

**DIVISION OF RESPONSIBILITIES BETWEEN THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER**

ROLE OF CHAIRMAN	ROLE OF CHIEF EXECUTIVE
<p>The Chairman reports to the Board and is responsible for the leadership and overall effectiveness of the Board and the setting of the Board’s agenda. His responsibilities are:</p> <ul style="list-style-type: none"> <li>• To run the Board effectively by ensuring meetings are scheduled well in advance and with appropriate frequency, and to ensure that the Board agenda is forward-looking and reflects the important issues facing the Bank.</li> <li>• To ensure the frequency and depth of evaluation of the performance of the Board and its Committees is in compliance with best practice and appropriate action, if required, is taken on the results of any such evaluation and to confirm that an individual’s performance continues to be effective.</li> <li>• To ensure, with the support of the Nomination Committee, an appropriate balance is maintained on the Board as regards the number of Executive and Non-Executive Directors with the skills, experience and expertise to provide effective guidance, challenge and oversight to the Board and the Executive Leadership Team.</li> <li>• To ensure there is appropriate delegation of authority from the Board to the Executive Leadership Team.</li> <li>• To promote a Board culture with an open exchange of views, challenge and debate, in particular by facilitating the effective contribution of Non-Executive Directors; and ensuring constructive relations between Executive and Non-Executive Directors that provides a genuine check and balance on</li> </ul>	<p>The Chief Executive Officer reports to the Chairman and to the Board directly and is responsible for all executive management matters of the Bank. His responsibilities are:</p> <ul style="list-style-type: none"> <li>• To develop and propose the strategy direction of the Bank, annual budget and business plans and commercial objectives to the Board.</li> <li>• To examine all major business investments and major capital expenditure and make recommendations to the Board and to identify and execute acquisitions and disposals subject to formal Board approval.</li> <li>• To ensure that the development needs of the Executive Directors and senior management are identified and met.</li> <li>• To advise and make recommendations in respect of management succession planning for the Executive Directors and ensure that the Bank develops strategies and makes plans for the succession and replacement of key personnel. To make recommendations on Remuneration policy, executive remuneration and terms of employment for the Executive Leadership Team.</li> <li>• To lead the Executive Leadership Team in the day-to-day management of the Group to pursue the successful achievement of the Bank’s commercial objectives and execution of strategy and to ensure that Board decisions are implemented effectively.</li> <li>• To be open, honest and transparent and willing to engage in constructive challenge and debate with the Non-Executive Directors.</li> </ul>

<p>the Executive Directors and holds them accountable.</p> <ul style="list-style-type: none"> <li>• To ensure, with the support of the Company Secretary, compliance with Board-approved procedures, such as the Terms of Reference for the Board, including its Committees, incorporating the matters reserved to the Board and the Terms of Reference of each of the Board Committees, and to ensure that they are reviewed by the Board at least annually.</li> <li>• To maintain a dialogue with the Chief Executive Officer and to provide support and advice from time to time on the implementation of the business strategy agreed by the Board, as well as important issues facing the Bank.</li> <li>• To ensure that the Board reviews all key metrics in line with the agreed business plan and ensure that stressed scenarios are always in place to support prudent capital planning, liquidity, solvency, recovery and resolution and risk management generally.</li> <li>• To provide advice, support and leadership to the Chief Executive Officer and guidance as appropriate to other key senior management across the business.</li> <li>• To ensure effective communication by the Bank with its shareholders and engage directly as required on matters of governance, remuneration and strategy with major shareholders.</li> <li>• To ensure that shareholders' views are communicated to the Board as a whole so that all Directors develop an understanding of their views.</li> <li>• To oversee the development of the Bank's business culture and standards in relation to the conduct of business and the behaviour of employees.</li> </ul>	<ul style="list-style-type: none"> <li>• To ensure, with the support of the Company Secretary, that the Executive Directors comply with the terms on which matters are delegated by the Board and the Terms of Reference of Board Committees and to ensure matters outside the authority of the Executive Directors are escalated to the Board.</li> <li>• To ensure the Chairman is alerted to potential contentious or sensitive issues affecting the Bank.</li> <li>• To manage the Bank's risk profile, with the support of the Chief Risk Officer, in line with the risk appetite approved by the Board and to ensure that appropriate internal and prudential controls are in place, in particular with regard to capital and liquidity.</li> <li>• To maintain a dialogue with the Chairman and the Board on important and strategic issues facing the Bank.</li> <li>• To be the primary relationship with institutional shareholders and ensure effective communication with all shareholders and that appropriate, timely and accurate information is disclosed to the market, with issues escalated promptly to the Board where appropriate.</li> <li>• To be the primary contact with the Bank's regulators and to foster an open and honest relationship with the regulators and compliance with prudential and conduct requirements.</li> <li>• To oversee the development of Bank policies for Board approval and oversee the implementation of them including policies relating to insider information, share dealing, whistleblowing, anti-bribery and anti-money-laundering.</li> <li>• To promote a Bank culture that fosters a prudent, safe and sound business that has long-term sustainability and conducts itself with appropriate standards and behaviours, whilst placing customers at the forefront of everything the Bank does.</li> </ul>
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