

**RULES OF PROCEDURE
RISK AND COMPLIANCE COMMITTEE OF DE VOLKSBANK N.V.**

1 December 2022

These rules have been adopted pursuant to article 4.3 of the Rules of Procedure of the Supervisory Board of de Volksbank N.V.

1 DEFINITIONS AND INTERPRETATION

- 1.1 Terms capitalized in these rules have the meaning given to them in Annex I of the Rules of Procedure of the Supervisory Board.
- 1.2 Decisions on the interpretation of these rules are made by the Supervisory Board.
- 1.3 Any matters which are not covered by these rules of procedure are governed by the Rules of Procedure of the Supervisory Board.

2 DUTIES OF THE RISK AND COMPLIANCE COMMITTEE

- 2.1 The Risk and Compliance Committee advises the Supervisory Board on matters within its area of responsibility and prepares the decisions of the Supervisory Board's on such matters.
- 2.2 In connection with the foregoing, the duties of the Risk and Compliance Committee shall more specifically include assisting in and making of recommendations to the Supervisory Board on matters set out in Annex I.

3 COMPOSITION, EXPERTISE AND INDEPENDENCE OF THE RISK AND COMPLIANCE COMMITTEE

- 3.1 The Risk and Compliance Committee consists of at least three (3) members of the Supervisory Board. The Supervisory Board appoints and dismisses the members of the Risk and Compliance Committee. The members are appointed until further notice.
- 3.2 The majority of the members of the Risk and Compliance Committee must be independent within the meaning of article 1.3 of the Rules of Procedure of the Supervisory Board.
- 3.3 Members of the Risk and Compliance Committee must have, individually and collectively, appropriate knowledge, skills and expertise concerning risk management and control practices and relevant regulations to be able to form a balanced and independent opinion of de Volksbank's risks.

4 CHAIR

- 4.1 The Supervisory Board appoints one of the independent members of the Risk and Compliance Committee as chair. The chair has primary responsibility for the proper functioning of the Risk and Compliance Committee. He/she acts as spokesperson of the Risk and Compliance Committee and is the principal point of contact for the Supervisory Board.

4.2 If the chair is absent, the meeting will appoint one of its other members as chair of the meeting. The meeting will comply with the provision of section 5.7, except in cases where taking all relevant circumstances into account, the proper and efficient functioning of the meeting require otherwise.

4.3 The Risk and Compliance Committee may not be chaired by the chair of the Supervisory Board or the chair of one of the other Committees.

5 MEETINGS

5.1 The Risk and Compliance Committee meets at least three (3) times each year, prior to the meetings of the Supervisory Board. If circumstances require, extra meetings may be held or convened on an ad hoc basis. A member of the Risk and Compliance Committee may, in consultation with the Committee's chair, arrange for an unscheduled meeting of the Risk and Compliance Committee to be convened. Prior to a meeting of the Risk and Compliance Committee the Committee's chair will have a preliminary consultation with the CRO. In their meetings, members of the Risk and Compliance Committee should engage in open and critical discussions, during which dissenting views are discussed in a constructive manner.

5.2 The agenda of the meetings of the Risk and Compliance Committee is drawn up by the Committee's chair. The head of Compliance and the Chief Risk Officer may stipulate items for the agenda of a meeting of the Risk and Compliance Committee.

5.3 The CEO, the CRO, the CFO, the head of Compliance and the head of Audit have a standing invitation to attend the meetings of the Risk and Compliance Committee. They will receive the full agenda and associated documents prior to a meeting of the Risk and Compliance Committee. The Risk and Compliance Committee can invite other persons to attend a meeting. The Risk and Compliance Committee will invite the external auditor to attend a meeting, other than in the presence of the Executive Board, as often as it deems necessary, but at least once a year.

5.4 The Risk and Compliance Committee meets at least once each year with the People and Organisation Committee (MOCO) in a joint meeting to discuss inter alia how remuneration outcomes reflect risk.

5.5 As a rule, the meetings are held at the offices of de Volksbank, but they may also be held elsewhere.

5.6 Meetings may also be held by telephone or videoconferencing or by comparable means of communication, provided that all participants are simultaneously linked.

5.7 Meetings may be held and recommendations may be made to the Supervisory Board only if at least two members of the Risk and Compliance Committee are present. Recommendations to the Supervisory Board are based on a majority of votes. If there is a tied vote, the agenda item will be submitted for approval to the Supervisory Board.

- 5.8 In so far as practically feasible, the notice convening the meeting and the agenda of the items to be discussed are sent to each member of the Risk and Compliance Committee eight (8) days prior to the meeting.
- 5.9 Minutes are taken of the meeting. As a rule, these will be adopted at the next meeting. The Risk and Compliance Committee safeguards that sufficient record is kept of its deliberations and findings. After each meeting the Supervisory Board receives a report on the deliberations and findings of the Risk and Compliance Committee.
- 5.10 Resolutions may also be adopted other than at meetings if all members of the Risk and Compliance Committee have been informed of the proposal requiring a resolution of the Risk and Compliance Committee and they have also been able to express their opinion on this matter and a sufficient number of members of the Risk and Compliance Committee to form a majority have declared in writing (including by e-mail) that they are in favour of the proposal.

6 INFORMATION

The Risk and Compliance Committee has access to information about de Volksbank's compliance and risk position and, if necessary and desirable, also to the Compliance function and the Risk Management function, other relevant functions, de Volksbank's external auditor and the advice of external experts. The Supervisory Board and the Risk and Compliance Committee determine and periodically review the nature, scope, form and frequency of the compliance and risk-related information they wish to receive. The Risk and Compliance Committee receives regular reports, ad hoc information, communications and opinions from the internal control functions concerning the current risk profile of de Volksbank, its risk culture and its risk limits, as well as on any material breaches that may have occurred, with detailed information and recommendations. The requested information must be made available as soon as possible.

7 CONFIDENTIALITY

- 7.1 The meetings of the Risk and Compliance Committee are confidential.
- 7.2 Any communications to third parties must be made by or in consultation with the chair of the Risk and Compliance Committee.

ANNEX I: DUTIES OF THE RISK AND COMPLIANCE COMMITTEE

The duties of the Risk and Compliance Committee shall more specifically include assisting in and making recommendations to the Supervisory Board regarding:

- 1 periodically advising on de Volksbank's overall actual and future risk appetite and strategy, taking into account all types of risks, to ensure that they are consistent with the business strategy, objectives, corporate culture and values of de Volksbank;
- 2 assisting in overseeing the implementation of de Volksbank's risk strategy and the corresponding limits set;
- 3 providing recommendations on necessary adjustments to the risk strategy resulting from changes in the business model of de Volksbank, market developments or recommendations made by the Risk Management function;
- 4 overseeing the implementation of the strategies for capital and liquidity management as well as for all other relevant strategic, financial and non-financial risks, in order to assess their adequacy against the approved risk appetite and strategy;
- 5 advising, within its remits, on the appointment of external consultants;
- 6 performing a periodic review of de Volksbank's actual risk profile, clarified, for example, by reference to reports on market, credit, liquidity, compliance and supervisory risks, as well as an overview of important new products and activities. The review should include a number of possible scenarios, including stressed scenarios, to assess how the risk profile would react to external and internal events;
- 7 overseeing the alignment between all material financial products and services offered to customers and the business model and risk strategy of de Volksbank, assessing the risks associated with the offered financial products and services and taking into account the alignment between the prices assigned to and the profits gained from those products and services; presenting a remedy plan where prices do not properly reflect risks in accordance with the business model and risk strategy;
- 8 assessing the recommendations of internal and external auditors and follow up on the appropriate implementation of measures taken;
- 9 examining (without prejudice to the duties of the People and Organisation Committee (MOCO) whether the incentives created by the remuneration system take account of risk, capital and liquidity and the probability and time spread of profit forecasts;
- 10 monitoring and discussing the effectiveness of the internal risk management and control systems;
- 11 advising on the functioning of the Risk Management function and the Compliance function of de Volksbank. In particular, the Risk and Compliance Committee should observe that these functions are adequately staffed, resourced and compensated and that they receive due support from other parts of de Volksbank;
- 12 supervising governance, ethics and regulatory compliance, including codes of conduct, de Volksbank's Whistleblowing Policy and internal procedures and assessing the Compliance plan and the Compliance Charter and monitoring their implementation, partly on the basis of periodic reports, and advising the Executive Board on these issues;
- 13 periodically evaluating the effectiveness of the Compliance function and monitoring the follow up on recommendations of regulators. This evaluation and all matters that can possibly influence the effectiveness of the Compliance function will be (proactively) shared by the Risk and Compliance Committee with the head of Compliance;

- 14 testing to ensure that the risk awareness in the organization is adequate, that the importance of establishing and maintaining a culture of compliance is recognized, that the culture of compliance evolves as planned and that executives have sufficient knowledge of risk management;
- 15 conducting the periodical self-assessment and an external review of the Risk and Compliance Committee's own effectiveness, and providing a report on this to the Supervisory Board for evaluation and assessment;
- 16 where necessary, ensuring the proper involvement of the internal control functions and other relevant functions within their respective areas of expertise and/or seeking external advise;
- 17 assessing and discussing all other matters delegated by the Supervisory Board to the Risk and Compliance Committee.

**ANNEX II OVERVIEW OF AMENDMENTS TO THESE RULES OF PROCEDURE
AS OF 25 SEPTEMBER 2014:**

The rules of procedure were adopted and amended as follows:

1. The Regulations were adopted by the SB in its meeting of 25 September 2014.
2. The Regulations were amended by the SB in its SB meeting of 30 September 2015.
3. The Regulations were amended by the SB in its meeting of 23 March 2016.
4. The Regulations were amended by the SB in its meeting of 14 December 2016.
5. The Regulations were amended by the SB in its meeting of 7 March 2018.
6. The Regulations were amended by the SB as of 30 March 2019 in its meeting of 6 March 2019.
7. The Regulations were amended by the SB as of 13 February 2020 in its meeting of 13 February 2020.
8. The rules of procedure were amended by the SB as of 16 May 2022 in its meeting of 12 August 2021.
9. The rules of procedure were amended by the SB as of 1 December 2022 in its meeting of 1 December 2022.