

# LANDSBANKINN'S POLICY ON INFORMATION DISCLOSURE

Policy No. 201305-0874-1 | Approved in June 2013 | Board of Directors



## OBJECTIVE AND SCOPE

The aim of Landsbankinn's (hereafter Landsbankinn or the Bank) policy on information disclosure is to inform stakeholders about the activities of the Bank as a company listed on a regulated securities market. Landsbankinn wishes to ensure that stakeholders at each time, investors, analysts and other parties are privy to the most recent information available in order to form opinions on Landsbankinn as an issuer and on the financial instruments of Landsbankinn traded on a regulated securities market. This policy has been prepared having regard to, inter alia, the rules of Nasdaq OMX Iceland hf. (the Stock Exchange) and the standards of the Global Reporting Initiative (GRI).<sup>1</sup>

## FINANCIAL MARKET

Landsbankinn shall ensure equal treatment of investors and do its utmost to publish all previously unpublished information on decisions or events the Bank knew, or should have known, would materially affect the market value of financial instruments issued by the Bank. Information disclosure may be postponed as provided for by laws and rules on postponement of public disclosure of insider information.

Information made public by Landsbankinn shall be correct, appropriate and clear and in no way misleading. Information on decisions, assumptions and conditions shall be sufficiently detailed to assess the impact thereof on the Bank, its performance and financial position, or on the price of financial instruments issued by the Bank.

Information disclosure under this policy refers to publication on the Bank's website and the Stock Exchange, unless otherwise stated. Information shall be published in Icelandic with concurrent English translations.

Information shall be available on the Bank's website for at least three years from the publication date. Notwithstanding the above, financial information shall be available for at least five years from the publication date.

## REGULAR INFORMATION DISCLOSURE

Landsbankinn shall make its results public in accordance with Stock Exchange rules for issuers of listed financial instruments.

- » Landsbankinn shall publish its approved annual financial statements no later than three months after the end of the accounting year.
- » Landsbankinn shall publish its approved interim financial statements no later than two months after the end of each period.
- » All presentation material related to the Bank's results (presentations, leaflets and further reading) shall be published along with financial statements on the Bank's website.
- » Landsbankinn shall publish an annual report no later than in time for the annual general meeting held before the end of April each year.
- » Landsbankinn shall publish a publication calendar on its website with the scheduled publication dates of interim and annual financial statements, as well as the scheduled date of the Bank's AGM.
- » Landsbankinn shall announce any deviations from the publication calendar no later than 15 days prior to the publication of an annual financial statement and 7 days prior to publication of an interim financial statement.

<sup>1</sup> The Global Reporting Initiative (GRI) is an international reporting standard providing guidelines on the publication of information on the social impact of corporates and actions taken in the field. Landsbankinn publishes an annual report under the standard.

## ON-GOING DISCLOSURE REQUIREMENTS

Landsbankinn bases on-going disclosure on the following standards:

- » All policy decisions that may materially affect the Bank's operations and future performance are announced publicly. Examples of such decisions:
  - Major changes to the Bank's activities.
  - Sale of important business units, mergers or takeovers.
  - Listing or delisting of financial instruments.
- » Amendments to accounting policies.
- » A special announcement will be issued if results from a current quarter are expected to impact equity by more than 10% compared with the Bank's equity position at the end of the previous quarter.
- » Shareholders' meetings shall be publicly announced, as shall decisions taken at shareholders' meetings unless they are considered minor.
- » An announcement shall be made if the outlook is that the Bank's capital adequacy ratio will fall beneath the mandatory minimum requirement of the Financial Supervisory Authority at the end of the current quarter.
- » Changes to the Board of Directors, the COE, the executive board and internal or external auditor shall be made public.
- » Information shall be disclosed on unusual transactions between Landsbankinn and related parties as promptly as possible following a decision on such transactions unless the transaction is obviously a minor one.
- » Notification shall be made of any decisions or events affecting the rights of owners of financial instruments issued by Landsbankinn, e.g. acceleration, redemption, buy-backs, delayed interest and/or principal payments.
- » All major changes to Landsbankinn's financing shall be announced.

## RELATIONS WITH ANALYSTS

Landsbankinn hosts open meetings for the express purpose of presenting information on its financial performance. Participation by Landsbankinn in meetings with select analysts, investors or other market players or presentations given in the Bank's name at financial seminars or participation in discussion or teleconferences where the subject is the Bank's financial performance and operational outlook, is based solely on previously published or generally available information.

Landsbankinn limits comments and responses to analysis of the Bank to the following:

- » Correction of historical data.
- » Discussion of general issues that may affect Landsbankinn's operations.
- » Gathering of general market information.
- » Feedback concerning information made publicly available.

Landsbankinn does not engage in public discussion about its financial performance or operating outlook during the four weeks leading up to publication of annual or interim financial statements nor does it respond to queries based on hearsay or ascribed to unconfirmed sources.

## **RISK POLICY**

Landsbankinn has set a policy on information disclosure regarding risk and the Bank's risk management in accordance with the Basel framework (Basel II - Pillar III).

## **RELATIONS WITH THE MEDIA**

The CEO of Landsbankinn is the Bank's spokesperson as regards media while the Chairman of the Board of Directors represents the Board.

Other employees shall not speak for the Bank or identify themselves with the Bank when participating in media discussion unless previously authorised to do so by the CEO.

The Bank's PR officer manages communication with the media on behalf of Landsbankinn. Employees of Landsbankinn shall forward all inquiries from the media to the PR officer or to those persons authorised to respond to such inquiries.

The PR officer shall be notified of issues that may be expected to lead to media coverage of Landsbankinn.

## **CORPORATE SOCIAL RESPONSIBILITY**

In keeping with the guidelines and standards of GRI, Landsbankinn effectively and regularly discloses information other than financial information from its activities in a report on corporate social responsibility. The report is available on the Bank's website.

Landsbankinn annually publishes information on other standards than financial that, according to GRI, pertain to its activities. This information shall be published concurrent to the Bank's annual report and be available on its website.