

# Revised Dutch Banking Code (2015) Implementation

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## Introduction

The Dutch Banking Code was introduced in 2010 in order to commit banks to – and to account for – treating their customers with care while balancing the interests of their various stakeholders. Many of the principles of the Code regarding the Supervisory Board, the Managing Board, risk management, audit and remuneration policy have since been incorporated into legislation.

## Banking Code (2010) compliance

The ‘Banking Code Compliance Index 2014’ and the ‘LeasePlan and the Dutch Banking Code’ document address LeasePlan’s compliance with the Banking Code (2010). These documents have been published on the [www.leaseplan.com](http://www.leaseplan.com) website.

## Revision of the Banking Code

The revision of the Banking Code effective 1 January 2015 takes into account the recommendations of the Banking Code Monitoring Committee, the Commission on the Structure of Dutch Banks (Commissie Structuur Nederlandse Banken), the Netherlands Bankers’ Association (“NVB”) and the Dutch government’s view of the Dutch banking sector. The principles from the earlier version of the Code that were already incorporated into legislation and regulations are not included in the revised Banking Code (2015). Obviously LeasePlan will continue to comply with these national and international regulations.

## Future-oriented Banking

The Social Charter, the Banking Code and the Rules of Conduct associated with the bankers’ oath together form a package called ‘Future-oriented Banking’. The Social Charter describes the (preferred) position of the sector as a whole in society and the shared values of the sector. The Banking Code safeguards sound administration at every bank and the Rules of Conduct make the responsibility of every individual employee at the bank explicit. These building blocks visualise the way in which the sector wishes to warrant an ethical, customer-oriented and sustainable sector.

Lease Plan underwrites the Social Charter and will continue to operate pursuant to the principles of the Banking Code (2015). This is reflected in the LeasePlan Code of Conduct and LeasePlan’s Mission, Vision and Strategy.

## Implementation of the revised Banking Code (2015) requirements

The Monitoring Committee intends to prepare an interim report at the end of 2015, which will include findings about the manner in which Dutch banks have prepared in 2015 for the implementation of the revised Banking Code. Such report will support the banks in their further implementation of the revised Code in 2016 and their related reporting.

Since the launch of the revised Banking Code LeasePlan has made serious effort to implement the new requirements, such as:

### **The Banker's Oath**

The Managing Board, Supervisory Board and all relevant staff have taken the Banker's Oath and have accepted the applicability of the related NVB disciplinary regime. A process was set up to ensure that all relevant new staff will do so within the first three months of their employment.

### **Managing Board and Supervisory Board lifelong learning program**

In previous years the lifelong learning programs of the Managing Board and Supervisory Board included the following topics: "Developments at the bank and in the financial sector, Corporate Governance in general and in the financial sector in particular, The duty of care towards the client, Integrity, Risk management, Financial reporting" and Audits. In the lifelong learning program from 2015 onwards new topics are added: "Tone at the Top/Example Behaviour, Customer's interests and IT infrastructure".

### **Tone at the top/Example Behaviour**

During the annual assessment by the Supervisory Board of the performance of the Managing Board a new element shall be added starting 2015, viz. the performance of Managing Board members as role models within LeasePlan.

### **Training employees**

An update on training and awareness activities regarding the rules, values and standards for employees performing activities related to LeasePlan Corporation as a Dutch bank will be added as a topic in the yearly compliance update for the Audit Committee of the SB as of 2016.

### **Risk appetite**

LeasePlan's risk appetite statement is characterized by a comprehensive approach, is transparent and has both a short- and long-term focus. The risk appetite statement also takes into account reputational risks and non-financial risks.

### **Audit**

The audit function reports to the Chairman of the Managing Board and also has a direct reporting line to the Chairman of the Supervisory Board's Audit Committee.

The Managing Board promotes yearly periodic meetings between the Dutch Central Bank, the internal audit function and the external auditor.

### **Remuneration**

LeasePlan pursues a careful, controlled and durable remuneration policy that is clear and transparent, in line with national and international regulations. The remuneration policy is aimed primarily at the long term and in line with LeasePlan's risk policy. It is characterised by balanced relationships, both internal and external, by which the expectations of the different stakeholders and the social basis of support are taken into account. It also takes into account the relevant international context.