

FMO AND THE DUTCH BANKING CODE 2025

The Dutch Banking Code (hereinafter also called: the "Code") was introduced in 2010 so that banks would commit to and account for treating their customers with care, while balancing the interests of the various stakeholders. The Code has played a significant role since its introduction and many of its principles on the Supervisory Board, Management Board, risk management, audit and remuneration policy have since been incorporated into legislation. The introduction of this Code has contributed to banks having strengthened their governance and risk management and specifically making the interests of their customers more central.

Subsequently, the Code was updated at the end of 2014. The principles in the 2014 Code which have been incorporated in legislation and regulation are not repeated in the subsequent Banking Code(s). In 2021, the Code was supplemented on two points to clarify texts on the safeguarding of social interests and on remuneration policy.

The Banking Code applies to all activities performed in or directed towards the Netherlands by banks established in the Netherlands and licensed by the Dutch Central Bank (De Nederlandsche Bank) pursuant to Section 2:11 of the Financial Supervision Act. The Banking Code therefore applies to (most activities of) FMO.

The Banking Code is designed to make a major contribution to public trust in banks and their role in the community. Consequently, the principles in the updated Code emphasize the importance of sound and ethical operation by banks and set this out in the principles for the Management Board and Supervisory Board, proper risk management, thorough audit processes and a sound, balanced and sustainable remuneration policy.

Table of Contents

1	Introduction
2	In control and ethical
3	Supervisory Board
4	Executive Board
5	Risk Policy
6	Audit
7	Remuneration policy

1 INTRODUCTION

FMO reports by means of this document on how it applies the Banking Code principles and - where applicable - explains if, and why a principle is not (entirely) applied. The application of the principles depends in part on the activities and other specific characteristics of the bank (and of the group if the bank is part of a group). There are differences in many areas between the banks that are covered by the Code. For example, they have different corporate governance structures, operate in different markets or submarkets and may have a national or international focus. Departures from the Code, if substantiated, can therefore be justified.

Please find extracts of the Banking Code 2014, supplemented in 2021, in standard characters below. FMO's explanation of how FMO applied each section of the Code in 2024 is printed below the text of these sections, in italics.

2 IN CONTROL AND ETHICAL

To achieve and maintain its position as a stable and reliable partner, a bank formulates its mission, a strategy and objectives. These are focused on the long term and are reflected, among other things, in the bank's risk policy and the policies on sustainability and corporate social responsibility.

FMO applies this principle. FMO has a clear mission, strategy and objectives: FMO believes in a world in which, by 2050, more than 9 billion people live well and within planetary boundaries. In pursuit of this vision, FMO's mission is: We enable entrepreneurs to increase inclusive and sustainable prosperity. In our investments, we strive to maximize our impact by mobilizing and enabling other investors to follow us. Economic growth must be coupled with social and environmental considerations so that it is sustainable in the long term; our investments are guided by this approach. We steer on our contribution to the SDGs in general, and three in particular: decent work and economic growth (SDG8), reduced inequalities (SDG10) and climate action (SDG13).

The focus on the long term is (amongst others) expressed in FMO's Strategy 2030: Pioneer, Develop, Scale - FMO and in FMO's Sustainability Policy. This policy can be found on the website Position Statements | Policies | Dutch Development Bank - FMO.

When formulating strategy, objectives and policies, a bank ensures, in a manner appropriate to its nature, activities and mission, that stakeholder interests are identified and carefully weighed.

FMO applies this principle. Our clients, our shareholders including the State of the Netherlands, employees, investors, NGOs, supervisors and regulators are among our most important stakeholders. When establishing its strategy, objectives and policies, FMO considers their views. To this end, FMO's engagement with its stakeholders can take various forms: from day-to-day, business-as-usual engagement to more strategic and planned engagements such as regular meetings, surveys, forums, consultations and stakeholder dialogues. For more information on how we engage with our stakeholders, please refer to our website: <https://www.fmo.nl/stakeholder-engagement>.

A bank chooses its positioning so that business interests and the social role it fulfils are aligned to each other. This is also reflected in the bank's governance structure and guides the implementation of policies based on the bank's mission, strategy and objectives.

FMO applies this principle. FMO positions its commercial interests and social role by engaging with businesses incorporating sustainable environmental, social and

governance best practices, whom FMO believes will thus enjoy stronger financial results and sustainable, long-term viability. The Strategies for Sustainable Business client cases draw on the direct experience of our clients - demonstrating how improvements to sustainability performance and financial returns go hand in hand. These cases can be found on FMO's website. FMO believes that the same principle applies to ourselves. Applying ESG best practices is an important factor in sustainable, long-term viability for FMO as well. An example of how this is embedded in FMO's governance structure is the Supervisory Board's Impact Committee, which, amongst others prepares the decision-making of the Supervisory Board on FMO's Strategy (including policies and targets) around Impact and ESG.

The Executive Board and Supervisory Board – with due regard to each other's duties and powers – are responsible for setting up a proper governance structure and ensuring compliance with these governance principles. The members of these boards serve as role models for all employees of the bank. They take this carefully into account in their day-to-day activities. The Supervisory Board annually assesses how the members of the Executive Board fulfil their exemplary role.

FMO applies this principle. FMO's Management Board and Supervisory Board have set up a sound governance structure, which complies with all relevant laws and regulations including - amongst others - Dutch and European law, the Dutch Corporate Governance Code and the Dutch Banking Code, unless otherwise explained.

The members of both the Management Board and the Supervisory Board set a good example e.g. by engaging in dialogues with clients, employees and other stakeholders, as also demonstrated by several surveys and dialogues as further described in this document and in FMO's Annual Report. The Supervisory Board, advised by its Selection, Appointment and Remuneration Committee, evaluates the exemplary behavior on a yearly basis by means of e.g. self-assessments, evaluation meetings and reports.

The Executive Board and Supervisory Board – with due regard for each other's duties and powers – are responsible for developing, propagating, and maintaining standards in the bank regarding integrity, morality and leadership. They also put sound checks & balances in place and safeguard a robust IT infrastructure, which is essential for the bank's performance. Sound checks and balances mean, among other things, that the compliance function is also secured within the Executive Board and Supervisory Board.

The Executive Board promotes responsible behavior and a healthy culture, both in the bank's senior management and throughout the organization., It is mindful of the interests of the bank's clients and other stakeholders. This is overseen by the Supervisory Board.

FMO applies this principle. Several efforts were made in recent years to give effect to this principle. The Management Board ensures that all new FMO employees take the banker's oath or make the promise. Elements of culture and FMO's values and behaviors are part of FMO's objectives and key results for FMO's management and other employees and in their appraisal interviews. The outcome of the Employment Engagement Survey and an update on FMO's Values & Behaviors program was discussed in the continuing education programme of the Supervisory Board in 2025. FMO's Chief Finance & Operations Officer guards IT quality and safety. Although FMO does not execute payment transfers for customers, the Management Board is aware of the importance of a secure IT infrastructure and the protection of client information. IT also receives the required attention in the Management Board and Supervisory Board meetings. The Supervisory Board paid attention to this topic also in its continuing education programme for 2025. The state of compliance is, amongst others, monitored by the Non-Financial Risk Committee and its Sub-Groups, which deal with a variety of compliance topics and

specific cases. The Chief Risk Officer chairs this committee. The minutes of this meeting are sent to the Management Board and the Supervisory Board for information.

The Chairman of the Supervisory Board together with the Chairman of the ARC holds at least a bi-yearly meeting with the Director Compliance. Further, the quarterly Compliance report is discussed in the Management Board and Supervisory Board meetings. The continuing education programme of 2025 contained a session discussing Financial Economic Crime and Market Conduct. In 2025, a Systematic Integrity Risk Analysis was conducted, which supports the Management Board and the Supervisory Board in ensuring that business management conducts its operational activities within the integrity risk appetite, and thereby achieve the FMO mission, vision and strategic objectives in a controlled manner.

The principles in the Social Charter apply to all member banks. These principles must be secured in the bank's organization and the bank also includes them in contacts with its stakeholders. This clarifies how the bank deals with the principles in the Charter.

FMO applies this principle. Each assumption will be taken in turn, below.

Assumption 1. The banking industry is pluralistic and offers clients a diverse range of choices.

As a development Bank, FMO has a special role in the markets it operates in. Within the boundaries of its resources and risk limits, FMO offers its customers a range of services and products that include: equity, loans and guarantees, capital market transactions, mezzanine and other tailor-made solutions, long-term and short-term project financing, access to our expertise, and our vast network and partnerships. FMO also offers Technical Assistance, such as financial administration and planning skills, and training in sustainable business practices.

Assumption 2. Banks are reliable, service-oriented and transparent.

FMO's Management Board measures reliability and service orientation in ongoing customer satisfaction surveys. FMO aims to be transparent and publishes, e.g., various policies and an overview of our investments that are being used on the website.

Assumption 3. Bank employees are honest, knowledgeable and professional and take care about how they treat clients and other stakeholders are treated with care.

The results on these topics can be derived from the aforementioned Customer Satisfaction Survey. FMO aims to treat its clients and other stakeholders with care. We engage with stakeholders for various purposes: to create partnerships, to invest together, to harmonize approaches, and/or to seek insights that inform our policies and approaches. In addition, we value the input we receive from various stakeholders on our (proposed) investments. Our stakeholders bring critical perspectives, alert us to different viewpoints, provide us with critical feedback, and challenge us to be more transparent and accountable as an organization. Through stakeholder dialogues we aim to better understand each other's perspectives and find ways to strengthen our collaboration.

During the development of our long-term 2030 Strategy Pioneer – Develop – Scale we consulted internal stakeholders (including FMO's employees) and external stakeholders. For this consultation, meetings were held with the Dutch Ministry of Finance, Dutch Ministry of Foreign Affairs, DNB, NGOs, (E)DFIs, private banks, commercial finance partners, and the European Commission (EC). At the start of the strategic development process, FMO collected the key topics and expectations of these stakeholders, which was part of the foundation for the further development of the long-term strategy.

In 2024, we worked on an outline policy for effective dialogue with the relevant corporate stakeholders, which was published in March 2025 as a position statement on the FMO website. This policy enables FMO to effectively decide: (i) if engagement is needed for specific topics, (ii) which stakeholders should be involved, (iii) what the timelines are for this engagement process and (iv) how the process should be organized.

Assumption 4. Based on their social responsibility, banks contribute to a sustainable economy.

FMO's mission is to enable entrepreneurs to increase inclusive and sustainable prosperity. FMO's Sustainability Policy sets out FMO's commitment to sustainable and inclusive development. This policy and how FMO implements it can be found on the website. [Position Statements | Policies | Dutch Development Bank – FMO](#). By following this Policy, FMO intends to protect people and the environment impacted by its own operations and its investments and to help customers manage their environmental and social impact and improve their corporate governance. FMO further seeks to advance a sustainable and inclusive economy and to improve the transparency and accountability of FMO's actions and decision making.

FMO's vision is to contribute to a world where, in 2050, more than nine billion people live well and within the planetary boundaries. To that end, FMO aims to maximize its impact on the SDGs by supporting inclusive and sustainable economic growth and reducing inequalities, both of which are conducive to reducing poverty, while being consistent with a pathway towards low greenhouse gas emissions and climate-resilient development. Our contribution focuses on three SDGs that we can contribute to most through our financing of the private sector in emerging markets: decent Jobs and Economic Growth (SDG 8), Reduced Inequalities (SDG 10) and Climate Action (SDG 13). By focusing on three sectors - Agribusiness, Food and Water; Energy; and Financial Institutions - our portfolio contributes to food security, access to renewable energy and a healthy financial sector. In doing so, it also contributes to Zero Hunger (SDG 2), Gender Equality (SDG 5) and Renewable and Affordable Energy (SDG 7).

All employees comply with the formal regulations as well as self-regulation applicable to them. The Executive Board and Supervisory Board are - responsible for this - with due regard to each other's duties and powers. The Executive Board is responsible for ensuring that employees are and remain familiar with all rules, values and standards applicable to the bank and continue to draw attention to them. The Supervisory Board supervises this.

FMO applies this principle. FMO is a bank as meant in the Dutch Financial Supervision Act. Therefore, the Management Board ensures that all FMO employees who are required to take the banker's oath or make the promise actually do so. By taking the oath or making the promise, the employees concerned become personally responsible for complying with the rules of conduct and can be held liable for non-compliance. The Management Board and Supervisory Board deem compliance with all rules, values and standards applicable to the bank of great importance. The knowledge of employees is regularly updated, amongst others, by (mandatory) e-learning sessions on Compliance, including KYC, and other topics, seminars and for new employees, in the FMO onboarding program. The Supervisory Board supervises compliance with these requirements on a regular basis by means of, e.g., the Compliance Quarterly Reports that report on training and awareness, amongst others.

3 SUPERVISORY BOARD

The Supervisory Board is composed in such a way that it can properly perform its duties properly. It establishes a risk committee and an audit committee. Supervisory Board members are willing and able to devote sufficient time to their duties and demonstrate commitment and engagement. At the same time, they are critical and independent.

FMO applies this principle. The principle has been detailed in FMO's Standing Rules of the Supervisory Board and in the profile of the Supervisory Board, which are available on [FMO's website](#). The Supervisory Board has three committees: a combined Audit and Risk Committee, an Impact Committee, and a Selection, Appointment and Remuneration Committee. All members of the Supervisory Board of FMO are sufficiently available to perform their tasks properly. Attendance at meetings of the Supervisory Board and its Committees can be found in FMO's Annual Report. Besides the regular meetings of the Supervisory Board and its Committees, the Chair has regular meetings with FMO's Chief Executive Officer in addition to ad-hoc meetings, which are held if necessary. The members of the Supervisory Board are critical and independent in their decision making (as also required by Best Practice Provision 2.1.8 of the Dutch Corporate Governance Code).

Each member of the Supervisory Board is aware of the social role of a bank and the interests of its various stakeholders. Members of the Supervisory Board's risk committee and audit committee are subject to specific competence and experience requirements. Members of the risk committee have in-depth knowledge of the financial-technical aspects of risk management or the necessary experience enabling them to soundly assess risks. Members of the audit committee need in-depth knowledge of financial reporting, internal control and auditing or the necessary experience that allows for proper oversight of these topics.

FMO applies this principle. The Supervisory Board considers taking the interests of its stakeholders into account as one of its tasks. FMO's (combined) Audit and Risk Committee consists, according to its Standing Rules, of three members, who all have many years of experience at either a large bank in the Netherlands, or at a (listed) company and gained extensive knowledge of, and experience with financial reporting, internal control and audit and the financial aspects of risk management. The shortened versions of the resumes of the members of this committee can be found in the Annual Report and on FMO's website.

The chair of the Supervisory Board ensures there is a continuing education programme for all members of the Supervisory Board. This programme aims to maintain and, where necessary, broaden the expertise of the Supervisory Board.. The education in all cases covers relevant developments within the bank and in the financial sector, corporate governance in general and that of the financial sector in particular, the duty of care towards and the interest of the client, integrity, IT infrastructure, risk management, financial reporting and audit. Each member of the Supervisory Board takes part in the programme and complies with the continuing education requirements. Assessing the effectiveness of the continuing education programme is part of the annual evaluation of the Supervisory Board's own performance.

FMO applies this principle. The Chair of the Supervisory Board takes care of the good functioning of the Supervisory Board. Therefore, annually, a new Lifelong Learning plan is prepared for the subsequent year, while taking the requirements of the Banking Code with regard to the subjects into account. In principle, every member of the Supervisory Board takes part in the program. The Chair of the Supervisory Board can grant dispensation for one or more sessions if a Supervisory Board member can sufficiently provide proof of having followed relevant courses elsewhere or if a Supervisory Board member is an expert on the subject. Annually, an evaluation of the Supervisory Board

takes place. Part of this evaluation is the assessment of the effectiveness of the Lifelong Learning program.

In addition to the annual evaluation of the Supervisory Board's own performance, its performance is evaluated under independent supervision once every three years. The involvement of each Supervisory Board member, the culture within the Supervisory Board and the relationship between the Supervisory Board and the Executive Board form part of this evaluation.

FMO applies this principle. Annually, an evaluation of the Supervisory Board takes place. The Supervisory Board uses an external, independent evaluator at least once every three years. As required by Best Practice Provision 2.2.8 of the Dutch Corporate Governance Code, the evaluation is reported on in the Supervisory Board report of the Annual Report.

Each member of the Supervisory Board receives appropriate remuneration in relation to the time spent on the work. This remuneration does not depend on the bank's results.

FMO applies this principle. FMO does not compensate members of the Supervisory Board with performance-related pay, shares or loans. The remuneration of members of the Supervisory Board is determined by the General Meeting of Shareholders.

4 EXECUTIVE BOARD

The Executive Board is composed in such a way that it can properly perform its duties. Each member of the Executive Board is aware of the social role of a bank and the interests of its various stakeholders.

FMO applies this principle. FMO's Management Board consists of five members: a Chief Executive Officer, a Chief Finance & Operations Officer, a Chief Risk Officer, and two Co-Chief Investment Officers. The Management Board is composed adequately, given the size and character of FMO. In case of vacancies, attention is given to the composition of the Management Board with respect to professional experience, expertise, competencies and gender and - if possible in this relatively small setting - cultural background and age. The fact that the Management Board is aware of the social role of FMO, in FMO's particular setting, is demonstrated in several ways, e.g. through our mission 'We enable entrepreneurs to increase inclusive and sustainable prosperity'.

The Management Board is well aware of FMO's various stakeholders, amongst others: its customers, the Dutch State, other shareholders, employees, investors, NGOs, supervisors and regulators. Customer Satisfaction surveys as well as Employee Engagement Surveys are held on a regular basis.

During the development of our long-term 2030 Strategy Pioneer – Develop – Scale we consulted internal stakeholders (including FMO's employees) and external stakeholders. For this consultation, meetings were held with the Dutch Ministry of Finance, Dutch Ministry of Foreign Affairs, DNB, NGOs, (E)DFIs, private banks, commercial finance partners, and the European Commission (EC). At the start of the strategic development process, FMO collected the key topics and expectations of these stakeholders, which was part of the foundation for the further development of the long-term strategy.

In 2024, we worked on an outline policy for effective dialogue with the relevant corporate stakeholders, which was published in March 2025 as a position statement on the FMO website. This policy enables FMO to effectively decide: (i) if engagement is needed for specific topics, (ii) which stakeholders should be involved, (iii) what the timelines are for this engagement process and (iv) how the process should be organized.

One member of the Executive Board is responsible for preparing the Board's decision-making Executive Board on risk management. The relevant member of the Executive Board engages in a timely manner in the preparation of decisions that are of material significance for the bank's risk profile, especially where these decisions may result in departing from the risk appetite approved by the Supervisory Board. This member may combine his or her function with other responsibilities, provided that he or she does not bear any individual commercial responsibility and operates independently from commercial areas.

FMO applies this principle. Risk management is the collective responsibility of the Management Board, specifically of the Chief Risk Officer. The Chief Risk Officer is involved in the preparation of decisions that are of material significance for the bank with regard to the risk profile. Our Chief Risk Officer is responsible for the Risk, Compliance, Credit & Special Operations, Legal, Corporate Legal & Tax departments and the Corporate Secretariat, and chairs several Committees (2025 responsibilities). These tasks are further described in the Management Board Standing Rules which are published on FMO's website. The commercial responsibility is in the hands of the Co-Chief Investment Officers.

In performing the risk management function, consideration is also given to the impact that systemic risks may have on the bank's risk profile.

FMO applies this principle. The Chief Risk Officer and the Risk department, which reports to the Chief Risk Officer, focus on financial stability and on the impact that systemic risks could have by setting strict limits and by stress testing, which includes severe downturn scenarios.

The chair of the Executive Board ensures there is a continuing education programme for all members of the Executive Board. This programme aims to maintain and, where necessary, broaden the expertise of the directors. The education in all cases covers relevant developments within the bank and in the financial sector, corporate governance in general and in the financial sector in particular, the duty of care towards and the interest of the client, integrity, IT infrastructure, risk management, financial reporting and audit. Each member of the Executive Board takes part in the programme and complies with the continuing education requirements.

FMO applies this principle. Every member of the Management Board takes part in the continuing education programme of the Supervisory Board and follows other courses depending on their specific needs. The efforts of the Management Board's members with regard to Lifelong Learning are discussed in the yearly performance review meetings with the Chair and another member of the Supervisory Board.

5 RISK POLICY

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

FMO applies this principle. FMO maintains a structure of policies covering risk management and internal control in general and specific policies for financial risks, business risks, and non-financial risks. A risk appetite is communicated, and metrics are monitored and reported for all main risk types. FMO's Annual Report provides details on how these risks are managed.

A bank's Executive Board is responsible for the bank's risk policy and ensures adequate risk management. The risk appetite is submitted to the Supervisory Board for approval at least once a year on the proposal of the Executive Board. Interim material changes to the risk appetite are also submitted to the Supervisory Board for approval.

FMO applies this principle. FMO's Risk Appetite Framework is reviewed at least once a year. Based on the advice of the Audit and Risk Committee, the Supervisory Board approves the Risk Appetite Framework. Any change proposal to the risk appetite in the interim is discussed by the Management Board and submitted for approval to the Supervisory Board.

The Supervisory Board supervises the risk policy pursued by the Executive Board. To this end, the Supervisory Board discusses the bank's risk profile and assesses at a strategic level whether capital allocation and liquidity utilization in the general sense are in line with the approved risk appetite and whether business activities in the general sense are aligned to the bank's risk appetite. In performing this Supervisory role, the Supervisory Board is advised by the Supervisory Board's risk committee.

FMO applies this principle. For every regular Supervisory Board meeting, FMO's Management Board prepares a Risk Appetite Report containing an overview of the main risks of FMO, including liquidity risk and changes in the capital ratios. The Audit and Risk Committee discusses the Risk Appetite Report and reports to the Supervisory Board.

6 AUDIT

A bank's Executive Board sees to systematic how risk management associated with the bank's business activities is monitored. To this end, an independently positioned internal audit function operates within a bank. The head of that audit function reports to the chair of the Executive Board. The audit head also has a direct reporting line to the chair of the audit committee of the Supervisory Board.

FMO applies this principle. The Management Board of FMO has ensured that audits are performed systematically, based on an annual risk assessment and 5-year audit cycle, accordingly reflected in a yearly Audit Plan. The audit reports are submitted to the Management Board and progress reports are submitted to the Audit and Risk Committee. FMO has its own internal audit department with an independent position within the bank. The Director Internal Audit reports to the Chair of the Management Board. The direct reporting line to the Chair of the Audit and Risk Committee is incorporated in the Standing rules of the Audit and Risk Committee.

There is a periodic exchange of information between the internal audit function, the external auditor, and the audit committee of the Supervisory Board.

FMO applies this principle. The internal and external Auditors meet regularly and attend all meetings of the Audit and Risk Committee.

The internal auditor takes the initiative to discuss at least once a year with De Nederlandsche Bank (the Dutch central bank) and the external auditor each other's risk analyses, findings, and audit plans at an early stage. The Executive Board and the bank's internal auditor ensure that this tripartite consultation takes place periodically. They seek to clearly define everyone's roles and responsibilities.

FMO applies this principle. The annual tripartite meeting between DNB, EY and FMO was held in January 2025. In April 2026 the tripartite meeting took place with DNB, FMO and its new external auditor, PwC.

7 REMUNERATION POLICY

A bank operates a prudent, controlled and sustainable remuneration policy that is unambiguous and transparent, in line with national and international regulations.

FMO applies this principle. The Management Board endorses this principle and takes these principles into account when determining the remuneration policy of FMO and when determining the remuneration package of individual employees. The Supervisory Board endorses this principle as well and has taken these elements into account when proposing the remuneration policy of the Management Board to the General Meeting of Shareholders. More information on FMO's remuneration policy and remuneration practice can be obtained from FMO's Annual Report and related documents published on FMO's website.

The remuneration policy is primarily long-term and in line with the bank's risk policy. It is characterized by balanced relations, both internally and externally, taking into account the expectations of different stakeholders and public support. It also takes into account the relevant international context.

FMO applies this principle. One of FMO's most important stakeholders and majority shareholder, the State of the Netherlands, published its Memorandum State Participations Policy 2022 (in Dutch: Nota Deelnemingenbeleid Rijksoverheid 2022) on the internet. In this document the State expresses its (general) expectations regarding the remuneration policies for Management Board members of State participations. In 2023, the General Meeting of Shareholders approved an adjusted remuneration policy of the Management Board.

The total income of an Executive Board member of a bank at the time of the determination is below the median of comparable positions within and outside the financial sector, taking into account the relevant international context and the bank's mission and specific objectives.

FMO applies this principle. Under the current remuneration policy of the Management Board of FMO the applicable maximum salary levels are based on the median level of two peer groups (private and public) as well as the requirements set by the State as majority shareholder. The current maximum salary levels for the Chief Executive Officer and other Management Board members are below the median level for comparable positions (with a similar job weight) in the relevant (international) financial sector markets. The remuneration policy of the Management Board is approved by the General Meeting of Shareholders. FMO does not compensate members of the Management Board with shares, options, loans, or variable remuneration.

The variable remuneration of a member of the Executive Board is determined in accordance with national and international regulations.

Because members of the Management Board are not entitled to variable compensation, this principle does not apply to the remuneration policy for members of the Management Board of the bank.

The banking industry attaches importance to factoring in the expectations of key stakeholders and public support into the remuneration policy for the Executive Board and making the

remuneration relationships within the company transparent. In the remuneration policy for the bank's Executive Board, the Supervisory Board explains how the expectations of shareholders and employees and public support have been taken into account and with which reference group it has been compared. Banks consider the director's view on their own remuneration when formulating remuneration proposals for the director and publish internal remuneration ratios in the annual report.

FMO applies this principle. FMO takes the opinion of key stakeholders and public interest into account when setting the remuneration policy for the Management Board. The remuneration relationships between positions in the Management Board and between the second echelon are disclosed, as well as the composition of the (two) reference groups used in benchmark studies. The opinion of members of the Management Board on their own remuneration is mainly discussed around the start of the employment at FMO, not when formulating remuneration adjustment proposals (currently adjustments equal the salary adjustments in the CLA Banks). The internal remuneration ratio (ratio between Chief Executive Officer remuneration and the median level of all other staff) is reported in the Annual Report.