

**LuxCSD S.A.**  
**Comité Exécutif**  
**Internal Rules & Regulations**

**Version 2.9 December 2021**

## **1 Objective**

This document shall be read in conjunction with the internal document “Internal Rules and Regulations of the Board of Directors of LuxCSD S.A.”; this document shall however prevail in case of discrepancy with respect to the provisions relating to the Comité Exécutif (“ComEx”) only.

## **2 Daily Management**

### **2.1 Delegation of Powers**

In accordance with Article 441-10 of the law of 10 August 1915, as amended, on commercial companies (the "Companies Act"), the Board of Directors has delegated the day-to-day management of the Company as well as the representation of the Company towards third parties in relation with such management to the ComEx.

### **2.2 Scope**

The ComEx determines the daily management of the Company in accordance with Article 10 of the Articles of Association.

### **2.3 Tasks and responsibilities**

The ComEx determines and co-ordinates the management of the various departments and business lines of the Company and its major subsidiaries. Each member of the ComEx shall be allotted one or several departments or business lines for which he/she assumes management responsibility and accountability for his/her performance.

The ComEx is responsible for the tasks assigned to the “authorized management”, “daily management”, “senior management” or “*direction*” by applicable laws, regulations and other regulatory provisions, including, in particular, the law of 10 August 1915 on commercial companies, as amended, Regulation (EU) No 909/2014 of the European Parliament and of the Council on improving securities settlement in the European Union and on central securities depositories (“CSDR”), Commission Delegated Regulation (EU) 2017/392 supplementing CSDR and the IML/CSSF circulars applicable to the Company. Each member of the ComEx shall have a clear understanding of the detailed responsibilities of the ComEx.

Main tasks and competencies of the ComEx are:

- a. to ensure consistency of the activities of the Company with the objectives and strategy of the Company as determined by the Board of Directors
- b. to design and establish risk-management, technology and compliance procedures that promote the objectives of the Company
- c. to subject the risk-management, technology and compliance procedures to regular review and testing
- d. to ensure that sufficient resources are devoted to risk-management, technology, compliance, and internal audit
- e. to ensure that the Company’s policies, procedures and controls are consistent with the Company’s risk tolerance and risk bearing capacity and that these policies, procedures and controls address how the Company identifies, reports, monitors and manages risks

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- f. to manage and monitor daily operations
  - g. to retain and grow the customer base, taking into account pricing strategies and compliance requirements
  - h. to develop product strategies in the context of changing market and customer requirements, competitor's moves and regulatory developments, including the necessary budget releases
  - i. to prepare and implement policies and procedures, as well as to approve policies in first instance to recommend the policies to the BoD for the final approval. to make HR related decisions, such as hiring and promotions, in accordance with the relevant policies
  - j. to manage interfaces with the different interest groups (internal and external)
  - k. to prepare and consult the Board of Directors of the Company (the "Board of Directors") in substantive decisions concerning the business of the Company
  - l. to review the policies and control procedures, in particular the anti-money laundering and anti-terrorist financing ones (AML/ATF), as well as the research and transaction monitoring procedure
  - m. to conduct a yearly assessment of outsourced activities by all providers, in the framework of the respective agreements
  - n. to ensure that the Compliance policy is appropriate, to verify its implementation and, in case of failure to comply, to decide on corrective measures and, where applicable, on sanctions to be imposed
  - o. to assess the internal control system at least once a year
  - p. to propose strategies and budgets to the Board of Directors
  - q. to perform its control mission in accordance with Section 5.3 of CSSF circular 98/143
  - r. to be responsible for the administrative and accounting organisation in accordance with Section 3 of IML circular 96/126.

Where tasks are outsourced, the responsibility of the risk management associated with the outsourcing is incumbent on the ComEx.

### **3 Members**

The ComEx shall be of sufficiently good repute and experience so as to ensure the sound and prudent management of the Company.

The decision to appoint any of the members of the ComEx shall be taken unanimously by all the members of the Board of Directors.

The Board of Directors shall appoint a member of the Board of Directors as Chairperson of the ComEx. Such person shall chair the meetings of the ComEx and may also carry the title of "Chief Executive Officer" ("CEO"). The Board of Directors may appoint another member of the ComEx as deputy of the CEO ("Deputy CEO"). The Deputy CEO may substitute in the CEO's absence.

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## **4 Participation and Decisions**

Meetings of the Company's ComEx shall have place at the registered office of LuxCSD at 42, avenue John F. Kennedy, L-1855 Luxembourg.

Any member may appoint another member, in writing, by telefax, signed electronic mail or any similar means of communication ahead of a meeting, as his/her proxy with the power to represent him/her at such meeting and vote in his/her place.

Any member may participate in a meeting of the ComEx by conference call or similar means of communication whereby all persons participating in the meeting can hear each other. Participation in a meeting by such means shall constitute presence in person at such meeting.

Notwithstanding the foregoing, a resolution of the ComEx may also be validly passed by circular means in writing, by telefax, signed electronic mail or any similar means of communication, to the extent that each member has signified his/her approval by signing a document containing the text of such resolution.

All decisions are taken with a simple majority of the votes of those members present, or, in the case of circular resolution, unanimously by all ComEx members. In case of a tie, the CEO shall have a casting vote.

## **5 Organisation**

### **5.1 Meeting Frequency and Timing**

ComEx meetings take place every month except if otherwise agreed.

### **5.2 Preparation**

The individual agenda for each ComEx meeting is decided by the CEO after consultation of all ComEx members. Documents for discussion in the ComEx are to be submitted three (3) working days prior to the meeting date (excluding the day of submission and of the meeting). Invitations, agenda, minutes and all other ComEx documents are distributed two (2) working days prior to the meeting date (excluding the day of the meeting).

The individual agenda for each ComEx meeting should address the approval of minutes from the subcommittees.

### **5.3 Minutes**

The Company Secretary minutes the results of the ComEx meetings recording all decisions taken and action items assigned. The minutes have to be approved by the CEO and one (1) other ComEx member before distribution to all ComEx members. In case of circular resolutions, the entirety of the writings issued by each ComEx member will constitute the minutes giving evidence of the resolution.

### **5.4 Agenda**

The agenda of the ComEx includes topics that are for informational purposes only or that require approval by the ComEx. In addition, recurring standard agenda topics can be defined.

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### **5.5 Guests**

The ComEx may invite guests to attend to the meetings of the ComEx to facilitate the decisions and to assist the members of the ComEx on specific subject matters.

Such guests shall commit not to disclose and keep confidential any information received during such meetings.

## **6 Assessment and Reporting**

The individual performance of the members of the ComEx shall be assessed on a regular basis.

The ComEx shall report to the Board of Directors as provided by applicable laws, but at least four times per year and on an ad-hoc basis as required by the business needs. The ComEx shall abide to any disclosure and reporting duties prescribed by the Board of Directors, as well as to any further details relating to the fulfilment of such duties.

The ComEx shall, at least on an annual basis, inform the Board of Directors or the Audit Committee on the status of compliance and the internal control system.

## **7 Subcommittees**

In order to increase the efficiency of the ComEx, specific tasks may be dealt with in a subcommittee structure, which may be created by a unanimous decision of all the members of the Board of Directors from time to time and which shall consist of ComEx members and/or external persons which the ComEx may consult on a non-remuneration basis as it considers appropriate. The present committees are the Outsourcing Governance Committee and Material Change Committee which are run in accordance with their respective terms of reference. As the decision-making power of the ComEx cannot be delegated, all decisions reached in the subcommittees require ComEx approval.

## **8 Amendments**

The present Internal Rules and Regulations may be amended or supplemented from time to time by a decision of the Board of Directors, acting unanimously and in compliance with the Articles of Association and any Shareholders Agreement.

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Approved by the Board of Directors of LuxCSD S.A. on 14 December 2021