



# **Supervisory Board**

Charter

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## Purpose

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The purpose of this charter (the "**Charter**") is to provide guiding principles for the composition, the tasks and responsibilities, appointment and re-appointment of the members and the necessary expertise and knowledge of the individual members of the supervisory board (the "**Supervisory Board**") of Anadolubank Nederland N.V. (the "**Bank**") and the Supervisory Board as a whole. Although Anadolubank Nederland N.V. is not obliged to follow the Dutch Corporate Governance Code, it does apply most of the best practices mentioned in the Corporate Governance Code.

## Principles

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### Article 1 Status and Content of the Charter

1. This Charter is drawn up pursuant to the Bank's Articles of Association (the "Articles of Association") and the Bank's policies and procedures. The Charter may only be amended following a resolution of the Supervisory Board after careful and extensive consultation with the Management Board.
2. In the event of conflicts arising between the provisions of this Charter and the Bank's Articles of Association and/or regulatory provisions, the regulatory will prevail.
3. In case one or more provisions of this Charter are or have become outdated or invalid (like following new regulatory laws or management changes), this shall not affect the validity of the remaining provisions. The Supervisory Board will regularly update and correct or replace the possibly invalid (or outdated) provisions of this Charter. Each member of the Supervisory Board declares to apply and commit to all relevant provisions of this Charter.
4. Business days as referred to in this Charter means any day other than Saturday, Sunday or a Dutch Public holiday within the meaning of Article 3 of the Dutch General Extension of Time Limits Act (*Algemene Termijnenwet*).

### Article 2 Responsibilities of the Supervisory Board

1. The Supervisory Board shall be responsible for supervising the Bank's strategy and the implementation thereof, the Bank's Management Board and for advising the Management Board. In performing its duties, the Supervisory Board shall be guided by the interests of the Bank and the enterprise connected and shall

take into account and balance the relevant interest of the Bank's stakeholders. The Supervisory Board shall have due regard for corporate responsibility issues that are relevant to the enterprise.

2. The specific overall tasks of the Supervisory Board are to evaluate regulatory and market changes and industry trends while focusing on, and supervise, support and guide the activities of the Management Board, including with respect to:
  - the supervision and review of the Bank's long-term strategy plan and the business plan;
  - setting of budgets and financial performance benchmarks;
  - the relevant actions and choices with regards to corporate social responsibility issues;
  - the risk management framework and internal control system throughout the Bank;
  - application of HR policy and remuneration in line with the HR Policy to stimulate, long-term value creation within also a social context;
  - compliance and integrity issues the bank is or may be facing;
  - the risk appetite, credit risk limits and authority levels;
  - the update of, and adherence to, compliance activities, ensuring all key areas of risk are addressed;
  - the annual internal audit plan, including the scope and materiality level of the audit plan, ensuring it addresses all key areas of risk;
  - the establishment and maintenance of an independent internal audit framework aligned with professional standards;
  - review of the report of the external auditor;
  - the instructions provided to the external auditor.
3. The members of the Supervisory Board are authorized, jointly as well as individually, to inspect all books and records of the Bank, to have all assets of the Bank shown to them, to have access to all premises used by the Bank and to contact individual staff members of the Bank.
4. The Supervisory Board will see to it that the Management Board will inform the members of the Supervisory Board periodically, at least annually (or whenever important changes occur) in writing about the main characteristics of the corporate strategy, the general and financial risks and the control system of the Bank.

### **Article 3 Composition and Expertise of the Supervisory Board**

1. The Supervisory Board shall be composed in such a way that it is able to perform its tasks properly.

Preconditions for the Supervisory Board to perform its tasks properly, it should be complementarity, act as a collegial board, be independent and have a solid form of diversity.

2. At least two (2) of the members of the Supervisory Board shall have relevant expertise in financial administration and accounting. The members of the Supervisory Board shall have thorough knowledge of the Bank's functions in society and the interests of all parties involved in the Bank.
3. Each member of the Supervisory Board shall be capable of assessing the main aspects of the Bank's overall policy in order to form a balanced and independent opinion about the basic risks involved. Each member of the Supervisory Board shall also possess the specific expertise needed to perform his or her role in the Supervisory Board.
4. Whenever there is a vacancy in the Supervisory Board, the individual profile for the new member will be re-assessed to evaluate if the profile is in line with the expected role of the Supervisory Board.
5. As part of the process to fill the vacancy of Chairperson of the Supervisory Board, an individual profile shall be drawn up that also focuses on the Bank's requirements in terms of expertise and experience in relation to the financial sector and familiarity with the socio-economic and political culture and the social environment of the Bank's main markets.
6. At least half of the members of the Supervisory Board, and the Chairperson for sure, are independent within the context of the provisions of Dutch Corporate Governance Code. A member of the Supervisory Board shall be deemed independent if the criteria of dependence of the Dutch Corporate Governance Code do not apply to him/her or his/her spouse, his/her registered partner or other life companion, and his/her foster child or relative by blood or marriage up to the second degree.
7. Each member of the Supervisory Board, the Chairperson in particular, shall be sufficiently available and contactable to properly perform his/her tasks on the Supervisory Board.
8. The Supervisory Board shall prepare a profile of its scope and composition, taking into account the nature of the business of the Bank, its activities and the desired expertise, experience and independence of the members of the Supervisory Board and taking into account the provisions on composition of the Supervisory Board in this Charter. The Supervisory Board shall evaluate the profile annually.

#### **Article 4 (Re) Appointment of members of the Supervisory Board**

1. The members of the Supervisory Board shall be appointed by the General Meeting of Shareholders in consultation with the Supervisory Board.
2. Before a candidate Supervisory member shall be appointed, the candidate Supervisory Board member

must be approved by the Dutch Central Bank (“DNB”). The approval process includes an integrity and suitability test.

3. In principle, members of the Supervisory Board shall be appointed for a term of four (4) years and may be re-appointed for additional terms but shall not exceed twelve years in total.
4. A member of the Supervisory Board shall resign no later than on the day of the first General Meeting of Shareholders to be held after the expiry of his/her appointment.
5. Members of the Supervisory Board shall resign early in the event of inadequate performance, structural incompatibility of interests, and other instances where resignation is deemed necessary by the resolution of the Supervisory Board. Such early resignation is confirmed or decided upon by the General Meeting of Shareholders.
6. Any member of the Supervisory Board may be suspended and/or removed from office by the General Meeting of Shareholders at any time.

## **Article 5 Supervisory Board Meetings**

1. In a calendar year, the Supervisory Board shall at least hold:
  - Six regular meetings to discuss the quarterly and year-to-date results; one of these meetings is for discussion with the Management Board on the business plan and strategy plan;
  - One separate meeting; with the external auditor to discuss the annual accounts, the management letter and material findings and/or in order to discuss long term strategy; and
  - One closed meeting, without the presence of the Management Board members, to discuss the performance of the Management Board members and prepare and agree upon the appraisal of the members of the Management Board and to perform a self-evaluation of the Supervisory Board.
2. Apart from regular meetings, the Supervisory Board may meet whenever a Supervisory Board member deems it necessary or desirable for the proper functioning of the Supervisory Board.
3. Supervisory Board meetings may also be held at the request of the Management Board.
4. Meetings of the Supervisory Board may be called by any member of the Supervisory Board by giving notice in writing to all members of the Supervisory Board at least five business days prior to the date of the meeting. In the event of an urgent matter, the Chairperson can decide that a Supervisory Board meeting may be called taken into account a shorter notice period, provided that the best efforts will be made to give all Supervisory Board members the possibility to participate.
5. A member of the Supervisory Board may be represented at the Supervisory Board meeting by another

member of the Supervisory Board acting by virtue of the power of attorney issued in writing. The power of attorney given by virtue of this section may only concern the one specifically designated meeting stated therein.

6. Meetings of the Supervisory Board shall be chaired by the Chairperson of the Supervisory Board, or in his/her absence the vice-chairperson will chair the meeting. The agenda of the meetings will be set by the Chairperson, or in his/her absence the vice-chairperson will set the agenda of the meetings. All related documents to the agenda of a meeting shall be circulated together not less than five business days prior to this meeting. The business transacted at the meetings shall be recorded in minutes kept by the Corporate Secretary. The draft minutes of a meeting shall be distributed at least two weeks after the meeting. The approved minutes shall be signed electronically or during the next meeting by all members of the Supervisory Board present at that meeting.
7. Unless the Supervisory Board decides otherwise, meetings of the Supervisory Board, other than the closed session, shall be attended by one or more members of the Management Board. The Supervisory Board may require that certain officers and external advisors attend its meetings. The external auditor of the Bank shall attend the meeting at which the annual accounts review, and the management letter are discussed.
8. In principle, Supervisory Board meetings are held face-to-face however, in case of ad-hoc/emergency meetings or for reasons of practicality, meetings may be held by telephone or videoconference provided that all participants have been notified timely and can communicate with each other simultaneously

## **Article 6 Resolutions**

1. In the meeting of the Supervisory Board each member of the Supervisory Board shall have one vote.
2. Members of the Supervisory Board may only be represented at meetings by another Supervisory Board member. Resolutions shall be passed at absolute majority of the votes cast. If an absolute majority cannot be reached, the Chairperson has a casting vote.
3. The Supervisory Board members shall receive all information which is necessary for an informed and balanced decision at least five business days prior to the Supervisory Board meeting.
4. In general, resolutions of the Supervisory Board shall be adopted at a Supervisory Board meeting.
5. The Supervisory Board may also adopt resolutions outside a meeting, provided that the relevant proposal has been submitted to all members of the Supervisory Board timely and none of the members of the Supervisory Board opposes to the adoption of the resolution outside the meeting. In the event that

a resolution shall be adopted outside a meeting, section 3 of this article applies. The adopted resolution shall be included in minutes drafted with respect to said resolution, or in the minutes of the next Supervisory Board meeting.

6. On behalf of the Supervisory Board the Corporate Secretary shall keep records of all resolutions passed by the Supervisory Board. Upon request a copy of or an extract from said records shall be supplied to shareholders or holders of depositary receipts at a charge not exceeding cost (except if regulation forbids). Subject to prior consent of the Supervisory Board, the said availability will be applicable to the Management Board.

### **Article 7 Chairperson, Vice-Chairperson and Corporate Secretary**

1. The Supervisory Board shall appoint from among its members a Chairperson and a vice-chairperson, who shall represent the Chairperson in his/her absence. The Chairperson of the Supervisory Board shall be primarily responsible for monitoring the proper functioning of the Supervisory Board, act as the spokesman of the Supervisory Board and shall be the main contact for the Management Board.
2. The Chairperson of the Supervisory Board will not be a former member of the Management Board.
3. The Chairperson of the Supervisory Board sees to it that:
  - the Supervisory Board members follow their education or training program;
  - the Supervisory Board members receive all information which is necessary for the proper performance of their duties in a timely manner;
  - there is sufficient time for consultation and decision-making by the Supervisory Board;
  - the committees of the Supervisory Board function properly;
  - the performance of the Management Board members and Supervisory Board members is assessed at least once a year;
  - the Supervisory Board elects a vice-chairperson;
  - the Supervisory Board has proper contact with the Management Board; and
  - (Potential) conflicts of interest are immediately reported and properly solved.
4. The vice-chairperson deputises the duties of the chair in the event of a vacancy, incapacity, or absence of the chairperson. Additionally, the vice-chairperson serves as the point of contact for individual members of both the Supervisory Board and the Management Board on matters related to the chair's performance.
5. The Supervisory Board will be assisted by the Corporate Secretary. The Corporate Secretary is appointed



and dismissed by the Management Board, subject to the approval of the Supervisory Board.

The Corporate Secretary is primary responsible for:

- following and monitoring the correct procedures and acting of the Supervisory Board in accordance with all obligations imposed by applicable law and regulations, including Dutch law and Articles of Association and all rules and regulations issued pursuant thereto;
- facilitating the provision of information to the Management Board and the Supervisory Board;
- assisting the Chairperson of the Supervisory Board with the organization of the affairs of the Supervisory Board (provision of information, Supervision meeting agendas, minutes, lifelong training program etc.)

If the Corporate Secretary notes that the interest of the Management Board and the Supervisory Board diverge, as a result it is unclear which interest the Corporate Secretary should represent, the Corporate Secretary shall report this to the Chairperson of the Supervisory Board.

#### **Article 8 Supervisory Board committees**

1. The Supervisory Board may decide to set up separate committees like a Risk Committee and an Audit Committee to support the Supervisory Board in its supervising role.
2. In the event the Supervisory Board decides to set up separate committees, the Supervisory Board may establish, with due observance of the Articles of Association, a committee charter concerning its internal proceedings within the committee.

#### **Article 9 Self-Evaluation**

1. The Supervisory Board shall discuss and evaluate at least once a year without the Management Board being present, its own functioning as a whole as well as the functioning of its individual members.
2. The report of the Supervisory Board will provide information on how the evaluation of the Supervisory Board has taken place. The report will not provide details of the outcome of the evaluation.
3. In addition to the Supervisory Board's annual self-evaluation, the functioning of the Supervisory Board shall be evaluated under independent supervision once every three (3) years. The involvement of each member of the Supervisory Board, the culture within the Supervisory Board and the relationship between the Supervisory Board and the Management Board shall be part of this evaluation.

**Article 10 Relationship with the Management Board**

1. The Management Board shall timely provide the Supervisory Board with all relevant information (generally, in writing) on all facts and developments concerning the Bank which the Supervisory Board may need to function as required and to properly carry out its duties, and, when necessary, verified by an internal and/or external accountant. The Supervisory Board is entitled to gather any information that the Supervisory Board requires from employees of the Bank and/or external parties. The Supervisory Board is entitled to gather external (expert) advice.
2. The Supervisory Board, and its individual members, has its own responsibility for obtaining all information from the Management Board and the external auditor that the Supervisory Board requires for the due performance of its duties.
3. The Management Board shall at least quarterly provide the Supervisory Board with a report prepared in a format as agreed from time to time and set out detailed information on inter alia the financial and commercial performance of the Bank.
4. Without prejudice to the above, the Management Board will submit the bank's strategy plan every three years and the annual budget and risk appetite statement every year to the Supervisory Board for approval. For this purpose, the Supervisory Board discusses the bank's strategy, risk profile and assesses whether the capital allocation and liquidity requirements in general are in accordance with the approved risk appetite statement.
5. The Supervisory Board must be consulted by the General Meeting of Shareholders regarding the appointment/removal/suspension of any member of the Management Board. The Supervisory Board shall document its opinion on the appointment/removal/suspension of any member of the Management Board and share this document with the General Meeting of Shareholders.

**Article 11 Relationship with the Shareholder(s)**

1. The Supervisory Board sees to it that the annual meetings of shareholders are held on a timely basis, that the agenda and information needed for consideration and resolutions are timely distributed and that the shareholders are provided with all necessary information and that the meetings are recorded in the minutes.
2. All members of the Supervisory Board and the Management Board shall be present in General Meetings of Shareholders.
3. The General Meetings of Shareholders shall be chaired by the Chairperson of the Supervisory Board

unless the Supervisory Board has designated another person for that purpose.

### **Article 12 Bankers' Oath**

1. Each Supervisory Board member will take the Bankers' Oath in the presence of the Chairperson of the Supervisory Board. In the event that the Chairperson of the Supervisory Board takes the Bankers' Oath, he/she will do so in the presence of the longest-serving member of the Supervisory Board

### **Article 13 Lifelong Training and Education**

1. After appointment each member of the Supervisory Board shall follow a lifelong learning program, addressing the main topics as mentioned in the Dutch Governance Code and Dutch Banking Code:
  - a) General financial relevant developments in the banking and financial sector, corporate governance in general and in the financial sector in particular, the duty of care towards clients;
  - b) Integrity, risk management, financial reporting and audits.
2. The assessment of the effectiveness of the lifelong learning referred to in the previous section shall be part of the annual evaluation performed by the Supervisory Board.

### **Article 14 Confidentiality**

A member of the Supervisory Board shall during his/her membership of the Supervisory Board or afterwards not disclose in any way to anyone any information of a confidential nature regarding the business of the Bank and/or any companies in which it holds an interest, that came to the knowledge of the Supervisory Board member in his/her capacity as such and which he/she knows or should know to be of a confidential nature other than is in the normal course of business and unless required by law. A Supervisory Board member shall not use in any way whatsoever the information referred to above for his/her personal benefit.

### **Article 15 Conflict of Interest**

1. Any conflict of interest or apparent conflict of interest between the Bank and Supervisory Board members shall be avoided. Decisions to enter into transactions under which Supervisory Board members would have conflicts of interest that are of material significance to the Bank and/or to the relevant Supervisory Board members require the approval of the Supervisory Board. The Supervisory Board is responsible for deciding on how to resolve conflicts of interest between Management Board members,

Supervisory Board members, major shareholders and the external auditor on the one hand and the Bank on the other.

2. A Supervisory Board member shall immediately report any conflict of interest or potential conflict of interest that is of material significance to the Bank and/or to him/her, to the Chairperson of the Supervisory Board and shall provide all relevant information, including information concerning his/her spouse, registered partner or other life companion, foster child and relatives by blood or marriage up to the second degree as defined under Dutch law. If the Chairperson of the Supervisory Board has a conflict of interest or potential conflict of interest that is of material significance to the Bank and/or to him/her, he/she shall report this immediately to the vice-chairperson of the Supervisory Board and shall provide all relevant information, including information concerning his/her wife/husband, registered partner or other life companion, foster child and relatives by blood or marriage up to the second degree as defined under Dutch law. The Supervisory Board member concerned may not take part in the assessment by the Supervisory board of whether a conflict of interest exists. A conflict of interest exists in any event if the Bank intends to enter into a transaction with a legal entity:
  - I. In which a Supervisory Board member personally has a material financial interest;
  - II. Which has a Management Board member who is related under family law to a member of the Supervisory Board of the Bank; or;
  - III. In which a member of the Supervisory Board of the Bank has a management or supervisory position.
3. A Supervisory Board member may not take part in a discussion and/or decision-making on a subject or transaction in relation to which he/she has a conflict of interest with the Bank.
4. All transactions in which there are conflicts of interest with Supervisory Board members shall be agreed on terms that are customary in the sector concerned. Decisions to enter into transactions in which there are conflicts of interest with Supervisory Board members that are of material significance to the Bank and/or to the relevant Supervisory Board members require the approval of the Supervisory Board.
5. All transactions between the Bank and legal or natural persons who hold at least ten percent of the shares in the Bank shall be agreed on terms that are customary in the sector concerned. Decisions to enter into transactions in which there are conflicts of interest with such persons that are of material significance to the Bank and/or to such persons require the approval of the Supervisory Board.

## **Article 16 Remuneration of the Supervisory Board**

1. Each member of the Supervisory Board shall receive suitable compensation for the amount of time that he/she spends on Supervisory Board activities. This compensation shall not depend on the Bank's results.
2. Any other business-related expenses shall only be reimbursed if incurred with the prior consent of the Chairperson of the Supervisory Board.
3. A member of the Supervisory Board shall not be granted any shares and/or rights to shares in the Bank's capital by way of remuneration. None of the members of the Supervisory Board shall accept personal loans, guarantees from the Bank unless in the course of normal business and after the approval of the Supervisory Board. No remission of loans shall be granted.

## **Article 17 Complaints and Whistleblowing**

1. The Supervisory Board monitors that the Management Board establishes a procedure for reporting actual or suspicion of misconduct or irregularities and takes appropriate follow-up action on the basis of these reports.
2. Furthermore, the Supervisory Board monitors the operation of the procedure for reporting actual or suspected misconduct or irregularities, appropriate and independent investigations into signs of misconduct or irregularities and, if an instance of misconduct or irregularity has been discovered, an adequate follow-up of any recommendations for remedial actions. In order to safeguard the independence of the investigation in cases where the Management Board is involved, the Supervisory Board has the option of initiating its own investigation into any irregularities that have been discovered and to coordinate this investigation.
3. The Management Board informs the Chairperson of the Supervisory Board without delay of any signs of actual or suspected material misconduct or irregularities within the Bank. If the actual or suspected misconduct or irregularity pertains to the functioning of a member of the Management Board, employees can report this directly to the Chairperson of the Supervisory Board.

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## **Article 18 Governing Law and Jurisdiction**

1. This Charter shall be governed by and construed in accordance with the laws of the Netherlands.
2. Possible disputes will be submitted to the court of Amsterdam.

## **Distribution**

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This policy will be published on the website of Anadolubank Nederland N.V.

## **Consultation**

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Any queries related to the content and interpretation of this Charter can be addressed to the Supervisory Board.