

*True but unofficial translation*

*In this translation an attempt has been made to be as literal as possible without jeopardising the overall continuity. Inevitably, differences may occur in translation, and if so the Dutch text shall prevail.*

## **PROFILE OF THE SIZE AND COMPOSITION OF THE BOARD OF DIRECTORS OF DE VOLKSBANK N.V.**

*The mission of de Volksbank N.V. (**de Volksbank**) is set out in de Volksbank's Manifesto: Banking with a human touch. This mission matches society's need to give substance to 'helpful' banking. To live up to this mission, de Volksbank has formulated the following ambition: optimising shared value. By this we understand to mean that de Volksbank serves the joint interests of its customers, society, its employees and its shareholder. With its core activities, de Volksbank creates benefits for customers, takes responsibility for society, provides meaning for its employees and achieves returns for its shareholder. We seek to achieve our ambition by focusing on three pillars in the years ahead: a distinct position as a social bank, simple and efficient business operations and an innovation profile of smart adopter.*

*De Volksbank has four brands (ASN Bank, BLG Wonen, RegioBank and SNS), which are close to their customers and constantly take their customers' wishes as their starting point. De Volksbank encourages its employees to know their customers as well as possible, to be professional and be audacious.*

### **Introduction**

1. In order to ensure that the Board of Directors of de Volksbank under the Articles of Association (**Board of Directors**) is adequately composed at all times, members of the Board of Directors are appointed on the basis of all applicable statutory and other provisions, as laid down in the Memorandum of Understanding<sup>1</sup>, the Articles of Association of de Volksbank, the rules governing the Board of Directors of de Volksbank (**Regulations**) and this Profile (**Profile**). This Profile provides a guideline for the composition and an indication of the desired knowledge and experience, skills, competencies and background of the Board of Directors, which is pursued both individually and collectively.

Taking into account de Volksbank's nature of business, the size and composition of the Board of Directors shall be as follows:

### **Composition**

2. The Board of Directors is composed of four (4) to six (6) members. In the composition, the following is taking into account:
  - the age, gender and cultural background of the members of the Board of Directors (in accordance with the Diversity and inclusion policy of de Volksbank), aiming for a balanced composition of the Board of Directors, including a proportionate male-to-female ratio in accordance with at least a 40% seat distribution on the Board of Directors for each sex;
  - conduct and reputation; each member of the Board of Directors is of impeccable conduct and reputation, in accordance with the importance that should be attached thereto in relation to the social functioning of the banking sector and financial services in general (see the Regulations);
  - affinity with the mission and desired nature and corporate culture of de Volksbank and its subsidiary companies, de Volksbank's 'Banking with a human touch' mission is experienced as very relevant guidance;

---

<sup>1</sup> MoU, as agreed between NLF1 and de Volksbank

- the independence of members of the Board of Directors in letter and spirit; they do not hold any positions, or have no interests, that conflict with the interests of de Volksbank. They comply with the statutory restrictions on additional positions. Any additional positions held do not prevent members of the Board of Directors from having sufficient time to carry out their function, even in times of increased activity. A member of the Board of Directors does not assume the role of Supervisory Board member in any another company without written approval of the Supervisory Board.

A member of the Board of Directors is appointed for a period of four (4) years. Members can be reappointment for a period of four (4) years at a time. In case of a reappointment, account shall be taken of the Diversity and inclusion policy of de Volksbank.

## Competence

3. The composition of the Board of Directors shall be such that the combined experience, expertise and background of its members shall enable the Board of Directors to perform its duties and responsibilities in relation to de Volksbank and its stakeholders in the best possible way. Each member of the Board of Directors shall be able to assess the broad outlines of the overall policy. Each member of the Board of Directors shall have the specific expertise required for the tasks and responsibilities assigned to him/her, as laid down in the (individual) job profile specific to that function (**Job Profile**). Furthermore, each member has sufficient knowledge of areas for which he is not directly responsible but collectively accountable together with the other members of the Board of Directors. This includes knowledge of the legal, organisational and operational structure of de Volksbank. Each member of the Board of Directors is able to adequately represent de Volksbank externally.

The 'Template for a matrix to assess the collective competence of members of the management body' as drawn up by the European Central Bank shall be used as an aid in assessing the collective competence of the Board of Directors.

## Responsibilities and result areas

4. The Board of Directors is collectively responsible for the management of de Volksbank and is (ultimately) responsible for: (i) formulating and implementing the strategic objectives of de Volksbank, including the related risk profile, (ii) the social aspects of entrepreneurship, (iii) the development of results and financing of the business, (iv) the communication and personnel policies, (v) the risk policy and risk management and control systems, (vi) the adequate compliance and integrity policy, (vii) a robust IT infrastructure, and (viii) effective checks and balances.

The members of the Board of Directors are jointly responsible for the proper functioning of the Board of Directors and for the proper fulfilment of its obligations. The members of the Board of Directors focus on the interests of de Volksbank and its companies and act in line with the 'Banking with a human touch' mission, with the aim of optimising shared value. In making its decisions, the Board of Directors takes account of the interests of de Volksbank's stakeholders: its customers, its employees, the shareholder and society. The Board of Directors operates as a collegiate body with shared responsibilities and is independent of specific stakeholders of de Volksbank.

Members of the Board of Directors may divide their work among themselves, without prejudice to the principle of collegial management. The portfolio allocation shall be approved in advance by the Supervisory Board.

The members of the Board of Directors set an example to all employees of de Volksbank and promote responsible conduct and a healthy culture, both at the top and throughout de Volksbank, and manage the organisation and its employees in accordance with the Cultural Profile of de Volksbank.

## **Knowledge, experience and competencies**

5. With regard to the aforementioned responsibilities, result areas and expertise, the Board of Directors as a whole shall possess the following knowledge and experience, supplemented by the required (behavioural) competencies:

### Knowledge and experience:

- experience in managing companies;
- knowledge of and experience in formulating a general business strategy and the ability to plan strategically;
- management skills and management experience;
- specific knowledge of and experience in human resources management (including employee relations), (management) development and remuneration policy;
- specific knowledge of and experience in areas that are of importance to the business operations and strategy of de Volksbank, such as experience in the area of retail banking, innovative product development related to the digital domain and balance sheet management and liquidity management;
- experience in (European) banking supervision (e.g. ECB);
- experience in operational control and integrity, including the administrative organisation and internal control, financial reporting, auditing, securing competencies and professionalism within de Volksbank, fair treatment of customers, promoting responsible and ethical behaviour, compliance and outsourcing activities;
- knowledge of relevant laws and regulations and corporate governance and experience in complying with and enforcing them;
- specific knowledge of and experience related to risk strategy, risk culture and risk management (including the financial and technical aspects thereof);
- specific knowledge of and experience in the field of IT and information security;
- specific knowledge of and experience in the field of the marketing of financial products and services
- analytical skills, a critical attitude and effective communication skills; and
- command of written and spoken English.

### Competencies:

- Customer focus, vision, inspiring leadership, empathy, collaboration, focus on results, impact & persuasiveness and audacity.

Individual requirements for a member of the Board of Directors are laid down in the aforementioned Job Profile.

## **Vacancy**

6. With regard to the succession of the members of the Board of Directors, in the interests of continuity, the aforementioned appointment periods are taken into account as much as possible to avoid having to replace too many members of the Board of Directors at the same time. In addition to this profile for the Board of Directors as a whole, a Job Profile has been drawn up for individual members of the Board of Directors. In the event of a vacancy and the (re)appointment of a member of the Board of Directors, this individual Job Profile shall be updated and taken into account as much as possible.

## **Conclusion**

7. As the situation, markets and environment in which de Volksbank operates change, the need for specific competencies within the Board of Directors may also change. This Profile shall, therefore, be evaluated from time to time and tested against social developments and strategic changes at de Volksbank.

This Profile will be published on the website of de Volksbank, [www.devолksbank.nl](http://www.devолksbank.nl).