integral element of the effective interest rate.

Loans are measured at amortised cost, which is usually equivalent to nominal value less establishment fees, etc., and write-downs to meet losses that have arisen, but have not yet been realised.

Reference is also made to the descriptions in Note 2.

**Bonds at fair value**

Bonds which are traded in active markets are measured at fair value. Fair value is calculated at the closing price for the market in question on the balance sheet date. Redeemed bonds are measured at present value.

If the market for one or several bonds is not liquid, or if there is no publicly recognised price, the Bank determines the fair value by using recognised valuation techniques. These techniques include the use of equivalent recent transactions between independent parties, and analyses of discounted cash flows and other models based on observable market data.

**Shares, etc.**

Shares are measured at fair value. The fair value of shares traded in active markets is compiled at the closing price on the balance sheet date.

The fair value of unlisted and non-liquid shares is based on the available information concerning trades and similar, or alternative capital value calculations. Non-liquid and unlisted

capital investments for which it is not assessed to be possible to calculate a reliable fair value are measured at cost.

**Assets and deposits in pool schemes**

All pool assets and deposits are recognised at fair value in separate balance sheet items. Pool schemes are managed by an external partner. The Bank's own return on pool activities is carried under fee and commission income.

**Head office properties**

All of the Bank's properties are defined as head office properties, including staff accommodation. Staff accommodation is assessed to be necessary, to ensure the recruitment of new staff.

Properties are measured according to first recognition at re-assessed value. Initial recognition is at cost price. Re-assessment is made sufficiently frequently to avoid significant differences from fair value.

Every second year (most recently in 2024), an independent assessment is obtained of the market value of the Bank's head office property in Nuuk. Every three years (most recently in 2022), an independent assessment is obtained of the market value of a large proportion of the Bank's staff accommodation. The fair value of other head office properties is reassessed annually on the basis of calculated capital values for the expected future cash flows.

Increases in head office properties' reassessed value are recognised in revaluation reserves under equity. Any decrease in value is recognised in the statement of income, except in the case of reversal of revaluations in previous years.

Straight-line depreciation over 25 years is applied to bank buildings, and over 50 years to staff accommodation.

The head office property and newer bank buildings and staff accommodation are written down to scrap value.

**Other tangible assets**

Machinery and fixtures and fittings are measured at cost less accumulated depreciation. Depreciation is made on a straight-line basis over the assets' expected lifetime, but maximum five years.

**Other assets**

Other assets are other assets not included under other asset items. The item includes the Bank's capital contribution to BEC, and the positive market value of derivative financial instruments and income that do not fall due for payment until after the end of the financial year, including interest receivable. With the exception of derivative financial instruments that have a positive

value as of the balance sheet date, and which are measured at fair value, the accounting item is measured at cost on first recognition, and thereafter at amortised cost.

### **Prepayments and deferred expenses**

Accruals and deferred income recognised under assets comprise defrayed costs concerning subsequent financial years. Prepayments and deferred income are measured at cost.

### **Deposits and other liabilities**

Financial instruments that, after first recognition, are recognised on an ongoing basis at amortised cost must, however, on initial recognition be measured at fair value with addition of the transaction costs directly related to the acquisition or issue of the financial instrument, and deduction of the fees and commission received, which are an integral element of the effective interest rate.

Deposits and other liabilities comprise deposits with counterparties that are not credit institutions or central banks. Deposits and other liabilities are measured at fair value on first recognition, and are subsequently measured at amortised cost.

### **Issued bonds at amortised cost**

Issued bonds are measured at amortised cost.

### **Other liabilities**

Other liabilities are other liabilities not included under other liability items. The item includes the negative market value of derivative financial instruments and expenses that do not fall due for payment until after the end of the financial year, including interest payable. With the exception of derivative financial instruments that have a negative value as of the balance sheet date, and which are measured at fair value, the accounting item is measured at cost on first recognition, and thereafter at amortised cost.

### **Prepayments and deferred expenses**

Prepayments and deferred expenses recognised under liabilities comprise income received prior to the balance sheet date, but which concerns a subsequent accounting period, including accrued interest and commission. Prepayments and deferred income are measured at cost.

### **Subordinated debt**

Subordinated debt is measured at amortised cost.

### **Provisions**

Obligations and guarantees which are uncertain in terms of size or time of settlement are recognised as provisions when it is probable that the obligation will lead to a claim on the Bank's financial resources, and the obligation can be measured reliably. The obligation is calculated at the present value of the costs

that are necessary in order to redeem the obligation. Obligations concerning staff which fall due more than 36 months after the period in which they are earned are discounted.

### **Contingent liabilities**

The item concerns ceded guarantees and undertakings, irrevocable credit undertakings and similar obligations that are not carried to the balance sheet. Guarantees are measured at nominal value, with deduction of loss provisions. Provisions for losses are recognised under "Write-downs on loans and receivables, etc." in the statement of income and under "Provisions for losses on guarantees" in the balance sheet.

### **Dividend**

Dividend is recognised as a liability at the time of its adoption by the Annual General Meeting. The proposed dividend for the financial year is shown as a separate item in relation to equity.

### **Cash flow statement**

The cash flow statement is presented according to the indirect method and shows cash flows concerning operations, investments and financing, and the Bank's liquid assets at the beginning and end of the year.

Cash flows concerning operating activities are compiled as the operating result adjusted for non-cash operating items, change in working capital and corporate tax paid. Cash flows concerning investment activities comprise payments concerning purchase and sale of companies, activities and the purchase, development, improvement and sale, etc. of intangible and tangible fixed assets. Cash flows concerning financing activities comprise changes in the size or structure of the company's share capital, subordinate capital contributions and related costs, purchase of own shares, and payment of dividend.

Liquid assets comprise cash balances and demand deposits with central banks and receivables from credit institutions with an original duration of up to three months, as well as uncollateralised securities which can be immediately converted to cash funds.

### **Financial highlights and key figures**

Financial highlights and key figures are presented in accordance with the definitions and guidelines of the Danish Financial Supervisory Authority.

## 2. Financial risks and policies and targets for management of financial risks

### General

In accordance with Section 16 of the Order on the management and control of banks, etc. the BANK of Greenland must designate a risk officer who is responsible for risk management at the Bank.

The risk management function is anchored in the Executive Management. On the basis of the Bank's development, a risk director was appointed in 2023, who is expected to be appointed as responsible for risk management in the long term.

The BANK of Greenland is exposed to various types of risk. The objective of the Bank's risk management policies is to minimise the losses which may arise as a consequence of e.g. unforeseen development in the financial markets. The Bank works with a balanced risk profile, both in credit terms and on the financial markets. The Bank solely uses derivative financial instruments (derivatives) to cover risks on customer transactions, or to reduce the Bank's interest rate risk.

The BANK of Greenland continuously develops its tools for the identification and management of the risks which affect the Bank on a day-to-day basis. The Board of Directors determines the overall framework and principles for risk and capital management, and receives ongoing reports on the development in risks and use of the allocated risk framework. The day-to-day risk management is undertaken by the Credit Department, with independent control by the Accounting Department.

### Credit risks

The most significant risks at the BANK of Greenland concern credit risks. The Bank's risk management policies are therefore arranged in order to ensure that transactions with customers and credit institutions always lie within the framework adopted by the Board of Directors, and the expected level of security. Policies have furthermore been adopted to limit the exposure in relation to any credit institution with which the Bank has activities.

### Credit granting

The Bank's Board of Directors has set a framework to ensure that the Bank's lending takes place to customers that, in view of their solvency, earnings and liquidity, are able to fulfil their obligations to the Bank. It is sought to maintain credit quality at a high level, to ensure a stable basis for the future development, and it is sought to achieve a balance between assumed risks and the return achieved by the Bank.

Credit granting is based on responsible risk taking and risk diversification, whereby risk exposure is matched to the borrower's circumstances.

Among other things:

- As a general rule, loans, etc. are only granted to customers that are full customers of the Bank;
- As a general rule, loans, etc. to business customers are only granted to customers with business activities in Greenland;

DKK 1,000	2024	2023
<b>Maximum credit exposure</b>		
Cash balances and demand deposits at central banks	2,080,989	1,552,747
Receivables from credit institutions and central banks	155,989	120,150
Loans and other receivables at amortised cost	5,030,995	4,812,975
Bonds at fair value	1,498,540	1,303,120
Shares, etc.	150,963	135,614
Other assets, including derivative financial instruments	104,342	93,202
Off-balance-sheet items		
Guarantees	1,422,643	1,774,426
Unutilised facilities	1,743,587	1,983,304
<b>Exposure specification</b>		
Lending, cf. Note 13	5,030,995	4,812,975
Guarantees, cf. Note 25	1,422,643	1,774,426
Write-downs and provisions on guarantees, cf. Note 13	223,936	205,599
Other adjustments	-21,087	-20,398
Gross exposure, cf. below	6,656,487	6,772,602

- As a general rule, loans, etc. to private customers are only granted to customers resident in Greenland, or to customers formerly resident in Greenland; and
- Loans, etc. to both private and business customers are solely to customers with satisfactory creditworthiness. Credit granting to customers with OIK (objective indication of credit deterioration) or material indications of weakness will only take place in exceptional cases. The BANK of Greenland is, however, aware of its size and importance to the local area and contributes to a minor extent to the new establishment of small business enterprises with a somewhat higher risk profile, and also supports existing customers where it is assessed that the financial challenges are of a temporary nature.
- Some financing, such as financing of activities abroad, project financing and financing of investment products, is subject to tighter monitoring, and may only be granted by the Bank’s managing director or deputy managing director.

**Risk diversification**

The BANK of Greenland wishes to diversify its credit risk between lending to private customers and lending to business customers. The exposure to business customers may thus not exceed 60% of the total exposure.

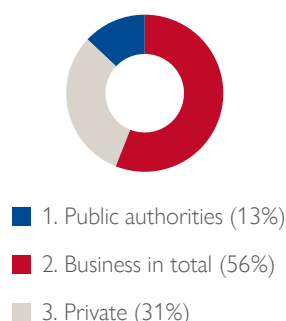
Risk diversification to industries with a reasonable spread across sectors is also required. Lending to individual sectors exceeding 15% is thus not preferred, with the exception of “Real estate” and “Completion of construction projects”, to which the overall exposure may amount to up to 25%.

*Standard terms*

Business customers: Exposures can typically be terminated without notice by the Bank. The customer is normally required to provide the Bank with financial information on an ongoing basis.

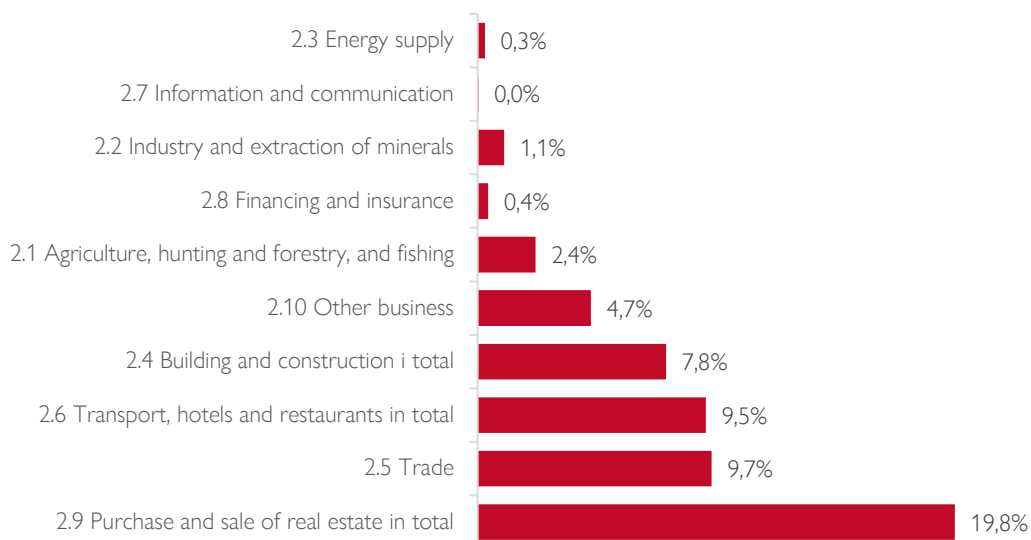
Private customers: The typical term of notice from the Bank is two months. Financial information is normally required for new loans, and changes to existing loans.

**Figure 1**  
**Lending and guarantee debtors by sectors**

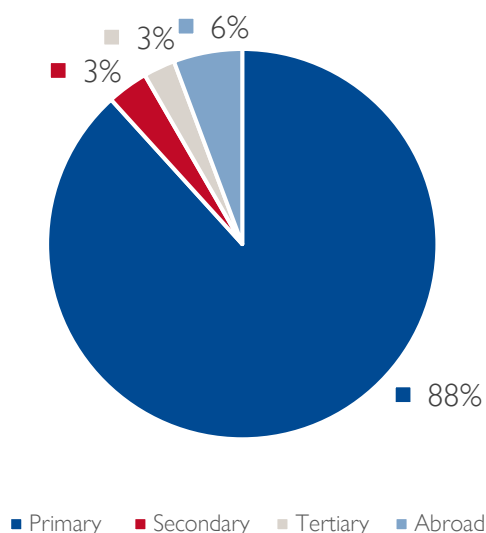


The geographical spread of the Bank’s lending and guarantees in Greenland is distributed on the five main municipal towns (primary), smaller towns (secondary), settlements and villages (tertiary) and abroad (other), cf. Figure 3. According to the Bank’s business model, lending and guarantees outside Greenland are maximised at 10% of total lending and guarantees.

**Figure 2**  
**Lending and guarantee debtors by industries under business**



**Figure 3**  
**Geographical spread of lending and guarantees**



### Authorisation procedures

Credits, loans and guarantees are authorised at various levels in the Bank, depending on the exposures' size, risk and type. On financing a number of separate activities and on authorisation for customers subject to value adjustment, the authorisation procedure is stricter and, irrespective of size, authorisations can only be made in the Bank's central credit department, and in some cases solely by the Bank's managing director or deputy managing director. Large exposures are authorised by the Bank's Board of Directors.

### Monitoring

Management and monitoring of credit granting and compliance with the Bank's credit policy take place on a centralised basis in the Bank's credit department.

The Bank's credit policy is complied with via review of the authorisations at credit department level and higher, and via random sample controls in the individual departments.

### Collateral security

The BANK of Greenland wishes to have adequate collateral security for its credit granting.

For financing, the collateral security primarily consists of:

- Mortgages on private residential properties, primarily in Greenland;
- Mortgages on commercial properties for own use;
- Mortgages on rental properties (residential and commercial);
- Mortgages on movable property, cars, boats, snow scooters, operating equipment, etc.;

- Mortgages on fishing vessels;
- Mortgages on fishing rights;
- Mortgages on easily negotiable securities;
- Surety pledges;
- Assignments; and
- Mortgages on shares in the companies to which credit has been granted

As a general rule, the valuation of the collateral security is based on fair value, calculated with a safety margin between 10% and 50%

The "haircuts" made for the individual collateral are assessed to be sufficient to cover the costs of acquisition and realisation of the individual security.

There is no public property valuation in Greenland, and the assessed valuations are therefore based on the Bank's current experience of market values for the trades completed.

The BANK of Greenland is involved in 70-80% of all property transactions in Greenland and therefore has a large body of experience on which to base this assessment.

The Bank continuously assesses whether there have been changes in the quality of security and other conditions as a consequence of impairment or changes in practice concerning collateral security. There have been no changes during the year in the practice for the valuation of security, or the practice for handling security.

### Write-down of loans and other receivables and provisions for guarantees and loan undertakings.

The calculation of the expected credit loss depends on whether there has been a significant increase in the credit risk since initial recognition. The calculation of write-downs adheres to a model with three stages:

- Stage 1 concerns assets for which there has been no significant increase in credit risk. In this stage, the write-downs equivalent to the expected 12-month credit loss are calculated.
- Stage 2 concerns assets for which there has been a significant increase in credit risk. In this stage, the write-downs equivalent to the expected credit loss in the asset's lifetime are calculated.
- Stage 3 concerns credit-impaired assets. In this stage, the write-downs are calculated on the basis of an individual assessment of the credit loss in the asset's lifetime.

There have been no changes in significant assumptions and valuation methods during the financial period.

Write-downs on loans and receivables are carried to an adjustment account that is set off under lending, and provisions for guarantees and non-utilised credit undertakings are recognised as a liability. In the statement of income, write-downs and provisions on guarantees and credit undertakings are recognised collectively as write-downs on loans.

### Division into stages

The division into stages is based on the BANK of Greenland's rating models in the form of PD models developed by BEC and internal credit management. The following principles are the basis for the division into stages 2 and 3.

### Significant increase in credit risk (Stage 2)

Lending and other receivables are categorised according to whether the probability of default (PD) within 12 months on initial recognition is either under 1.0%, or 1.0% and above.

On assessment of the development in credit risk, it is assumed that there has been a significant increase in the credit risk in relation to the date of initial recognition when:

#### *Under 1%*

The probability of default (PD) during the remaining maturity increases by 100%, and 12-month PD increases by 0.5 percentage point when PD on initial recognition was below 1%.

#### *1% and higher*

The probability of default (PD) during the remaining term to maturity increases by 100% or the 12-month PD increases by 2.0 percentage points when PD on initial recognition was above 1%. In addition, the credit risk is assessed to have increased considerably if the borrower has been in arrears for more than 30 days, without any special circumstances allowing this to be disregarded.

If the relevant 12 months' PD exceeds 5%, the exposure will move to stage 2.

Financial assets for which a significant increase in the credit risk has occurred are, however, placed in the weak part of stage 2 in the following situations:

An increase in PD for the expected remaining term to maturity of 100%, or an increase in 12 months' PD of 0.5% point, when 12 months' PD on initial recognition was below 1% and the current 12 months' PD is 5% or higher. An increase in PD for the expected remaining term to maturity of 100%, or an increase in 12 months' PD of 2.0% points, when 12 months' PD on initial recognition was above 1% and the current 12 months' PD is 5% or higher.

The financial asset has been overdrawn for more than 30 days and the current 12-month PD is 5% or higher.

### Credit-impaired assets (Stage 3)

Lending and other receivables measured at amortised cost, and guarantees and credit undertakings, may be credit-impaired if one or several of the following events have occurred:

- The borrower is in considerable financial difficulties.
- The borrower is in breach of contract, for example due to failure to fulfil payment obligations for repayments and interest.
- When the Bank or other lenders grant the borrower an easement of terms that would not have been considered if the borrower was not in financial difficulties.
- When it is probable that the borrower will file for bankruptcy or be subject to other financial restructuring.
- Lapse of an asset.

Furthermore, the loan is at the latest assessed to be credit-impaired if the borrower has been in arrears for more than 90 days.

Significant lending is assessed individually for any indication of credit impairment at each closure of the accounts. The Bank makes an individual loss risk statement for exposures in stage 3, where the risk mitigating collateral value amounts to more than DKK 100,000, while other exposures are modelled. When calculating stage 3 write-downs, the Bank does not use payment series, so that write-downs are subject to prudent assessment.

### Definition of default

The determination of when a borrower has defaulted on its obligations is decisive to the compilation of the expected credit loss. The Bank considers a borrower to have defaulted on its obligations if

- the borrower is in more than 90 days' arrears for significant elements of their obligations.
- It is unlikely that the borrower can repay the obligations in full.

The assessment of whether a borrower is in arrears concerns both overdrafts exceeding the fixed lines and failure to pay either instalments or interest. The assessment of whether it is unlikely that a borrower can fulfil its payment obligations is based on both qualitative and quantitative indicators. A qualitative indicator for business loans might be, for example, whether there is any breach of covenants. Quantitative indicators might, for example, be an assessment of whether a borrower can fulfil its obligations for other loans, or is in arrears for other loans.



## Depreciation and write-downs

Write-downs in stages 1 and 2:

Calculation of the expected credit loss in stages 1 and 2 is based on a write-down model. The write-down model is based on the probability of default (PD), expected credit exposure at default (EAD) and expected share of loss given default (LGD). The model incorporates historical observations for the individual inputs and also forward-looking information, including macroeconomic conditions.

### Determination of input to the write-down model

Input to the write-down model is based on the historical information developed by the Bank's data centre using statistic models.

The probability of default (PD) is determined on the basis of observed defaults over a period of time, reflecting an economic cycle, after which the observed defaults are converted to an estimated probability applying to a specific time (12-month PD). Lifetime PD is compiled on the basis of 12-month PD according to mathematical models and projections of 12-month PD. This is based on expectations of the future and the development in the loans.

The determination of credit exposure at default (EAD) is based on the expected change in the exposure after the balance sheet date, including the payment of interest and instalments, and further drawing on the credit undertaking. Bankens EDB Central's determination of EAD is based on historical information concerning expected changes in exposures during the loans' lifetime within the individual loan's limits. Account is thereby taken of the redemption profile, early redemptions and changes in the use of credit facilities.

The expected loss given default (LGD) is estimated on the basis of the difference between the contractual cash flows and the cash flows which the Bank expects to receive after default, including cash flows on realisation of security. The determination of LGD is based on the expected collateral values less costs of sales, as well as cash flows that a borrower might pay in addition to collateral. Account is also taken of any price reduction if the collateral is to be realised within a shorter period. The expected cash flows are discounted at present value. The present value is calculated for fixed-interest-rate loans and receivables based on the originally-fixed effective interest rate. For variable-interest-rate loans and receivables, the current effective interest rate on the loan or receivable is used.

## Forward-looking macroeconomic scenarios

Forward-looking information is included in the calculation of expected losses in the form of macroeconomic prognoses and projections. The Bank uses a model that is developed and maintained by LOPI – the Association of Local Banks, Savings Banks and Cooperative Banks in Denmark.

The model is based on the determination of historical relations between write-downs within a number of sectors and industries, and a number of explanatory macroeconomic variables. These relations are then subject to estimates of the macroeconomic variables, based on prognoses from consistent sources such as the Economic Council, Danmarks Nationalbank, et al. whereby the prognoses generally extend two years ahead, and include such variables as the increase in public consumption, increase in GDP, interest, etc. The prognoses are based on Danish figures. The Danish forecasts are currently perceived to be applicable to conditions in Greenland, which is, however, subject to some uncertainty – see also the section on managerial additions.

The expected write-downs are thereby calculated for up to two years ahead within the individual sectors and industries, while for maturities beyond two years linear interpolation is made between the write-down ratio for year 2 and the write-down ratio in year 10, where in model-related terms a "long-term equilibrium" is assumed to occur, compiled as a structural level from the prognoses. Maturities beyond ten years are in model-related terms assigned the same write-down ratio as the long-term equilibrium in year 10. Finally, the calculated write-down ratios are transformed into adjustment factors that correct the data centre's estimates in the individual sectors and industries. The institution makes adjustments to these, based on own expectations of the future, and according to the composition of the loans.

### Managerial additions

Both IFRS 9 and the Danish Executive Order on Financial Statements state that the future outlook must be included in the calculation of total write-downs. On each balance sheet date the Bank therefore assesses the need for adjustments to the expected credit losses, calculated on the basis of the models applied in stages 1 and 2. This takes place on the basis of the calculated write-downs, and reflects the management's assessment of a potentially greater risk on the Bank's exposures than is justified by the historical write-downs.

In both 2023 and 2024, the managerial addition is based primarily on uncertainties concerning model calculations, risk assessment at sector level and macroeconomic impacts.

As a consequence of inflation and cyclical uncertainty, the BANK of Greenland has made a risk assessment at sector level, where a general change in creditworthiness at portfolio level, and the derived increased impairment write-downs, are estimated. On this basis, the Bank has allocated a managerial addition of DKK 42.3 million, compared to an estimate of DKK 45.6 million in 2023. This also includes a method risk supplement.

### Managerial additions by stages

	Stage 1 TDKK	Stage 2 and 2SVAG TDKK	Managerial additions total TDKK
Business	0	25,240	25,240
Private	0	17,022	17,022
<b>In total</b>	<b>0</b>	<b>42,262</b>	<b>42,262</b>

### Write-downs in stage 3:

Write-downs on credit-impaired loans are compiled as the expected loss based on a number of possible outcomes for the borrower's situation and the Bank's credit handling. The expected loss is calculated by weighting together the calculated loss related to each scenario, based on the probability of the scenario occurring. For each scenario, the write-down is compiled on the basis of the difference between the accounting value before write-down and the present value of the expected future payments on the loan.

For the calculation of current value, fixed-interest-rate loans and receivables are subject to the effective interest rate originally determined. For variable-interest-rate loans and receivables, the current effective interest rate on the loan or receivable is used.

The general rule is that the write-down comprises the exposure, less calculated security.

### Write-offs

Financial assets are written off in full or in part if there is no longer any reasonable expectation that the outstanding amount will be paid. On write-off, the asset will cease to be carried to the balance sheet in full or in part.

The time at which there is no longer assessed to be any reasonable expectation that outstanding amounts will be paid in, is based on the concrete circumstances of the individual borrower. This might be a lack of earnings, equity, etc.

Before write-off is made, the borrower will have been subject to an extended collection process, with attempts to achieve voluntary payment arrangements, realisation of assets, etc.

After write-off has taken place, the debt collection process will continue. In the case of companies, typically until the borrower has completed bankruptcy proceedings, composition with creditors, etc. For private individuals, continued attempts are made to establish voluntary payment schemes and possible legal collection.

**Exposure and write-downs by sector**

	<b>Gross exposure</b>	<b>Ratio of total gross exposure</b>	<b>Total write-downs</b>	<b>Ratio of total write-downs</b>
	DKK 1,000	%	DKK 1,000	%
<b>2024</b>				
<b>Public</b>	849,300	13	672	0
Business:				
Agriculture and fisheries	159,723	2	6,272	3
Industry and extraction of minerals	73,127	1	2,099	1
Energy supply	20,528	0	61	0
Construction and civil engineering	519,760	8	37,032	17
Trade	645,469	10	22,157	10
Transport, restaurants and hotels	629,783	9	11,542	5
Information and communication	2,458	0	32	0
Financing and insurance	29,127	0	194	0
Real estate	1,317,057	20	60,044	27
Other business	312,961	5	18,650	8
<b>Business in total</b>	<b>3,709,993</b>	<b>56</b>	<b>158,083</b>	<b>71</b>
<b>Private</b>	<b>2,097,194</b>	<b>32</b>	<b>65,181</b>	<b>29</b>
<b>In total</b>	<b>6,656,487</b>	<b>100</b>	<b>223,936</b>	<b>100</b>

	<b>Gross exposure</b>	<b>Ratio of total gross exposure</b>	<b>Total write-downs</b>	<b>Ratio of total write-downs</b>
	DKK 1,000	%	DKK 1,000	%
<b>2023</b>				
<b>Public</b>	689,217	10	695	0
Business:				
Agriculture and fisheries	171,614	3	6,172	3
Industry and extraction of minerals	31,217	0	1,544	1
Energy supply	1,658	0	319	0
Construction and civil engineering	579,503	9	34,693	17
Trade	635,101	9	17,376	8
Transport, restaurants and hotels	633,847	9	14,975	7
Information and communication	4,760	0	162	0
Financing and insurance	37,447	1	668	0
Real estate	1,470,912	22	40,979	20
Other business	278,304	4	19,183	9
<b>Business in total</b>	<b>3,844,363</b>	<b>57</b>	<b>136,071</b>	<b>66</b>
<b>Private</b>	<b>2,239,021</b>	<b>33</b>	<b>71,541</b>	<b>34</b>
<b>In total</b>	<b>6,772,601</b>	<b>100</b>	<b>208,307</b>	<b>100</b>

### Credit exposure distributed on classification, creditworthiness and stages

Classification The Bank of Greenland	Classification Danish Financial Supervisory Authority	Stage 1 TDKK	Stage 2 TDKK	Stage 2SVAG TDKK	Stage 3 TDKK	In total TDKK
Rating 1 – 3	3/2A	3,561,013	77,627	0	40	3,638,680
Rating 4 – 8	2B	1,692,482	471,767	306,709	734	2,471,692
Rating 9 – 10	2C	0	0	261,803	3,840	265,643
Rating 11	1	0	1,072	7,403	271,997	280,472
<b>In total</b>		<b>5,253,495</b>	<b>550,466</b>	<b>575,915</b>	<b>276,611</b>	<b>6,656,487</b>

#### Classification BANK of Greenland

- Ratings 1-3 correspond to the Danish FSA's creditworthiness scale 3/2A – Customers with undoubtedly good creditworthiness and customers with normal creditworthiness.
- Ratings 4-8 correspond to the Danish FSA's creditworthiness scale 2B – Customers that do not fulfil the criteria in 1-3, but which on the other hand do not have significant signs of weakness. The debt servicing ability is good, although the key financial indicators may be weak.
- Ratings 9-10 Customers with significant signs of weakness, but without OIK occurring. The customer's debt servicing ability is less satisfactory and the customer is economically vulnerable/has weak key indicators.
- Rating 11 Customers with OIK. Customers with and without loss risk compilation (write-down). The debt servicing ability is poor or non-existent, and there is an increased risk of losses.

#### Credit exposure to industries broken down by stages:

	Stage 1 TDKK	Stage 2 TDKK	Stage 2SVAG TDKK	Stage 3 TDKK	In total TDKK
Public	849,261	39	0	0	849,300
Business:					
Agriculture and fisheries	110,660	27,365	14,390	7,307	159,722
Industry and extraction of minerals	69,075	981	1,373	1,698	73,127
Energy supply	19,796	569	163	0	20,528
Construction and civil engineering	390,754	44,704	54,840	29,462	519,760
Trade	548,579	31,582	59,770	5,539	645,470
Transport, restaurants and hotels	545,429	44,210	33,205	6,940	629,784
Information and communication	2,270	160	28	0	2,458
Financing and insurance	29,110	17	0	0	29,127
Real estate	899,675	69,441	224,691	123,249	1,317,056
Other business	232,556	24,307	22,672	33,426	312,961
Business in total	2,847,904	243,336	411,132	207,621	3,709,993
Private	1,556,331	307,091	164,783	68,989	2,097,194
<b>In total</b>	<b>5,253,496</b>	<b>550,466</b>	<b>575,915</b>	<b>276,610</b>	<b>6,656,487</b>

### Reason for value adjustment of exposures in stage 3

	Credit exposures before write- downs	Write-downs	Accounting value	Collateral security	Maximum credit risk
<b>2024</b>					
Bankruptcy	13,015	10,125	2,890	2,768	122
Collection	3,241	1,673	1,567	0	1,567
Financial difficulties	260,354	108,012	152,343	69,199	83,143
<b>In total</b>	<b>276,610</b>	<b>119,810</b>	<b>156,800</b>	<b>71,967</b>	<b>84,832</b>
<b>2023</b>					
Bankruptcy	8,316	6,817	1,499	1,499	0
Collection	14,721	11,309	3,412	3,412	0
Financial difficulties	182,253	78,378	103,875	65,812	38,064
<b>In total</b>	<b>205,290</b>	<b>96,504</b>	<b>108,786</b>	<b>70,723</b>	<b>38,064</b>

### Credit quality of exposures in general

Arrears or overdrafts > DKK 1,000

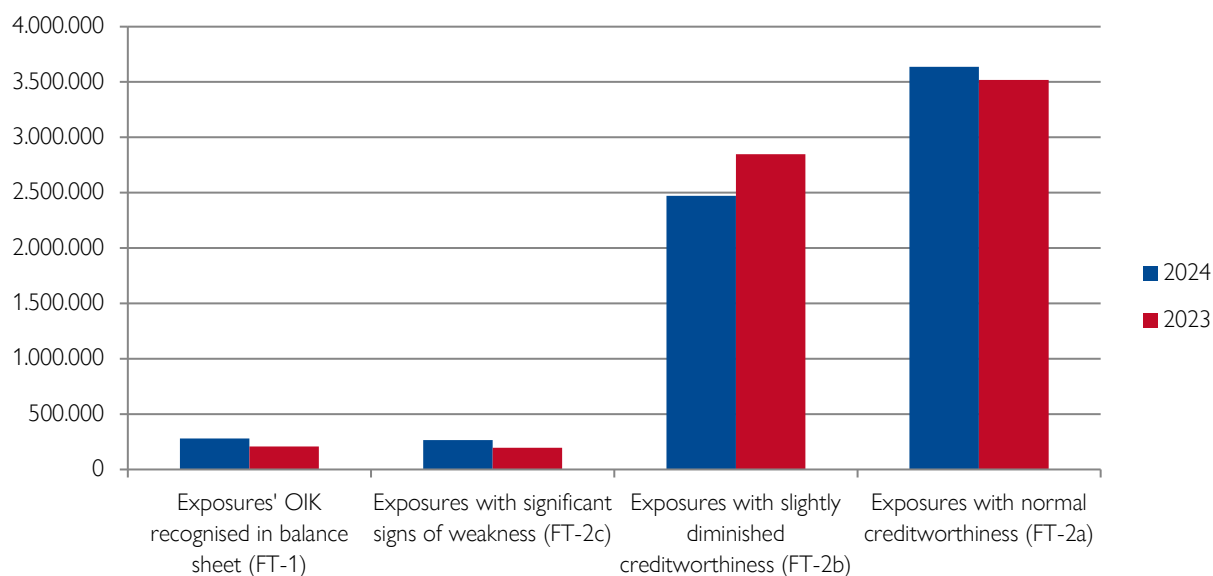
In DKK 1,000	2024	2023
0-30 days	1,018	1,433
31-60 days	378	1,086
61-90 days	107	511
> 90 days	8,343	444
<b>In total</b>	<b>9,846</b>	<b>3,474</b>

The BANK of Greenland applies a rating model that divides borrowers into 11 categories. The division is according to criteria such as the borrower's earnings, assets, account behaviour, etc. The 11 categories are then assigned to the Danish FSA's creditworthiness scale.

### Credit exposures before write-downs distributed by creditworthiness

Creditworthiness distributed on the Danish FSA's categories from 3 to 1, where category 3 is included in 2a.

DKK 1,000



The BANK of Greenland has no “non-impaired loans or guarantees” for which the loan terms have been eased as a consequence of a borrower’s financial difficulties.

### **Market risk**

The BANK of Greenland’s market risk is managed by fixed limits for a large number of risk measurements. Monitoring of market risk and of compliance with the adopted framework is undertaken on a daily basis by the Bank’s Markets Department. The Executive Management receives reports on a daily basis if risks are close to limits. The Board of Directors receives reports on the development in market risks on a monthly basis. The reports include the month-end value and are prepared by the Bank’s Accounting Department. The Accounting Department also prepares reports on a random day of the month, which are reported to the Executive Management.

#### *Interest rate risk*

The Board of Directors’ guidelines for the Executive Management include a maximum interest rate risk for the Bank. The Bank’s objective is to hold the interest rate risk below 3%. The interest rate risk is calculated in accordance with the Danish Financial Supervisory Authority’s guidelines.

The Bank has set a minor limit of DKK 50 million for uncovered lending at fixed interest rates. Besides this, all of the Bank’s lending at fixed interest rates is covered.

The BANK of Greenland has outsourced the portfolio management of the Bank’s bond holdings to an external portfolio manager. The portfolio manager is subject to the aforementioned risk framework and works on the basis of a duration of 0.75-1.75 years. Reference is made to Notes 27 and 29.

#### *Share risk*

The Board of Directors’ guidelines for the Executive Management include a maximum shareholding (excluding sector shares) for the risk which the Bank may assume. The Bank currently does not hold listed shares. Reference is made to Note 15.

#### *Currency risk*

The BANK of Greenland has adopted guidelines for the currencies in which exposure is permitted, and the maximum exposure for each currency. All significant currency exposures are covered. The Bank had no significant currency exposures at the end of 2024. Reference is made to Note 26 for further information on currency risks.

### **Liquidity risk**

The BANK of Greenland’s liquidity reserves are managed by maintaining sufficient liquid funds, ultra-liquid securities (levels 1 and 2), and the ability to close market positions. The liquid reserves are determined on the basis of an objective to ensure stable liquid reserves. The Bank seeks to have a constant LCR ratio at the level of 175-225. LCR for the BANK of Greenland is calculated at 266.2 % as at the end of 2024. Reference is also made to key figures for the Liquidity Coverage Ratio, as well as the key figures for lending as a ratio of deposits in Note 32.

### **Operational risk**

In order to reduce losses due to operational risks, the Bank has drawn up policies and written procedures. The Bank’s policy is to continuously limit the operational risks, of which the following are examples. The Bank’s procedures are reviewed and reassessed at least once every other year, unless there are changes in a procedure due to e.g. legislative changes, procedural changes, internal rules, etc. Operational events that have, or could have, resulted in a loss of a certain size, are registered and, at least once a year, the Board of Directors receives a report on operational events. Significant individual events are also reported.

By ensuring a clear division of organisational responsibility, with the necessary and adequate separation of functions, the operational risks can be limited.

The BANK of Greenland considers dependence on key employees to be a focus area. Written procedures have been drawn up in order to minimise dependence on individuals. There is continuous focus on reducing dependence on individual persons in key roles in the Bank, and the Bank continuously assesses the outsourcing of operating areas that are not important to the Bank’s competitiveness. The Bank also has great focus on continuously improving the internal and external recruitment basis. The BANK of Greenland wishes to have a strong control environment and has therefore also drawn up a number of standards for how control is to take place.

The BANK of Greenland has drawn up policies and emergency plans for physical disasters and IT outages. IT outages may disrupt operations. In the case of a geographically limited outage in the branch network, the other branches will be able to continue operations. For any outage at the head office, emergency plans and contingency measures have been drawn up, and it will be possible to establish temporary operations within a short time from a back-up centre (Centre II) established in external premises. Customer-oriented temporary operations can be established within one day.

The Bank's IT operations take place at BEC Financial Technologies (BEC). The Bank closely follows the instructions and recommendations received, just as the Bank does not undertake independent development of IT systems.

The BANK of Greenland has entered into cooperation on internal auditing with Arbejdernes Landsbank A/S and the Bank has also appointed a legal staff member as compliance officer. This will help to ensure that the Bank complies with both external and internal requirements at all times.

DKK 1,000

**2024****2023****3. Interest income**

Receivables from credit institutions and central banks	60,423	49,448
Lending and other receivables	376,161	336,767
Bonds	39,359	29,770
Foreign exchange, interest rate, equity, commodity and other contracts, as well as derivative financial instruments	966	1,177
<b>Total interest income</b>	<b>476,909</b>	<b>417,162</b>

**4. Interest expenses**

Credit institutions and central banks	106	151
Deposits and other liabilities	115,112	87,256
Issued bonds	1,118	61
Subordinated debt	620	0
<b>Total interest expenses</b>	<b>116,956</b>	<b>87,468</b>

**5. Fees and commission income**

Securities and securities accounts	9,413	7,780
Payment settlement	36,464	37,456
Loan transaction fees	3,752	4,968
Guarantee commission	30,181	31,134
Other fees and commission	22,319	22,594
<b>Total fee and commission income</b>	<b>102,129</b>	<b>103,932</b>

**6. Value adjustments**

Lending at fair value	1,090	1,982
Bonds	15,989	23,654
Shares	6,351	10,178
Currency	6,235	6,253
Foreign exchange, interest rate, equities, commodities and other contracts, as well as derivative financial instruments	-1,087	-2,009
Assets connected to pool schemes	59,703	42,371
Deposits in pool schemes	-59,703	-42,371
<b>Total value adjustments</b>	<b>28,578</b>	<b>40,058</b>

## Note 3-6

The Bank has not distributed net interest and fee income and value adjustment on areas of activity and geographical markets. It is assessed that there are no significant deviations between the Bank's activities and geographical areas, and no segment data is therefore disclosed.



DKK 1,000

**2024****2023****7. Staff and administrative expenses**

Staff expenses		
Salaries	103,989	93,862
Other staff expenses	2,832	3,068
Pensions	12,826	11,613
Social security expenses	277	569
<b>In total</b>	<b>119,924</b>	<b>109,112</b>
Other administration expenses	106,438	102,054
The average number of employees in the financial year, converted to full-time employees	153.8	143.5
Of which salaries and remuneration to the Board of Directors and the Executive Management (1 member of the executive board and 9 members of the board of directors)	6,444	6,345
Five other employees (2023: six employees) whose activities have a significant influence on the Bank's risk profile:		
Contractual remuneration, including free car and other benefits	6,332	6,571
Pension	769	802

**8. Audit fees**

Statutory audit of the annual financial statements	1,033	990
Other declarations with assurance	136	48
Other services	155	382
<b>Total fees to the auditors elected by the Annual General Meeting, who perform the statutory audit</b>	<b>1,324</b>	<b>1,420</b>

Non-auditing services are provided by Deloitte, Statsautoriseret Revisionspartnerselskab and comprise fees for mandatory declarations and general tax advisory.

**9. Tax on the profit for the year**

Tax on the profit for the year is calculated as follows:		
Current tax	16,579	35,954
Deferred tax	20,110	16,225
<b>In total</b>	<b>36,689</b>	<b>52,179</b>
Tax on the profit for the year is broken down as follows:		
Calculated 25% tax on the profit for the year	61,425	61,144
Other adjustments	14	35
Tax value of dividend deduction	-24,750	-9,000
<b>In total</b>	<b>36,689</b>	<b>52,179</b>
Effective tax rate	14.9%	21.3%
Corporate tax paid in 2024 amounts to TDKK 15,630		

DKK 1,000	2024	2023
<b>10. Receivables from credit institutions and central banks</b>		
On demand	64,989	72,150
Up to and including 3 months	91,000	15,000
Over 3 months and up to and including 1 year	0	33,000
<b>In total</b>	<b>155,989</b>	<b>120,150</b>
Receivables from credit institutions	155,989	120,150
<b>In total</b>	<b>155,989</b>	<b>120,150</b>
<b>11. Lending</b>		
<b>Write-downs on loans, guarantees and non-utilised credit facilities</b>		
New write-downs concerning new facilities during the year	12,926	16,292
Reversal of write-downs concerning redeemed facilities	-21,195	-16,688
Net write-downs during the year as a consequence of changes in the credit risk	27,237	14,998
Losses without preceding write-downs	249	158
Received for claims previously written off	-308	-600
<b>Recognised in the statement of income</b>	<b>18,909</b>	<b>14,160</b>
Lending at amortised cost	5,030,995	4,812,975
Total lending by remaining term to maturity:		
On demand	1,786,792	1,296,564
Up to and including 3 months	114,910	239,232
Over 3 months and up to and including 1 year	403,718	678,677
Over 1 year and up to and including 5 years	1,436,262	1,355,977
Over 5 years	1,289,313	1,242,525
<b>In total</b>	<b>5,030,995</b>	<b>4,812,975</b>

DKK 1,000	Stage 1	Stage 2	Stage 3	Total
Fejl! Henvisningskilde ikke fundet.				
<b>Lending - continued</b>				
<b>Write-downs on loans</b>				
<b>31.12.2024</b>				
Start of the period	27,301	78,003	90,562	195,866
New write-downs concerning new facilities during the year	2,575	5,729	3,898	12,202
Reversal of write-downs concerning redeemed facilities	-2,859	-7,903	-7,801	-18,563
Change in write-downs at the beginning of the year – transfer to stage 1	7,852	-5,596	-2,256	0
Change in write-downs at the beginning of the year – transfer to stage 2	-1,091	7,193	-6,102	0
Change in write-downs at the beginning of the year – transfer to stage 3	-11	-4,128	4,139	0
Net write-downs as a consequence of changes in the credit risk	-19,988	14,984	29,789	24,785
Previously written down, now finally lost			-6,449	-6,449
Interest on written-down facilities			4,854	4,854
<b>Write-downs in total</b>	<b>13,779</b>	<b>88,282</b>	<b>110,634</b>	<b>212,695</b>

DKK 1,000	Stage 1	Stage 2	Stage 3	Total
<b>Write-downs on guarantees</b>				
<b>31.12.2024</b>				
Start of the period	1,096	2,695	5,942	9,733
New write-downs concerning new facilities during the year	183	234	79	496
Reversal of write-downs concerning redeemed facilities	-2	-3	-16	-21
Change in write-downs at the beginning of the year – transfer to stage 1	434	-249	-185	0
Change in write-downs at the beginning of the year – transfer to stage 2	-180	3,243	-3,063	0
Change in write-downs at the beginning of the year – transfer to stage 3	0	-193	193	0
Net write-downs as a consequence of changes in the credit risk	-917	-4,276	6,226	1,033
<b>Write-downs in total</b>	<b>614</b>	<b>1,451</b>	<b>9,176</b>	<b>11,241</b>
<b>Write-downs on non-utilised drawing rights</b>				
<b>31.12.2024</b>				
Start of the period	345	517	1,847	2,709
New write-downs concerning new facilities during the year	139	89	0	228
Reversal of write-downs concerning redeemed facilities	-279	-488	-1,844	-2,611
Change in write-downs at the beginning of the year – transfer to stage 1	249	-122	-127	0
Change in write-downs at the beginning of the year – transfer to stage 2	-9	81	-72	0
Change in write-downs at the beginning of the year – transfer to stage 3	0	0	0	0
Net write-downs as a consequence of changes in the credit risk	-40	725	734	1,419
<b>Write-downs in total</b>	<b>405</b>	<b>802</b>	<b>538</b>	<b>1,745</b>
<b>Write-downs on loans</b>				
<b>31.12.2023</b>				
Start of the period	28,826	64,706	86,477	180,009
New write-downs concerning new facilities during the year	5,007	9,510	1,016	15,533
Reversal of write-downs concerning redeemed facilities	-3,019	-2,942	-7,625	-13,586
Change in write-downs at the beginning of the year – transfer to stage 1	6,524	-5,889	-635	0
Change in write-downs at the beginning of the year – transfer to stage 2	-1,354	7,445	-6,091	0
Change in write-downs at the beginning of the year – transfer to stage 3	-136	-1,229	1,365	0
Net write-downs as a consequence of changes in the credit risk	-8,547	6,402	15,215	13,070
Previously written down, now finally lost			-3,593	-3,593
Interest on written-down facilities			4,433	4,433
<b>Write-downs in total</b>	<b>27,301</b>	<b>78,003</b>	<b>90,562</b>	<b>195,866</b>

DKK 1,000	Stage 1	Stage 2	Stage 3	Total
<b>Write-downs on guarantees</b>				
<b>31.12.2023</b>				
Start of the period	1,239	1,025	5,772	8,036
New write-downs concerning new facilities during the year	201	414	16	631
Reversal of write-downs concerning redeemed facilities	-2	-3	-68	-73
Change in write-downs at the beginning of the year – transfer to stage 1	2,070	-154	-1,916	0
Change in write-downs at the beginning of the year – transfer to stage 2	-117	179	-62	0
Change in write-downs at the beginning of the year – transfer to stage 3	-7	-48	55	0
Net write-downs as a consequence of changes in the credit risk	-2,288	1,282	2,145	1,139
<b>Write-downs in total</b>	<b>1,096</b>	<b>2,695</b>	<b>5,942</b>	<b>9,733</b>

**Write-downs on non-utilised drawing rights**

<b>31.12.2023</b>				
Start of the period	498	547	3,776	4,821
New write-downs concerning new facilities during the year	21	107	0	128
Reversal of write-downs concerning redeemed facilities	-159	-34	-2,836	-3,029
Change in write-downs at the beginning of the year – transfer to stage 1	28	-3	-25	0
Change in write-downs at the beginning of the year – transfer to stage 2	-6	497	-491	0
Change in write-downs at the beginning of the year – transfer to stage 3	0	-1	1	0
Net write-downs as a consequence of changes in the credit risk	-37	-596	1,422	789
<b>Write-downs in total</b>	<b>345</b>	<b>517</b>	<b>1,847</b>	<b>2,709</b>

DKK 1,000

**2024****2023****12. Bonds at fair value**

Mortgage-credit bonds	1,498,540	1,303,120
<b>In total</b>	<b>1,498,540</b>	<b>1,303,120</b>
Of which nominal TDKK 50,000 deposited as security for debt to Danmarks Nationalbank		

**13. Shares, etc.**

Unlisted shares included at fair value	150,963	135,614
<b>Reassessed value, year-end</b>	<b>150,963</b>	<b>135,614</b>

DKK 1,000 **2024** **2023**

#### 14. Head office properties

Reassessed value, beginning of year	298,142	284,370
Additions during the year, including improvements	12,843	14,442
Disposals during the year	0	-544
Write-offs	-6,611	-6,169
Value changes recognised in other comprehensive income	6,085	5,642
Value changes recognised in the statement of income	401	401
<b>Reassessed value, year-end</b>	<b>310,860</b>	<b>298,142</b>

There is no public property valuation in Greenland.

In 2024, to support the assessment of the valuation, an independent expert assessment of the market value of the Bank's domicile property in Nuuk was obtained. The assessment did not change the valuation of the domicile property.

No expert assessment was obtained for the assessment of the Bank's other domicile properties.

#### 15. Other tangible assets

Cost, beginning of year	33,812	31,401
Additions during the year, including improvements	3,653	3,164
Disposals during the year	0	-753
<b>Cost, year-end</b>	<b>37,465</b>	<b>33,812</b>
Depreciation and write-downs, beginning of year	27,032	25,394
Depreciation for the year	2,806	2,390
Reversal of depreciation concerning disposals	0	-753
<b>Depreciation and write-downs, year-end</b>	<b>29,838</b>	<b>27,031</b>
<b>Accounting value, year-end</b>	<b>7,627</b>	<b>6,781</b>

#### 16. Assets connected to pool schemes

Investment associations	675,642	513,734
Non-invested funds	123	88
<b>In total</b>	<b>675,765</b>	<b>513,822</b>

#### 17. Debt to credit institutions and central banks

On demand	15,698	22,105
<b>In total</b>	<b>15,698</b>	<b>22,105</b>
Debt to central banks	12,565	18,975
Debt to credit institutions	3,133	3,130
<b>In total</b>	<b>15,698</b>	<b>22,105</b>

DKK 1,000

**2024****2023****18. Deposits and other liabilities**

On demand	5,874,580	5,265,508
Up to 3 months	103,085	20,450
Over 3 months and up to and including 1 year	702,639	688,767
Over 5 years	472,503	438,744
<b>In total</b>	<b>7,152,807</b>	<b>6,413,469</b>
On demand	5,874,580	5,265,508
On terms of notice	976,847	858,360
Special deposit conditions	301,380	289,601
<b>In total</b>	<b>7,152,807</b>	<b>6,413,469</b>

**19. Issued bonds at amortised cost**

Bond issue	273,569	173,969
<b>In total</b>	<b>273,569</b>	<b>173,969</b>
Distribution in remaining duration		
Over 3 months and up to and including 1 year	49,923	0
Over 1 year and up to and including 5 years	223,646	173,969
<b>In total</b>	<b>273,569</b>	<b>173,969</b>
Loan raised as Senior Non-Preferred, nominally	50,000	50,000
The loan was raised as Senior Non-Preferred on 27 October 2021 and falls due for full redemption on 27 October 2026. The Bank has the option of early redemption as from 27 October 2025.		
Loan raised as Senior Non-Preferred, nominally	25,000	25,000
The loan was raised as Senior Non-Preferred on 2 September 2022 and falls due for full redemption on 2 September 2027. The Bank has the option of early redemption as from 2 September 2026.		
Loan raised as Senior Non-Preferred, nominally	100,000	100,000
The loan was raised as Senior Non-Preferred on 1 December 2023 and falls due for full redemption on 1 December 2030. The Bank has the option of early redemption as from 1 December 2027.		
Loan raised as Senior Non-Preferred, nominally	100,000	0
The loan was raised as Senior Non-Preferred on 20 November 2024 and falls due for full redemption on 20 November 2031. The Bank has the option of early redemption as from 20 November 2028.		

DKK 1,000

**2024****2023****20. Provisions for deferred tax**

The year's changes in deferred tax can be summarized as follows:

Deferred tax, beginning of year	84,762	67,126
The year's deferred tax recognised in the statement of income for the year	20,110	16,225
Adjustment of deferred tax concerning equity items	1,521	1,411
<b>In total</b>	<b>106,393</b>	<b>84,762</b>

Deferred tax concerns:

Head office properties	60,796	59,406
Operating equipment	597	606
Proposed dividend for the financial year	45,000	24,750
<b>In total</b>	<b>106,393</b>	<b>84,762</b>

**21. Subordinated debt**

Capital certificate as below	104,022	64,329
<b>In total</b>	<b>104,022</b>	<b>64,329</b>

Subordinated debt included in the capital base according to CRR	104,022	64,329
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Loan raised as subordinated debt, nominally	25,000	25,000
Interest rate, fixed rate	6.197%	6.197%

The loan was raised on 2 September 2022 and falls due for full redemption on 2 September 2032. The Bank has the option of early redemption as from 2 September 2027.

Loan raised as subordinated debt, nominally	40,000	40,000
Interest rate, floating rate (CIBOR 6 with an addition of 400bp.)	8.113%	8.113%

The loan was raised on 1 June 2023 and falls due for full redemption on 1 June 2033. The Bank has the option of early redemption as from 1 June 2028.

Loan raised as subordinated debt, nominally	40,000	0
Interest rate, floating rate (CIBOR 6 with an addition of 325bp.)	6.633%	0.000%

The loan was raised on 12 September 2024 and falls due for full redemption on 12 September 2034. The Bank has the option of early redemption as from 12 September 2029.

DKK 1,000

**2024****2023****22. Share capital**

The Bank's share capital consists of 1,800,000 shares of DKK 100. The shares are paid-up in full. The shares are not divided into classes, and no shares entail special rights. There have been no changes in the share capital in recent years.

**Own shares**

Number of own shares	0	0
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**The following hold more than 5% of the Bank's share capital:**

NALIK Ventures A/S	Nuuk	15.26%
NunaFonden	Nuuk	13.98%
AP Pension Livsforsikringsaktieselskab	København	12.87%
BETRI P/F	Thorshavn	9.88%
LB Forsikring	København	6.33%
Kim B. Pedersen	Snevre	5.00%

**23. Capital statement**

Credit risk	4,652,973	4,607,677
CVA risk	7,519	10,267
Market risk	235,372	233,494
Operational risk	814,497	721,601
<b>Total risk exposure</b>	<b>5,710,361</b>	<b>5,573,039</b>
Equity	1,593,622	1,479,123
Proposed dividend, accounting effect	-135,000	-74,250
Framework for ratio of own shares	-5,985	-11,250
Deduction for capital shares in the financial sector	-5,519	0
Deductions for prudent valuation	-1,652	-1,443
Deductions for Non-Performing Exposures	-13,647	-6,351
<b>Actual core capital</b>	<b>1,431,819</b>	<b>1,385,829</b>
Supplementary capital	104,022	64,329
<b>Capital base</b>	<b>1,535,841</b>	<b>1,450,158</b>
Actual core capital ratio	25.1	24.9
Capital ratio	26.9	26.0
Statutory requirement of actual core capital ratio (excluding capital reserve buffer)	4.5	4.5
Statutory capital ratio requirements	8.0	8.0



DKK 1,000

**2024****2023****24. Contingent liabilities**

Mortgage finance guarantees	831,355	1,042,320
Registration and remortgaging guarantees	118,506	182,870
Other guarantees	472,782	549,236
<b>In total</b>	<b>1,422,643</b>	<b>1,774,426</b>

The Bank is a member of BEC (BEC Financial Technologies a.m.b.a.). On any withdrawal the Bank will be obliged to pay a withdrawal fee to BEC equivalent to the preceding three years' IT costs. IT costs amounting to TDKK 152,609 (2023: TDKK 150,999)

Like the rest of the Danish banking sector, the bank is obliged to pay in contributions to the Settlement and Guarantee Fund.

**25. Legal cases**

The Bank is a party in pending lawsuits and the outcome of these would not affect the Bank's financial position.

**26. Currency exposure**

Assets in foreign currency, in total	50,245	57,495
Liabilities in foreign currency, in total	43,574	52,188
Exchange-rate indicator 1	6,671	5,306
Exchange-rate indicator 1 as a ratio of core capital	0.4	0.4
Exchange-rate indicator 2	119	124

**27. Interest risk rate**

The Bank solely has fixed-interest-rate assets in Danish kroner.

Interest rate risk for debt instruments, etc.	8,910	10,043
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DKK 1,000

**2024****2023****28. Related parties**

Related parties comprise the Bank's Board of Directors and Executive Management, and their related parties. The BANK of Greenland has no related parties with a controlling influence. The size of loans to, and mortgages, surety or guarantees and related pledges, for members of the Bank's Executive Management and Board of Directors		
Executive management	100	100
Board of Directors, including members elected by the employees	5,228	5,427
Pledges:		
Executive Management	0	0
Board of Directors, including members elected by the employees	3,262	3,262
Significant terms:		
Exposures with members of the Bank's Board of Directors are entered into on normal business terms.		
Exposures with staff representatives on the Bank's Board of Directors are entered into on personnel terms. For members of the Board of Directors elected at the Bank's Annual General Meeting, there are no engagements with settled rates.		
The Board of Directors' and Executive Management's holdings of shares in GrønlandsBANKEN A/S compiled in accordance with the insider rules (number).		
Board of Directors - Kristian Frederik Lennert	10	10
Board of Directors - Peter Angutinnguaq Wistoft	264	264
Executive Mangament - Martin Birkmose Kviesgaard	1,455	1,455

DKK 1,000

**2024****2023****29. Derivative financial instruments****Loans at fixed interest rates covered with interest swaps**

The BANK of Greenland uses derivatives to hedge the interest rate risk on fixed-interest assets and liabilities which are measured at amortised cost. On the fulfilment of certain criteria, the hedging is treated as hedging of fair value in the accounts. The interest rate risk on the hedged assets and liabilities is recognised at fair value as a value adjustment of the hedged items. If the criteria for hedging are no longer fulfilled, the accumulated value adjustment of the hedged item is amortised over the remaining term to maturity.

**Lending**

Amortised/nominal value	44,356	55,480
Accounting value	45,716	56,602

**Covered with interest rate swap**

Synthetic principal/nominal value	32,636	44,806
Accounting value	2,830	3,920

**Lending at fixed interest rates without cover**

Amortised/nominal value	14,690	18,186
Accounting value	15,374	18,555

	Nominal value	Positive market value	Negative market value	Net market value
<b>2024</b>				
<b>Interest rate contracts</b>				
Swaps	32,636	2,896	36	2,932
Forwards/Futures, purchase	-2,787	0	-5	-5
Forwards/Futures, sale	2,787	8	0	8
<b>In total</b>	<b>32,636</b>	<b>2,904</b>	<b>31</b>	<b>2,935</b>
<b>Share contracts</b>				
Spot, purchase	1,003	1	-5	-4
Spot, sale	1,003	5	-1	4
<b>In total</b>	<b>2,006</b>	<b>6</b>	<b>-6</b>	<b>0</b>
<b>In total</b>	<b>34,642</b>	<b>2,910</b>	<b>25</b>	<b>2,935</b>
<b>2023</b>				
<b>Interest rate contracts</b>				
Swaps	44,805	4,030	49	4,080
Forwards/Futures, purchase	-4,969	23	-6	17
Forwards/Futures, sale	4,969	9	-21	-12
<b>In total</b>	<b>44,805</b>	<b>4,062</b>	<b>22</b>	<b>4,085</b>
<b>Share contracts</b>				
Spot, purchase	126	7	-8	-1
Spot, sale	126	8	-7	1
<b>In total</b>	<b>252</b>	<b>15</b>	<b>-15</b>	<b>0</b>
<b>In total</b>	<b>45,057</b>	<b>4,077</b>	<b>7</b>	<b>4,085</b>

**Derivate financial instruments - continued**

<b>Term structure by remaining term to maturity</b>				
	<b>Up to and including 3 months</b>		<b>Over 3 months</b>	
	<b>Nominal value</b>	<b>Net market value</b>	<b>Up to and including 1 year Nominal value</b>	<b>Net market value</b>
<b>2024</b>				
<b>Interest rate contracts</b>				
Swaps	1,274	7	3,538	24
Forwards/Futures, purchase	-2,787	-5	0	0
Forwards/Futures, sale	2,787	8	0	0
<b>In total</b>	<b>1,274</b>	<b>10</b>	<b>3,538</b>	<b>24</b>
<b>Share contracts</b>				
Spot, purchase	1,003	-4	0	0
Spot, sale	1,003	4	0	0
<b>In total</b>	<b>2,006</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>In total</b>	<b>3,280</b>	<b>10</b>	<b>3,538</b>	<b>24</b>
<b>Over 1 year</b>				
	<b>Up to and including 5 years</b>		<b>Over 5 years</b>	
	<b>Nominal value</b>	<b>Net market value</b>	<b>Nominal value</b>	<b>Net market value</b>
Interest rate contracts, swaps	9,508	244	18,317	2,658
<b>In total</b>	<b>9,508</b>	<b>244</b>	<b>18,317</b>	<b>2,658</b>
<b>Over 3 months</b>				
	<b>Up to and including 3 months</b>		<b>Up to and including 1 year</b>	
	<b>Nominal value</b>	<b>Net market value</b>	<b>Nominal value</b>	<b>Net market value</b>
<b>2023</b>				
<b>Interest rate contracts</b>				
Swaps	0	0	127	0
Forwards/Futures, purchase	-4,969	17	0	0
Forwards/Futures, sale	4,969	-12	0	0
<b>In total</b>	<b>0</b>	<b>5</b>	<b>127</b>	<b>0</b>
<b>Share contracts</b>				
Spot, purchase	126	-1	0	0
Spot, sale	126	1	0	0
<b>In total</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>In total</b>	<b>8</b>	<b>5</b>	<b>127</b>	<b>0</b>
<b>Over 1 year</b>				
	<b>Up to and including 5 years</b>		<b>Over 5 years</b>	
	<b>Nominal value</b>	<b>Net market value</b>	<b>Nominal value</b>	<b>Net market value</b>
Interest rate contracts, swaps	25,255	831	19,423	3,248
<b>In total</b>	<b>25,255</b>	<b>831</b>	<b>19,423</b>	<b>3,248</b>

### 30. Fair value of financial instruments

Fair value is the amount at which a financial asset can be traded, or the amount at which a financial liability can be redeemed, between qualified, willing and independent parties. The fair value may be the net book value, if the net book value is calculated on the basis of underlying assets and liabilities measured at fair value.

The following three levels of valuation categories can be used to compile the fair value:

- Level 1: Listed prices in an active market for the same type of financial instruments, i.e. with no change in form or structure.
- Level 2: Listed prices in an active market for similar assets or liabilities, or other valuation methods in which all significant input is based on observable market data.
- Level 3: Valuation methods whereby any significant input is not based on observable market data.

Transfers are made between the categories if an instrument's classification on the balance sheet date differs from its classification at the beginning of the financial year. However, changes during the period do not reflect changes in the credit risk.

For listed shares and bonds in levels 1 and 2, the fair value is set according to the listed prices and market data on the balance sheet date.

Shares in level 3 comprise sector shares in companies with which there is cooperation on products, payment settlement and administration, and are measured at estimated fair value. The estimated fair value is based primarily on the prices at which the capital interests could be traded in accordance with

the shareholder agreements, if they were divested as at the balance sheet date. Determining these shares' fair value is subject to uncertainty. For other unlisted shares for which observable input is not immediately available, the valuation is based on estimates which include information from the companies' accounts.

For loans, the write-downs are assessed to correspond to the changes in credit quality. Differences from fair values are assessed to be fees and commission received which do not fall due for payment until after the end of the financial year, and for fixed-interest-rate loans with the addition of the interest-rate-level dependent value adjustment, which is calculated by comparing the current market interest rate with the nominal interest rates for the loans.

The fair value for receivables from credit institutions and central banks is determined according to the same method as for loans, although the Bank has not currently made any write-downs for receivables from credit institutions and central banks.

For variable-interest-rate financial liabilities such as deposits and debt to credit institutions measured at amortised cost, the difference from fair values is assessed to be interest payable that does not fall due for payment until after the end of the financial year.

For fixed-interest-rate financial liabilities such as deposits and debt to credit institutions measured at amortised cost, the difference from fair value is assessed to be interest payable that does not fall due for payment until after the end of the financial year, and the interest-rate-level dependent value adjustment.

DKK 1,000	Listed prices Level 1	Observable prices Level 2	Non-observable prices Level 3	In total
<b>2024</b>				
FINANCIAL ASSETS				
Bonds	1,498,540	0	0	1,498,540
Shares	0	0	150,963	150,963
Positive market value of derivative financial instruments	0	2,910	0	2,910
<b>In total</b>	<b>1,498,540</b>	<b>2,910</b>	<b>150,963</b>	<b>1,652,413</b>
FINANCIAL LIABILITIES:				
Negative market value of derivative financial instruments	0	47	0	47
<b>In total</b>	<b>0</b>	<b>47</b>	<b>0</b>	<b>47</b>

DKK 1,000	Listed prices Level 1	Observable prices Level 2	Non-observable prices Level 3	In total
<b>2023</b>				
FINANCIAL ASSETS				
Bonds	1,303,120	0	0	1,303,120
Shares	0	0	135,614	135,614
Positive market value of derivative financial instruments	0	4,077	0	4,077
<b>In total</b>	<b>1,303,120</b>	<b>4,077</b>	<b>135,614</b>	<b>1,442,811</b>
FINANCIAL LIABILITIES:				
Negative market value of derivative financial instruments	0	91	0	91
<b>In total</b>	<b>0</b>	<b>91</b>	<b>0</b>	<b>91</b>

DKK 1,000	2024	2024	2023	2023
Financial instruments recognised at amortised cost:	Amort. cost.	Fair value	Amort. cost.	Fair value
Receivables from credit institutions and central banks	155,989	155,992	120,150	120,156
Lending and other receivables	5,030,995	5,060,901	4,812,975	4,844,707
Liabilities to credit institutions and central banks	15,698	15,698	22,105	22,105
Deposits and other liabilities	7,152,801	7,152,114	6,413,469	6,412,878
Derivative financial instruments:				
Interest rate swaps (net)	0	2,932	0	4,080

### 31. Sensitivity calculations

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With regard to the Bank's monitoring of market risks and calculation of the adequate capital base, a number of sensitivity calculations are performed, which include the following market risk variables:

#### **Interest rate risk:**

The sensitivity calculation in relation to the Bank's interest rate risk is based on the interest rate risk key ratio that is reported to the Danish FSA. This key ratio shows the effect on the core capital after deductions on a change in interest rates of 1% point, equivalent to 100 basis points. The calculation shows that if the average interest rate on 31 December 2024 had been 100 basis points higher, all other things being equal, the profit for the year before tax would be TDKK 8.910 lower (2023 TDKK 10.043 lower), primarily as a consequence of negative fair value adjustment of the Bank's holdings of fixed-interest-rate bonds.

#### **Currency risk:**

The sensitivity calculation in relation to the Bank's currency risk is based on the currency indicator 1 key ratio that is reported to the Danish FSA. Currency indicator 1 expresses a simplified measure of the extent of the Bank's positions in foreign currency, and is calculated as the largest of the sum of all of the short currency positions and the sum of all of the long currency positions. If the Bank, on 31 December 2024, had experienced a loss on currency positions of 2.5% of currency indicator 1, all other things being equal, the profit for the year before tax would be TDKK 167 lower (2023: TDKK 133 lower), primarily as a consequence of exchange rate adjustment of the Bank's currency holdings.

#### **Share risk:**

If the value of the bank's shareholdings on 31 December 2024 had been 10% lower, all other things being equal, the profit for the year before tax would be TDKK 15.096 lower (2023 TDKK 13.561 lower), as a consequence of negative fair value adjustment of the share portfolio.

#### **Property risk:**

If the value of the Bank's properties on 31 December 2024 had been 10% lower, the negative value adjustment of properties, all other things being equal, would be TDKK 31.086 before tax (2023 t.kr. 29.814 lower).

**32. Five-year Financial Highlights and Key Figures**

	2024	2023	2022	2021	2020
Net interest and fee income	470,264	435,012	351,485	338,933	326,513
Value adjustments	28,578	40,058	-39,356	11,219	136
Other operating income	5,400	5,803	6,588	6,185	5,369
Staff and administration expenses	226,362	211,166	195,056	186,385	178,734
Depreciation and impairment of tangible assets	9,017	8,158	7,320	7,014	6,948
Other operating expenses	4,255	2,815	2,706	2,497	2,610
Write-downs on loans and receivables, etc.	18,909	14,160	4,523	1,537	12,828
<b>Profit before tax</b>	<b>245,699</b>	<b>244,574</b>	<b>109,112</b>	<b>158,904</b>	<b>130,898</b>
Tax	36,689	52,179	10,361	26,072	34,671
<b>Profit for the year</b>	<b>209,010</b>	<b>192,395</b>	<b>98,751</b>	<b>132,832</b>	<b>96,227</b>
SELECTED BALANCE SHEET ITEMS					
Lending	5,030,995	4,812,975	4,353,585	3,783,681	4,006,248
Deposits	7,152,807	6,413,469	5,942,479	5,363,871	5,847,772
Equity	1,593,622	1,479,123	1,318,592	1,267,911	1,176,917
Total assets	10,021,543	8,840,981	7,949,566	7,226,988	7,438,325
Contingent liabilities	1,422,643	1,774,426	1,934,125	1,781,465	1,621,831
OFFICIAL KEY FIGURES:					
Solvency ratio	26.9	26.0	23.6	24.4	23.5
Core capital ratio	25.1	24.9	23.2	24.4	23.5
Return on equity before tax	16.1	17.5	8.4	13.0	11.6
Return on equity after tax	13.6	13.8	7.6	10.9	8.5
Rate of return	2.1	2.2	1.2	1.8	1.3
Income per cost krone	2.0	2.0	1.5	1.8	1.7
Interest rate risk	0.6	0.7	1.2	1.2	1.1
Foreign exchange position	0.5	0.4	0.5	0.8	0.6
Lending plus write-downs as a ratio of deposits	67.0	72.3	71.5	69.1	68.8
Lending as a ratio of equity	3.2	3.3	3.3	3.0	3.4
Growth in lending during the year	4.5	10.6	15.1	-5.6	6.6
Liquidity Coverage Ratio	266.2	259.0	220.5	238.6	241.0
NSFR (Net Stable Funding Ratio)	137.5	134.0	133.8	-	-
Sum of large exposures	136.0	150.0	167.3	156.7	162.6
Ratio of receivables at reduced interest rates	0.8	0.9	0.4	0.5	0.8
Write-down ratio for the year	0.3	0.2	0.1	0.0	0.2
Accumulated write-down ratio	3.4	3.1	3.0	3.2	3.2
Profit for the year per share	116.1	106.9	54.9	73.8	53.5
Net book value per share	885.3	821.7	732.6	704.0	653.8
Dividend per share	100.0	55.0	20.0	40.0	25.0
Listed price/profit for the year per share (PE)	6.0	5.8	10.8	8.1	11.0
Stock exchange quotation/net book value per share	0.8	0.8	0.8	0.8	0.9



### 33. Definition of key figures

<p><i>Solvency ratio</i> Capital base as a percentage of risk exposure.</p>	<p><i>Lending as a ratio of deposits</i> Lending + write-downs as a ratio of deposits.</p>
<p><i>Core capital ratio</i> Core capital after percentage deduction of risk exposure.</p>	<p><i>Lending as a ratio of equity</i> Lending/equity.</p>
<p><i>Return on equity before tax</i> Profit before tax as a ratio of average equity. Average equity is calculated as a simple average of equity at the beginning and end of the year.</p>	<p><i>Growth in lending during the year</i> Percentage growth in lending from the beginning to the end of the year.</p>
<p><i>Return on equity after tax</i> Profit after tax as a ratio of average equity. Average equity is calculated as a simple average of equity at the beginning and end of the year.</p>	<p><i>Liquidity Coverage Ratio</i> Liquidity buffer/payment obligations within 30 days</p> <p><i>NSFR, Net Stable Funding Ratio</i> Available stable funding/Required stable funding</p>
<p><i>Rate of return</i> Profit for the year as a ratio of total assets.</p>	<p><i>Sum of large exposures</i> Sum of large exposures as a ratio of the capital base.</p>
<p><i>Income per cost krone</i> Net interest and fee income, value adjustments and other operating income as a percentage of personnel and administration expenses, depreciation and write-down of intangible and tangible assets, other operating expenses and write-downs on loans and receivables.</p>	<p><i>Ratio of receivables at reduced interest rates</i> Receivables at reduced interest rates as a ratio of lending + guarantees + write-downs.</p>
<p><i>Interest rate risk</i> Interest rate risk as a percentage of core capital after deductions.</p>	<p><i>Write-down ratio for the year</i> Write-downs for the year as a ratio of lending + guarantees + write-downs.</p>
<p><i>Currency position (currency indicator 1)</i> Currency indicator 1 is defined by the Danish FSA and expresses the risk of losses on positions in foreign currency due to fluctuating exchange rates. On an overall basis, the risk is calculated as the larger amount of positions in currencies in which the Bank has a net receivable, or positions in which the Bank has net debt.</p>	<p><i>Accumulated write-down ratio</i> Total write-downs as a ratio of lending + guarantees + write-downs.</p> <p><i>Profit for the year per share</i> Profit for the year after tax/average number of shares. Average number of shares is calculated as the weighted average at the beginning and end of the year.</p>
	<p><i>Net book value per share</i> Equity/number of shares, excluding own shares.</p>
	<p><i>Dividend per share</i> Proposed dividend/number of shares.</p>
	<p><i>Listed price as a ratio of the profit for the year per share</i> Listed price/profit for the year per share.</p>
	<p><i>Stock exchange quotation as a ratio of net book value</i> Stock exchange quotation/net book value per share.</p>



# Board and management



## **Former CEO Gunnar í Liða**

Born on 13 April 1960 (male)

Joined the Board of Directors on 6 April 2005. Last re-elected in 2023. Current term expires in 2025.

Does not comply with the Committee on Corporate Governance's definition of independence.

Chairman of the Audit Committee, Chairman of the Risk Committee, Chairman of the Nomination Committee and Chairman of the Remuneration Committee.

### **Member of the Boards of Directors of:**

- Gist og Vist P/F (Chairman)
- SMJ Rådgivende Ingeniører A/S

### **Chairman of the Nomination Committee of:**

- Bakkafrøst P/F

Gunnar í Liða holds an MSc(Econ), supplemented with a management qualification from Wharton Business School, and was employed in the Faroese financial sector from 1988 to 2010 – until the end of 2010 as Director of the Faroe Islands' largest insurance company, when he resigned from this position. Gunnar í Liða also has substantial Board experience from Faroese companies, including financial activities, and a special insight into North Atlantic economic affairs and financing.



## **Director Kristian Frederik Lennert INUPLAN A/S**

Born on 30 November 1956 (male)

Joined the Board of Directors on 8 April 2003. Last re-elected in 2024. Current term expires in 2026.

Does not comply with the Committee on Corporate Governance's definition of independence.

Member of the Audit Committee, member of the Risk Committee, member of the Nomination Committee and member of the Remuneration Committee.

### **Member of the Boards of Directors of:**

- INUPLAN A/S (Chairman)

### **Director of:**

- Ejendomsselskabet Issortarfik ApS
- Attavik-Udlejning

Kristian Frederik Lennert holds an MSc in structural engineering and has been employed by INUPLAN A/S since 1984, and in 2002-2019 as managing director of the company. Kristian Lennert also has experience from membership of the Boards of Directors of Greenlandic companies and during his career has gained insights into Greenland's economic and social conditions, especially in the building and construction area.



**Proprietor Maliina Bitsch Abelsen  
Pikiala A/S**

Born on 7 February 1976 (female)

Joined the Board of Directors on 20 March 2018. Last re-elected in 2024. Current term expires in 2026.

Complies with the Committee on Corporate Governance's definition of independence

Member of the Audit Committee and member of the Risk Committee

**Owner of**

- Pikiala

**Co-owner of:**

- Yogarta I/S

**Member of the Board of Directors of:**

- Royal Greenland A/S (chair)

Maliina Abelsen holds an MSc in social sciences and a Masters in Policy and Applied Social Research. Today she is co-owner of the Pikiala ApS consultancy. From 2014 to 2016, Maliina Abelsen was Director of the 2016 Arctic Winter Games. From 2015 to 2017 Maliina Abelsen was Vice Chair of the Board of Directors of TELE Greenland A/S. In 2016-2019, she was CCO/Commercial Director of Air Greenland with responsibility for, among other things, commercial development, sales and marketing. Maliina Abelsen was a member of Inatsisartut (the Greenland Parliament) from 2009 to 2014 and held posts in Naalakkersuisut (the Greenland Government), most recently as Naalakkersuisoq (Minister) for Finance from 2011 to 2013. Maliina Abelsen has previously worked at the UN Human Rights Commission in Geneva and the Foreign Affairs Directorate in Nuuk.

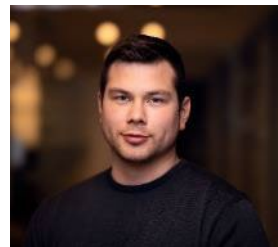


**Credit consultant  
Pilunnguaq Frederikke Johansen Kristiansen  
GrønlandsBANKEN A/S**

Born on 24 October 1988 (female)

Joined the Board of Directors on 28 March 2023. Current term expires in 2027.

Member of the Audit Committee and member of the Risk Committee



**Business adviser Tulliaq Angutimmarik Olsen  
GrønlandsBANKEN A/S**

Born on 25 February 1992 (male)

Joined the Board of Directors on 1 June 2023. Current term expires in 2027.

Member of the Audit Committee and member of the Risk Committee



### **Communication and Marketing Manager**

#### **Niels Peter Fleischer Rex**

#### **GrønlandsBANKEN A/S**

Born on 02 October 1981 (male)

Joined the Board of Directors on 27 March 2019. Current term expires in 2027.

Member of the Audit Committee, member of the Risk Committee and member of the Remuneration Committee

#### **Member of the Boards of Directors of:**

- Elite Sport Greenland



### **Chief Financial Officer**

#### **Peter Angutinguaq Wistoft**

Born on 8 April 1964 (male)

Joined the Board of Directors on 27 March 2019. Last re-elected in 2024. Current term expires in 2026.

Complies with the Committee on Corporate Governance's definition of independence.

Member of the Audit Committee and member of the Risk Committee

As a state-authorized public accountant with many years' experience from the auditing sector, Peter Wistoft has considerable accounting and auditing experience. He is also a former owner of the auditing and consulting firm Deloitte.

Peter Wistoft is the Chief Financial Officer at KNI A/S, and former CEO of Kalaallit Airports Holding A/S. He has served as auditor and adviser to large companies within retail trade, energy supply, telecom and postal activities, construction and housing administration, and public administration – including the Government of Greenland.

Peter Wistoft has extensive experience within crisis management, restructuring, mergers, demergers, prospectuses and IPOs, etc. and has deep insight into accounting and special legislation concerning Greenland. Peter Wistoft has also instructed boards of directors, primarily within corporate governance, and is educated in strategic management from INSEAD.



### **Managing Director Martin Birkmose Kviesgaard**

#### **GrønlandsBANKEN A/S**

Born on 23 May 1966 (male)

Joined the Executive Management on 1 March 2006.

#### **Member of the Boards of Directors of:**

- BEC Financial Technologies a.m.b.a.
- Fugleværnsfonden

# Information about the BANK of Greenland

## **BANK of Greenland**

Imaneq 33  
Postbox 1033  
GL-3900 Nuuk  
Greenland  
Company reg. no. 39.070  
CVR no. 80050410  
Domicile municipality: Sermersooq  
Tel. no.: +299 70 12 34  
[www.banken.gl](http://www.banken.gl)  
[banken@banken.gl](mailto:banken@banken.gl)

## **Board of Directors**

Former CEO Gunnar í Liða, Chair  
Director Kristian Frederik Lennert, Vice Chair  
Proprietor Maliina Bitsch Abelsen  
Credit consultant Pilunnguaq Frederikke Johansen Kristiansen\*)  
Business adviser Tulliaq Angutimmarik Olsen\*)  
Communication and Marketing Manager Niels Peter Fleischer  
Rex\*)  
Chief Financial Officer Peter Angutinguaq Wistoft

\*) Employee elected

## **Executive Management**

Managing Director Martin Birkmose Kviesgaard

## **Audit Committee**

Comprises the full Board of Directors.

## **Risk Committee**

Comprises the full Board of Directors.

## **Remuneration Committee**

Comprises the Chair and Vice Chair of the Board of Directors and one member of the Board of Directors elected by the employees.

## **Nomination Committee**

The Nomination Committee comprises the Chair and Vice Chair of the Board of Directors.

## **Audit**

### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6, DK-2300 Copenhagen

# Financial Calendar and Stock Exchange Notifications

## Financial Calendar for 2025

Annual Report 2024	3 March
Annual General Meeting in Nuuk	26 March
Interim report, First Quarter 2025	13 May
Interim report, First Half 2025	20 August
Interim Report, First Nine Months 2025	5 November

## Notifications to the stock exchange in 2024

18 January	Upward adjustment of expectations for 2023
27 February	Annual Report 2023
27 February	Notice convening the Annual General Meeting
14 March	Flagging of Annual General Meeting powers of attorney to the Board of Directors
20 March	Minutes of the 2024 Annual General Meeting
13 May	Quarterly Report, First Quarter 2024
24 July	Upward adjustment of expectations for 2024
21 August	Quarterly Report, Second Quarter 2024
23 August	Financial Calendar for 2025
2 September	Assessment of risk-weighted assets
5 September	The BANK of Greenland is investigating the possibility of issuing supplementary capital
6 September	The BANK of Greenland issues DKK 40 million in Tier 2 capital
22 October	Upward adjustment of expectations for 2024
30 October	Change in the Board of Directors
6 November	Quarterly Report, Third Quarter 2024
18 November	The BANK of Greenland issues DKK 100 million Senior-Non-Preferred
11 December	Outlook for 2025