

DE NEDERLANDSCHE BANK N.V.

Regulation on incompatible posts and activities of Governing Board and Supervisory Board members

The Supervisory Board,

having regard to Article 26 of the Articles of Association and Article 17 of the Rules of Procedure of De Nederlandsche Bank N.V.;

on the recommendation of the Governing Board of De Nederlandsche Bank N.V.;

whereas it is advisable to formulate rules aimed at preventing members of the Governing Board and members of the Supervisory Board from holding secondary posts or performing ancillary activities which, considering the objective, tasks and operations of De Nederlandsche Bank N.V., are incompatible with the membership or former membership of the Governing Board or the Supervisory Board, respectively;

whereas it is deemed advisable for the Governing Board to set similar rules in this respect for specific employees employed by or performing work for De Nederlandsche Bank N.V. and for its external auditor;

has decided to adopt the Regulation set out below.

Definitions

In this Regulation, the following terms are defined as stated below.

- a. **the Bank:** De Nederlandsche Bank N.V.;
- b. **the Articles of Association:** the Articles of Association of the Bank;
- c. **the Rules of Procedure:** the Rules of Procedure of the Bank;
- d. **the President:** the President of the Bank;
- e. **the Governing Board:** the Governing Board of the Bank;
- f. **the Supervisory Board:** the Supervisory Board of the Bank;
- g. **the Chairman:** the Chairman of the Supervisory Board;
- h. **Board members:** the members of the Governing Board or the Supervisory Board;
- i. **secondary post or ancillary activity:** post or activity as referred to in Article 26 of the Articles of Association, not forming part of the position held at or activities performed for the Bank;
- j. **the compliance officer:** the employee in the Compliance & Integrity Department, charged with the internal monitoring of compliance with this Regulation;
- k. **conflict of interests:** a situation in which a Board member serves other interests in addition to the Bank's interest, creating friction.

Prohibition against holding incompatible secondary posts and performing incompatible ancillary activities

Article 2

1. No Board member may hold an incompatible secondary post or perform an incompatible ancillary activity.
2. A secondary post or ancillary activity is incompatible if, considering the objectives, tasks and operations of the Bank, the post or activity:
 - a. leads or could lead, directly or indirectly, to a conflict of interests or the semblance of a conflict of interests; or
 - b. in any way is or could be inconsistent with a sound and ethical performance by the Board member of the duties of his/her position or of his/her activity at the Bank.
3. The prohibition set out in Article 2(1) applies for the duration of the Board member's appointment at the Bank as well as during the period referred to in Article 8.

Article 3

1. A secondary post or ancillary activity is in any event incompatible within the meaning of Article 2 if the Board member holding or performing it determines or co-determines the policy of an enterprise or institution that is subject to the Bank's supervision pursuant to Section 4(1)(a) of the Bank Act 1998.
2. Membership of the government, either Chamber of the States General, the European Parliament or the Commission of the European Union is also regarded as an incompatible secondary post within the meaning of Article 2.

Additional provision applicable to Governing Board members

Article 4

Without prejudice to the provisions of Article 2, while performing the duties of their position, members of the Governing Board may only:

- a. hold posts and perform activities that ensue from the tasks or activities of the Bank; and
- b. hold secondary posts and perform ancillary activities whose time requirement is consistent with a sound performance of the duties of their position at the Bank and whose social nature or general interest is the first matter of importance.

Obligation to notify secondary posts and ancillary activities

Article 5

1. Board members must notify the Supervisory Board in writing of secondary posts before accepting them. The Company Secretary of the Bank receives a copy of such notifications. Members of the Governing Board must also notify the other members of the Governing Board of any proposed secondary post.
2. The notification requirement does not apply to secondary posts that are evidently irrelevant to this Regulation.
3. Board members must notify any proposed changes to any secondary post they currently hold in accordance with the provisions of Article 5(1) and (2).

Article 6

1. Board members must notify the Supervisory Board in writing of proposed ancillary activities before accepting them. The Company Secretary of the Bank receives a copy of such notifications.
2. The notification requirement does not apply to ancillary activities that are evidently compatible within the meaning of Article 2.

Decision and assessment framework

Article 7

1. In response to a notification within the meaning of Articles 5 and 6, the Supervisory Board decides within a reasonable term whether in its opinion a secondary post or ancillary activity is incompatible.
2. If the post or activity is potentially incompatible, the Chairman of the Supervisory Board first obtains the compliance officer's advice. The compliance officer may consult the Governing Board. The Supervisory Board takes the compliance officer's advice and, if consulted, the Governing Board's opinion into consideration in arriving at a decision.
3. In its assessment, the Supervisory Board tests the compatibility of the proposed post or activity with the standards of Article 2(2) and Article 4. The Supervisory Board at any rate considers the extent to which the proposed secondary post or ancillary activity may have specific consequences for the Bank's actions within the framework of its objectives, tasks and operations. It also takes the Bank's exposure to financial, integrity, publicity and other potential risks into account.
4. The Supervisory Board may attach further conditions to its compatibility decisions. These conditions relate to the interests that this Regulation seeks to protect.

Termination

Article 8

1. On termination of a Governing Board member's position, the prohibition of Article 2 will continue to apply for a period of six months.
2. On termination of a Supervisory Board member's position, the prohibition of Article 2 will continue to apply for a period of three months.
3. In special cases and with a view to the interests that this Regulation seeks to protect, the Supervisory Board may reduce or extend the periods referred to in Article 8(1) and (2), if necessary on conditions yet to be specified.
4. If a Board member whose position at the Bank has been terminated intends to accept an incompatible post or activity in the course of the period referred to in Article 8(1) or (2), the provisions of Articles 5, 6 and 7 will apply by analogy.
5. In consultation with the Minister of Finance and in accordance with the applicable statutory provisions, the Supervisory Board may make an arrangement for the Board member in question to compensate for the financial consequences of Article 8(1) to (4).

Employees and external auditor

Article 9

1. The Governing Board is responsible for:
 - a. establishing rules applicable to Bank employees to be designated by the Governing Board that are as much in keeping as possible with this Regulation, and
 - b. separately agreeing similar rules with the Bank's external auditor.
2. The Governing Board notifies the Supervisory Board of these rules and any amendments to them.

Register

Article 10

1. The Bank keeps a register of all Board members' compatible secondary posts.
2. The register is submitted to the Supervisory Board for discussion with the compliance officer and the Governing Board at regular intervals, at least once a year.

Appointment of Board members

Article 11

Before drawing up a list of nominees for a vacancy, the Supervisory Board ascertains whether any of them holds an incompatible secondary post or performs an incompatible ancillary activity on the prospective date of appointment.

Authorisation of the Chairman

Article 12

The Supervisory Board may authorise its Chairman to perform the tasks and exercise the powers ensuing from this Regulation on its behalf. The Chairman involves the Remuneration and Appointments Committee and the Vice-Chairman when preparing his decision.

Dispensation facility

Article 13

1. At the request of the relevant Board member, the Supervisory Board may decide, stating reasons, to depart from the provisions of this Regulation, whether or not on conditions yet to be specified.
2. The Chairman of the Supervisory Board is responsible for ensuring that any departures within the meaning of Article 13(1) are published in the annual report for the year in which it was decided to permit them, stating the secondary post or ancillary activity, the grounds for the departures and any further conditions set in relation to them.

Residual provision

Article 14

The Supervisory Board decides on all cases not covered by this Regulation, after consulting with the Governing Board.

Entry into force

Article 15

1. This Regulation enters into force on 15 October 2015.
2. On the day referred to in Article 15(1), the Regulation dated 15 June 2012 ceases to apply.