

## What is the EU Regulation on indices used as benchmarks?

The primary purpose of Regulation (EU) 2016/1011 (the EU Regulation on indices used as benchmarks) is to ensure the integrity of indices used as benchmarks in financial instruments and financial contracts by ensuring the transparency of their determination process and preventing the risk of manipulation.

## Which indices may be used by the Bank?

The Bank uses benchmark indices in accordance with Article 29.1 of the EU Regulation on indices used as benchmarks to determine applicable interest rates and amounts payable by the consumer\* in credit agreements falling within the scopes of Directive 2008/48/EC (consumer credit agreements) and Directive 2014/17/EU (mortgage credit agreements).

The Bank may use the following indices to calculate the interest rate applicable to your consumer credit agreement and/or your mortgage credit agreement, as well as the amount of the payments due within these agreements.

Index	European Central Bank base index	EURIBOR
Index administrator	Executive Board of the European Central Bank (ECB)	European Money Market Institute (EMMI)**

\* A "consumer" is any natural person engaging in activities in the context of an agreement under Directive 2008/48/EC (consumer credit agreements) or Directive 2014/17/EU (mortgage credit agreements) that fall outside the scope of their profession.

\*\* The EMMI, administrator of the benchmark index, has obtained the authorisation of Belgium's Financial Services and Markets Authority (FSMA). The EURIBOR is entered in the register kept by the European Securities and Markets Authority (ESMA).

## What happens if an index is substantially altered or ceases to exist?

Pursuant to Article 28.2 of the EU Regulation on indices used as benchmarks, the Bank is required to draft and maintain a robust, up-to-date written procedure describing the steps to be taken if the index it uses undergoes substantial alterations or is no longer available.

In the event of a change affecting the composition and/or definition of the aforementioned indices or if they are discontinued, the index resulting from such change or substitution shall apply ipso jure to your agreement. Your account manager will keep you informed of the effects of any such change or substitution on your agreement.

In the absence of a substitute index, your account manager will contact you as soon as possible to discuss with you the best solution in the mutual interest of the parties to the agreement.

The Bank reserves the right to change the above provisions to take account of ongoing reforms with regard to reference rates.