

COMPLIANCE ARTICLE 96 CRD IV / ARTICLE 134B OF THE DECREE ON THE PRUDENTIAL MEASURES FSA

Article 96 of the fourth Capital Requirements Directive ("CRD IV") requires financial institutions to explain on their website how they comply with the requirements included in Articles 88 to 95 of the CRD IV. Article 134b of the Decree on the Prudential Measures Financial Supervision Act (*Besluit prudentiele regels Wft*) ("Decree Prudential Measures") has implemented the requirements of Article 96 CRD IV in Dutch law.

Hereinbelow it is explained how Credit Europe Group N.V. and Credit Europe Bank N.V. (hereinafter jointly referred to as "CEB") comply with Article 134b of the Decree Prudential Measures and Article 96 CRD IV. Since the Managing Boards and Supervisory Boards of Credit Europe Group N.V. and Credit Europe Bank N.V. are and will be identically composed, the below applies to both entities.

CEB does not qualify as a 'significant bank' in the meaning of Article 6(4) of the Council regulation (EU) No 1024/2013 (SSM Regulation), neither does CEB benefit from government intervention as referred to in Article 93 CRD IV.

Governance and management body

The Articles 88 and 91 CRD IV contain requirements regarding governance arrangements and the management body, respectively. These requirements are included in the following articles of Dutch law: article 134b of the Decree Prudential Measures in conjunction with Article 3:8 paragraphs 3 and 4 of the Financial Supervision Act and Article 17c of the Decree Prudential Measures.

CEB has a two-tier structure with a Managing Board and a Supervisory Board.

Managing Board

The Managing Board is responsible for the management of CEB which includes realizing the bank's goals and strategy, setting policies and achieving results. The Managing Board has a shared responsibility for the bank's organization, setting its business strategy, risk appetite and internal governance, the integrity of the accounting and financial reporting systems and the disclosure and communication procedures.

The Managing Board currently consists of four members. Its composition reflects a broad range of experiences. Each of the Managing Board members has the required knowledge, skills and experience to perform his duties. Before entering the Managing Board each of the members has fulfilled, and continue to fulfill, the fit and proper requirements in the meaning of Article 3:8 paragraph 1 Financial Supervision Act. In addition each Managing Board member participates in a lifelong learning programme. The Managing Board members commit sufficient time to properly perform their duties. The resumes of the current members of the Managing Board can be found [here](#).

With the approval of the Supervisory Board and the General Meeting of Shareholders the Managing Board has adopted a charter that contains rules on the constitution, duties and responsibilities of the Managing Board of CEB (this charter also includes a provision on conflicts of interests). The Charter of the Managing Board can be downloaded from the Corporate Governance part of CEB's website (www.crediteuropebank.com).

Supervisory Board

The Supervisory Board is responsible for overseeing/supervising all of the bank's activities and providing guidance, approval and advice to the Managing Board on the bank's general course of affairs and the business connected to it. In fulfilling its responsibilities the Supervisory Board members are guided by the interests of all parties involved in the bank such as its clients, its employees and the shareholder(s).

The Supervisory Board consists of six members. Its composition reflects a broad range of experiences. Each of the Supervisory Board members has the required knowledge, skills and experience to perform his duties. Each of the members of the Supervisory Board has fulfilled, and continue to fulfill, the fit and proper requirements in the meaning of Article 3:8 paragraph 1 Financial Supervision Act. In addition each Supervisory Board member participates in a lifelong learning programme. The Supervisory Board members commit sufficient time to properly perform their duties. The resumes of the current members of the Supervisory Board can be found [here](#).

The Supervisory Board is assisted by four sub-committees, being Audit & Risk, Corporate Governance & Nomination, HR & Remuneration and Compliance Oversight. More information on the tasks and the composition of these committees can be found in the Charter of the Supervisory Board (please see hereinbelow) and on page 71 and 72 of the Annual Report 2019).

With the approval of the General Meeting of Shareholders the Supervisory Board has adopted a charter that contains rules on the constitution, duties and responsibilities of the Supervisory Board of CEB (this charter also includes a provision on conflicts of interests). The Charter of the Supervisory Board can be downloaded from the Corporate Governance part of CEB's website (www.crediteuropebank.com).

Remuneration

The Articles 92 to 95 CRD IV contain requirements on the remuneration policy of financial institutions. These requirements have been implemented in Dutch law through the Regulation on Sound Remuneration Policy FSA 2017 ('Regeling beheerst beloningsbeleid Wft 2017') and Chapter 1.7 of the Financial Supervision Act (hereinafter jointly referred to as "Dutch Remuneration Regulations").

CEB's remuneration policy is in compliance with the requirements under CRD IV and the Dutch Remuneration Regulations. For detailed information on the remuneration policy of CEB reference is made to the Remuneration Report included in CEB's Annual Report and published on CEB's website.

Reporting

The Articles 89 and 90 CRD IV contain requirements regarding country-to-country reporting and public disclosure of return on assets, respectively. These requirements are included in the following articles of Dutch law: Articles 3, 4 and 5 of the Decree on disclosure requirements CRD (Besluit uitvoering publicatieverplichtingen richtlijn kapitaalvereisten).

CEB meets its reporting obligations in accordance with these requirements. The latest version(s) of the country by country reporting can be found online. For return on assets reference is made to the online annual report (to be) published over 2019.

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