

CHARTER HR & REMUNERATION COMMITTEE

This charter has been approved by the Supervisory Board of Credit Europe Bank NV on 8 September 2017.

Article 1 Definitions

Bank	means Credit Europe Bank NV, incorporated under the laws of the Netherlands, having its registered office at Karspeldreef 6a, 1101 CJ Amsterdam, The Netherlands;
Committee	means the HR & Remuneration Committee, a subcommittee of the Supervisory Board;
Employees	means all employees working within the Group on the basis of an employment contract – on either temporary or indefinite basis – including Identified Staff (as defined below);
Group	means CEGNV, the Bank and all the branches and direct and indirect subsidiaries of the Bank;
Identified Staff	means Employees whose activities oversee or materially influence the Bank's risk profile and who are determined annually through the Assessment Identified Staff Procedure (as defined in the Remuneration Policy);
Managing Board	means the Managing Board of the Bank;
Remuneration Policy	means the Bank's group remuneration policy, as such policy may be amended from time to time;
Reports	means the reports as described in article 6 hereof;
Supervisory Board	means the Supervisory Board of the Bank.

Article 2 Status and role of this charter

- 2.1 This charter sets forth the tasks, functions, responsibilities, authorities, composition and work method of the Committee.
- 2.2 This charter is established by the Supervisory Board in accordance with article 5.3 of the Charter governing the Supervisory Board.

Article 3

Composition of the Committee

- 3.1 The Committee consists of at least three (3) members. All members need to be member of the Supervisory Board, one of which being the chairman of the Supervisory Board and at least one of the members qualifying as independent.
- 3.2 The members of the Committee are appointed, and can at any time be dismissed as member of the Committee, by the Supervisory Board.
- 3.3 The members of the Committee should have relevant knowledge and experience in the field of remuneration and general human resources management.¹
- 3.4 The Committee chooses its own chairman. The chairman of the Supervisory Board may not act as chairman of the Committee.²
- 3.5 In general, the term of membership of the Committee is not fixed upfront. The term is determined by the composition of the Supervisory Board as a whole and by that of other committees linked to the Supervisory Board.
- 3.6 The Corporate Secretary of the Bank is secretary of the Committee. His/her tasks may be delegated to another person – after approval of the chairman of the Committee.

Article 4

Roles and responsibilities

- 4.1 The main role of the Committee is to act as advisor to the Supervisory Board in all areas of remuneration in general and pertaining to (individual members of) the Identified Staff. The Committee will do this by preparing and presenting proposals for discussion and decision by the Supervisory Board. In its role as advisor, the Committee will be guided by the relevant regulatory and legal rules and best practices effective in the Netherlands, including but not limited to the DNB Regulation on sound remuneration policy, the Dutch Banking Code, the Dutch Act on the Remuneration Policies Financial Undertakings³ and the European Banking Authority guidelines on Sound Remuneration Policies⁴.
If needed or desired, the Committee may in its sole discretion invite or engage external advisors or trainers to give guidance in or enhance knowledge of statutory, regulatory (remuneration) requirements.

In the execution of its tasks at all times, the Committee takes into account the short- and long-term interests of all stakeholders (including clients and employees) of the Group and of society as a whole.⁵

¹ Regulation on sound remuneration policy 2014 ('Regeling beheerst beloningsbeleid Wft 2014') ('DNB Regulation') article 10 para 3, DNB rules on suitability and Dutch Corporate Governance Code Bpp 2.1.4

² Dutch Corporate Governance Code, Bpp 2.3.4

³ 'Wet beloningsbeleid financiële ondernemingen' as included in chapter 1.7 of the Financial Supervision Act

⁴ Guidelines on Sound Remuneration Policies issued by the European Banking Authority on 21 December 2015 and effective from 1 January 2017

⁵ DNB Regulation article 10 para 4 and 5

- 4.2 The Committee's responsibilities include, but are not limited to:
- (a) advising the Supervisory Board on its review and approval of the general principles of the Remuneration Policy;⁶
 - (b) submit a clear and understandable proposal to the Supervisory Board concerning the remuneration policy to be pursued with regard to the Managing Board⁷;
 - (c) proposing and advising the Supervisory Board in its determination of the level of remuneration (fixed and variable) for the members of the Managing Board – in line with the principles of the Remuneration Policy;⁸
 - (d) when drafting the proposal for the remuneration of Managing Board members, taking note of individual Managing Board members' views with regard to the amount and structure of their own remuneration⁹;
 - (e) upon proposal of the Managing Board, advising the Supervisory Board in establishing the variable remuneration for Identified Staff (excl. Managing Board) and preparing the annual discussion of the Supervisory Board on the 'top 25' highest variable remunerations in the Group – latest end of 2nd quarter in any year;
 - (f) directly supervising the remuneration of senior management in the control functions HR, Compliance, Internal Audit and Risk Management.¹⁰ At the proposal of the Managing Board, the Committee will approve of and determine the fixed and variable remuneration of this category of Employees;
 - (g) advising/preparing the approval by the Supervisory Board of the Managing Board's own objectives (financial and non-financial) – on a yearly basis;
 - (h) the chairman of the Committee and the chairman of the Supervisory Board conduct the annual performance appraisal of the CEO of the Bank;
 - (i) assisting the Supervisory Board in arranging that at least once a year the compliance to the rules and procedures under the Remuneration Policy is reviewed in line with the procedure described in the Control Functions Remuneration Monitoring Procedure (as defined in the Remuneration Policy);
 - (j) receiving and reviewing the reports of the control functions (as referred to in the Control Functions Remuneration Monitoring Procedure) in connection with their assessment and monitoring of the Group's compliance to the Remuneration Policy;
 - (k) ensuring that any findings of the controls performed by the MCT (as defined in the Control Functions Remuneration Monitoring Procedure) and information needed for and with regard to the decision-making process regarding the draft

⁶ DNB Regulation article 8 para 1

⁷ Dutch Corporate Governance Code Bpp 3.1.1

⁸ DNB Regulation article 6 para 2 and CEBNV's articles of association, article 15 and Dutch Corporate Governance Code Bpp 3.2.1

⁹ Dutch Corporate Governance Code Bpp 3.2.2

¹⁰ DNB Regulation article 11

of the remuneration system are provided to the Supervisory Board and taking the findings of the MCT into account when approving and reviewing the procedures and oversight of the Remuneration Policy¹¹;

- (l) discussing and handling any conflict arisen between the Managing Board and the respective control functions resulting from/relating to the monitoring activities as described in the Control Functions Remuneration Monitoring Procedure (see chapter 6 of the subject procedure);
- (m) advising the Supervisory Board on any proposed exceptions to/deviations from the Remuneration Policy;
- (n) advising the Managing Board and/or the Supervisory Board on adjustments to fixed salaries in line with the relevant provisions of the Remuneration Policy and the applicable laws/regulations;
- (o) advising/assisting the Supervisory Board on/with the decision-making regarding the annual assessment of the Identified Staff; and
- (p) (arranging to) preparing the Reports¹².

4.3 The tasks and responsibilities of the Committee will always be executed within the boundaries of and taking into account the provisions of the Remuneration Policy.

Article 5 Meetings

- 5.1 Meetings of the Committee are held prior to every formally planned Supervisory Board meeting, and further as often as needed for the proper functioning of the Committee. Any member of the Committee can take the initiative to call for a meeting. The meetings can be held by physical gathering, or by telephone or videoconference provided that all participants can communicate with each other simultaneously.
- 5.2 The agenda for the meeting is sent to all members at least four (4) working days before the meeting date. For each agenda item, as much as available and relevant, documentation and information is provided.
- 5.3 As standard procedure, the CEO (chairman of the Managing Board) and/or responsible Managing Board member for HR shall attend the meeting of the Committee. The Committee may also invite other parties to join the meeting. The CEO and other Managing Board members shall not attend the meeting in which their remuneration or performance are discussed.
- 5.4 All members of the Committee are expected to attend each meeting, in person or via telephone or via videoconference.
- 5.5 The secretary to the meeting shall draft minutes of the items discussed during a meeting of the Committee.

¹¹ Chapter 3.3 para 2 Control Functions Remuneration Monitoring Procedure

¹² The Remuneration Report will also meet the requirements set out in the Dutch Corporate Governance Code Bpp 3.4.1

Article 6 Reports

1. The Committee will oversee the legally required, annual publication by the Bank of the following information with respect to its remuneration policy and the Identified Staff:

In the Bank's annual report and on its website a description/summary of its remuneration policy will be published. In this description/summary also (i) the number of Employees, plus their respective departments where they are working, who receive a total annual remuneration of more than EUR 1 million and (ii) the total amount of variable remuneration paid to the Bank's Employees, are included.¹³

Next to the Bank's annual report or the local (annual) financial statement - in line with standard accounting rules- the Bank shall annually disclose the following information on its Identified Staff:

- (i) the decision making process regarding the remuneration policy, including the number of meetings held by the Committee/the Supervisory Board, the composition and the mandate of the Committee and the Supervisory Board and the external advisors consulted in respect of the adoption of the remuneration policy and the role of the different stakeholders;
- (ii) the relationship between remuneration and performance;
- (iii) the most important characteristics of its remuneration system (including info on performance evaluation criteria and risk-corrective-criteria, the policy with respect to conditional grant of variable remuneration and criteria for definitive grant);
- (iv) the ratios between fixed and variable remuneration pursuant to Article 94 par. g of Directive 2013/36/EU as incorporated in Dutch law by Section 1.7.4 Financial Supervision Act;
- (v) the performance criteria and conditions on the basis of which variable components of the remuneration are being granted;
- (vi) the most important parameters and the motivation for variable remuneration and other non-cash benefits;
- (vii) aggregate quantitative information on remuneration per business segment; and
- (viii) aggregate quantitative information on remuneration for Identified Staff and senior managers. The following data need to be given: remuneration amounts per financial year- split in fixed and variable and the number of beneficiaries; amount and sort of variable remuneration -split in cash and financial instruments; the amount of outstanding deferred remuneration (vested and unvested) ; the amounts of deferred remuneration awarded, paid and reduced during a financial year; new sign- in bonuses and severance payments made/ paid and the number of beneficiaries; and for severance payment additionally: the highest amount awarded to an individual.

¹³ Article 1:120 paragraph 2 Financial Supervision Act

Article 7
Miscellaneous

- 7.1 In every Supervisory Board meeting, the chairman or another member of the Committee shall provide the Supervisory Board - either in writing or verbally – with a report on the discussions, decisions, findings, recommendations and/or proposals of the Committee.¹⁴
- 7.2 Each member of the Supervisory Board has unlimited access to all information belonging to the Committee.
- 7.3 The Supervisory Board may amend this charter at any time.
- 7.4 This charter and the composition of the Committee shall be published on the Bank's website.¹⁵

Amsterdam, September 2017

¹⁴ Dutch Corporate Governance Code Bpp 2.2.5 and 2.3.5

¹⁵ Dutch Corporate Governance Code III.5.1