



# RISK POLICY AND COMPLIANCE COMMITTEE CHARTER

December 1, 2023

# ANNEX E

## CHARTER GOVERNING THE RISK POLICY & COMPLIANCE COMMITTEE OF THE SUPERVISORY BOARD

This charter governing the Risk Policy & Compliance Committee (the **RPCC**) of the Supervisory Board (the **RPCC Charter**) of NIBC Holding N.V. and NIBC Bank N.V. (jointly referred to as **NIBC**) has been adopted by the Supervisory Board and has most recently been approved by the Supervisory Board of NIBC on 30 November, 2023.

### Article 1: Responsibilities of the Risk Policy & Compliance Committee

- 1.1 Without prejudice to Article 5.1. of the Charter of the Supervisory Board of NIBC (the **SB Charter**), the RPCC advises the Supervisory Board on its responsibilities relating to the supervision of NIBC's risk appetite, risk profile and risk policy. It prepares issues for decision in the Supervisory Board in these areas by presenting proposals and recommendations, at the initiative of the Managing Board and/or the Supervisory Board or otherwise, on credit, market, investment, liquidity, operational and compliance/regulatory risks, and any other material risks to which NIBC is exposed.
- 1.2 The RPCC's responsibilities include supervising the organisation, design and functioning of NIBC's entire risk management framework in a proactive and forward-looking way. More specifically, the RPCC:
  - a) approves NIBC's Risk Appetite framework; monitors that the risk profile of NIBC remains within the Risk Appetite statements and approves deviations. It assesses whether the commercial activities in a general sense are appropriate in the context of NIBC's risk appetite;
  - b) approves major policy changes and major changes in portfolio management principles that can significantly alter the risk profile of NIBC, in the areas of NIBC's business lines;
  - c) assesses and comments on proposals relating to the acceptance of certain counterparty risks (private individuals, legal entities and countries), for the account and risk of NIBC;
  - d) assesses and comments on proposals or reports relating to the taking, mitigation and/or monitoring of credit, market, investment, liquidity, operational and compliance/regulatory risks, and of any other material risk to which NIBC is exposed;
  - e) assesses the impairment policy of NIBC (specific impairments will be submitted for information);
  - f) assesses the introduction of material new products or services within NIBC; and
  - g) advises on the appointment of external consultants that the Supervisory Board may decide to engage for advice or support.
- 1.3 If NIBC develops new activities, the Supervisory Board will record the RPCC's responsibilities in relation to these activities.
- 1.4 In order to prepare the Report of the Supervisory Board in NIBC's management report, the RPCC shall draw up a management report on its discussions and findings for the Supervisory Board.

## Article 2: Information supply to RPCC

- 2.1 In order to perform its tasks properly, the RPCC's information needs must be met in an adequate manner. To this end, the RPCC will receive the following written information:
- a) reports on the development of NIBC's risk profile vis-à-vis the approved risk appetite;
  - b) reports on NIBC's Liquidity and Funding position;
  - c) reports on NIBC's Market Risk position;
  - d) reports on NIBC's Credit Risk position, including (but not limited to) portfolio developments by sector, region and product; country risks; credit quality developments; impairment developments including specific cases; significant single-name credit risk concentrations;
  - e) reports on NIBC's Operational Risk position, including the introduction of material new products or services, as well as Information Security updates;
  - f) reports on the usage of economic capital;
  - g) reports on compliance risks, the main regulatory developments and NIBC's relationship with the DNB as well as other external parties such as rating agencies;
  - h) the annual Basel III Pillar 3 report; and
  - i) summaries of relevant IAD reports on the topics listed in items 2.1 a) to 2.1 h) above.
- 2.2 In addition to this regular information flow, the RPCC may request additional information that is important for the performance of its tasks. The Managing Board shall supply such information at the RPCC's earliest request.

## Article 3: Composition, expertise and independence of the RPCC

- 3.1 The RPCC shall consist of at least three members, to be appointed by the Supervisory Board from among its members. All other members of the Supervisory Board have a standing invitation to join RPCC meetings.
- 3.2 Without prejudice to Article 3.3 of the SB Charter, the composition of the RPCC shall meet the following requirements:
- a) a number of its members should have a sound knowledge of both the financial and non-financial aspects of risk management and/or the experience needed to make a thorough assessment of risks; and
  - b) the majority of the members of the RPCC must be independent within the meaning of Article 3.4 of the SB Charter.
- 3.3 Members are appointed until further notice. RPCC members may be dismissed by the Supervisory Board at any time. Membership is terminated if the member no longer serves on the Supervisory Board.

## Article 4: Chair and Secretary

- 4.1 Subject to the provisions of Article 3 of this Charter, the Supervisory Board shall appoint one of the committee members as the RPCC Chair. The RPCC Chair is responsible for the correct functioning of the RPCC. The RPCC Chair shall act as the RPCC's spokesperson and as the main contact for the Supervisory Board.
- 4.2 A Director or Managing Director of Risk, Legal and Compliance or a person designated by the CRO with the consent of the RPCC shall act as the RPCC Secretary.

## Article 5: Meetings (committee agenda, participants and minutes)

- 5.1 The RPCC will meet at least three times a year and also as often as one or more of its members may consider necessary. The meetings are generally held at the offices of NIBC, but may also take place elsewhere. In addition, meetings may be held by telephone or videoconference provided that all participants can hear each other.
- 5.2 Unless the RPCC gives notice that it wishes to meet in the absence of other parties, meetings will be attended by NIBC's Managing Board and the RPCC Secretary as a standard procedure. Other NIBC employees and third parties may also be invited on an ad hoc basis.
- 5.3 Meetings shall be convened via the RPCC Chair by the person requesting the meeting. Wherever feasible, RPCC members should receive the notice convening the meeting, the agenda and the annexes on the topics to be discussed at least five days prior to the meeting.
- 5.4 The quorum for each meeting is two members.
- 5.5 The RPCC Secretary shall take minutes of RPCC meetings. As a rule, the minutes shall be adopted at the next meeting. However, if all RPCC members approve the contents of the minutes, they may also be adopted at an earlier date.
- 5.6 Every Supervisory Board member shall have unlimited access to all RPCC information.

## Article 6: Application of the SB Charter

The relevant articles in the SB Charter shall apply likewise to the RPCC Charter.

## Article 7: Evaluation of the functioning of the RPCC and its members

- 7.1 At least every two years, the RPCC shall evaluate this Charter and shall submit any amendments to the Supervisory Board for approval.
- 7.2 Each year, the RPCC shall evaluate its own functioning and report on this to the Supervisory Board.