Euroclear Bank SA/NV (the “Company”)  
Management Committee  
Terms of Reference  
(Incorporating Internal Governance Practices & Procedures)  
Effective 13 July 2018

1. Purpose

1.1. The Management Committee is one of the committees of the Board of Directors of the Company (the “Board”) and has been entrusted with the general management of the Company with the exception of:

i. the determination of the strategy and general policy of the Company; and
ii. the powers reserved to the Board by law or the Articles of Association.

1.2. The Management Committee has set up several committees with defined responsibilities to assist it in carrying out its role efficiently.

2. Members

2.1. At least two members, and as many members as the Board may decide from time to time, who form a college; The size of the Management Committee shall be adapted to the complexity of the Company to enhance the efficiency of plural supervision and of collegial decision-making on the conduct of the Company’s activities. Members shall be of sufficiently good repute and experience so as to ensure the sound and prudent management of the Company.

2.2. All executive members of the Board (and only them) must be members of the Management Committee.

2.3. The Management Committee members are appointed and dismissed by the Board. The Board determines the Management Committee members’ remuneration and terms of appointment (including the length of their mandate).

2.4. The Management Committee members must at all times possess the skills, experience, knowledge and professional integrity required for their roles. Appointments are subject to prior fit and proper assessment and to prior regulatory approval by the supervisory authority.

3. Chair

3.1. The Chair is appointed by the Board on the proposal of, and after consultation with, the Management Committee.

3.2. Appointment of the Chair is subject to prior regulatory approval by the supervisory authority.

3.3. The Chair of the Management Committee must be a different person than the Chair of the Board.

3.4. The Chair presides every meeting of the Management Committee. In the absence of the Chair, the members present
will nominate one of the other present Management Committee members to chair the meeting.

4. Meeting attendees

4.1. Entitled to be attend:
   i. Management Committee members;
   ii. Management Committee Secretary; and
   iii. Any additional invitees, as deemed necessary or appropriate by the Chair.

5. Frequency of meetings

As and when required, normally weekly.

6. Quorum

6.1. A simple majority of members either physically present at the location of the meeting or participating by telephone/video conference. Any Management Committee member unable to attend a meeting may authorise in writing, one of his fellow Management Committee members to attend and vote for him/her.

7. Voting

7.1. A simple majority of all Management Committee members.

7.2. The Chair has the casting vote in case of equality of votes.

7.3. Electronic voting through the board portal is possible.

8. Meeting agenda and notice

8.1. The Chair sets the agenda.

8.2. Management Committee members can place items on the agenda.

8.3. Items to be discussed must be included on the agenda. In exceptional circumstances, duly justified by the urgency of the matter or the Company's corporate interest, an item not on the agenda may be addressed at the meeting, provided all members present agree.

8.4. The agenda should allow sufficient time to undertake as full a discussion as may be required.

8.5. Notice (including the agenda) is sent to the members by electronic means.

9. Committee support and resources

9.1. Each Management Committee member will:
   i. receive induction training on all topics considered necessary for his/her membership; and
   ii. receive ongoing training to ensure that his/her knowledge is kept up to date.

9.2. The Management Committee may:
i. obtain such information and reports from the internal committees set up by the Management Committee and staff in general to prepare the issues to be discussed; and

ii. be in contact on a continuous basis with the key people associated with corporate governance matters.

9.3. The Committee Secretary will minute all meetings and submit these to the Management Committee for approval. The minutes shall evidence the discussions that took place in the Management Committee meeting and shall include:

i. summaries of all matters reviewed;
ii. Details of the recommendations made;
iii. Details of the decisions taken by the Management Committee; and
iv. a record of any challenge and dissention by Management Committee members.

9.4. The minutes will be kept in accordance with applicable legal requirements and internal procedures.

9.5. Written materials are made available to Management Committee members ahead of the meetings.

10. Responsibilities

10.1. The Management Committee’s responsibilities and powers include, but are not limited to, the following:

i. implementing the culture, values, standards, ethics and conduct of business rules of the Company, as established by the Board in integrity policies;

ii. maintaining a good relationship with the Company's regulator and other supervisory bodies;

iii. taking the necessary measures to ensure compliance and implementation of the organisational requirements applicable to the Company;

iv. reporting at least once a year to the Board, the statutory auditor and the supervisory authority on the assessment of the effectiveness of the Company’s organisational structure and on any measures taken by the Management Committee to tackle shortcomings;

v. management of the Company's activity in line with the objectives and strategy determined by the Board and development of the governance structure;

vi. advising the Board regarding the definition of the Company’s general policy and strategy, and communication of all relevant information to enable the Board to take informed decisions;
vii. supervision of the line management, monitoring compliance with the allocated competencies and responsibilities, and overseeing of financial reporting;

viii. organising, steering and regularly assessing the internal control mechanisms and procedures, in particular with regard to the independent control functions and their resources, without prejudice to the supervision carried out by the Board;

ix. organising appropriate administrative and accounting procedures and internal control that ensure the data quality of financial and prudential reporting systems in compliance with the applicable regulations;

x. ensuring that the remuneration policy established by the Board is correctly implemented;

xi. taking the necessary measures to ensure that the Company has an effective risk management system;

xii. reporting to the Board on the Company's financial position and on all aspects required to enable the Board to fulfil its tasks effectively.

The Company is a regulated entity forming part of a financial group ("Euroclear group") and as such it is subject to regulatory and supervisory requirements that apply both on a stand-alone basis and on a group-wide basis. The Management Committee shall take the group dimension into account when exercising its above mentioned management powers. More particularly it shall:

pursuant to the "Standard Operating Procedure with respect to matters subject to referral to Euroclear SA/NV ("ESA")" (the "ESA referral SOP", attached as Appendix 1 to these Terms of Reference:

- exercise its powers in accordance with the Euroclear group strategy, governance and risk management frameworks and financial policy objectives as applicable from time to time and with due respect for all applicable laws and regulations;

- propose or, where appropriate, adopt policies and frameworks consistent with the minimum standards contained in the Euroclear group policies and frameworks;

- adhere to the referral procedure set forth in the ESA referral SOP.

10.2. The Management Committee may allocate domains of competencies among its members; such allocation, however, is not exclusive and does not affect their collective responsibility.
10.3. The Management Committee may delegate, in accordance with the Company's Articles of Association, the day-to-day management of the Company as well as the representation of the Company in connection with this management to one or several delegates. The Management Committee remains fully responsible for the acts and omissions of these delegates and must inform the Board on how it has implemented such delegation.

10.4. The Management Committee may delegate specific powers which may be exercised beyond the day-to-day management, with the power to sub-delegate, to one or more persons or group of persons. It may, among others, delegate, with the power to sub-delegate, the following specific powers, to be exercised consistently with the decisions of the Management Committee:

i. specific powers to committees in all areas necessary or useful to the management of Euroclear Bank; and

ii. specific powers to senior management, in all areas necessary or useful to the management of Euroclear Bank, insofar as they fall within the remit of their respective divisions.

10.5. Certain powers are reserved to the Management Committee vis-à-vis any other internal structure of the Company and may not be delegated by the Management Committee. Such powers include among others:

i. the delegation of powers to committees established by the Management Committee, to one or more persons or to groups of persons, except for the powers to sub-delegate described above;

ii. decisions on the reporting process to the Management Committee (content and frequency of reporting obligations);

iii. strategic recommendations to the Board;

iv. decisions effecting a material change to the global internal organisational structure of the Company; and

v. decisions that involve a material reputational, material financial or material legal risk to the Company.

10.6. The Management Committee shall put in place a reporting calendar to ensure it has the reporting, tools and information necessary to fulfil its role effectively.
### 11. Relationship with other corporate bodies

The Management Committee will maintain effective working relationship with the Board and the Board committees.

### 12. Committee evaluation

The Management Committee evaluates its own performance and effectiveness on a periodic basis.

### 13. Management Committee members' conduct

13.1. Management Committee members should among others:

i. adhere to the highest standards of fairness, honesty and integrity and act with sound judgment as per the principles described in the Code of Business Conduct;

ii. devote sufficient time to fulfil their role and responsibilities effectively and comply with the rules governing the limitation of external functions, in line with the Board Policy on External Mandates;

iii. comply with confidentiality rules; and

iv. avoid or manage any conflict of interest as per the internal rules governing conflicts of interests and the applicable laws.

### 14. Reporting to the Board

14.1. The Management Committee reviews issues, reports and makes recommendations to the Board and its committees in accordance with applicable laws.

14.2. In addition, the Management Committee also reports to the Board:

i. dissenting views as well as majority views, where appropriate, to support Board understanding or where explicitly requested by a member;

ii. matters escalated by the heads of control functions;

iii. regular reports on the decisions taken pursuant to any delegation from the Management Committee if relevant to the Board’s mission; and

iv. oral report by the Chair, as necessary.

### 15. Review of Terms of Reference

15.1. Annual review by the Management Committee for recommendation to the Board.

15.2. Last approved by the Management Committee on 28 June 2018.

15.3. Last approved by the Board on 13 July 2018.
16. **Publication of Terms of Reference**

This document was last published on the Euroclear website 16 July 2018.