Remuneration policy Managing Board KAS BANK N.V.

The current remuneration policy for the Managing Board was adopted and approved by the General Meeting of Shareholders on 25 April 2007 and is posted on KAS BANK's website. The remuneration of the individual members of the Managing Board is set by the Supervisory Board on the recommendation of the Appointments and Remuneration Committee, which uses KAS BANK's Internal Audit department to determine the components of the variable remuneration.
The fixed salary is based on the salaries paid by a basket of some 30 companies that are comparable with KAS BANK in terms of operating region (Netherlands and Europe) and size.

The fixed salary lies between the median and third quartile and is reviewed every two years in the light of developments in the market. In view of the fixed term of his contract of employment, a different remuneration structure has been agreed with one member of the Managing Board, Mr. Kadiks, covering both fixed and variable elements.

The annual short-term bonus of members of the Managing Board is determined with reference to a number of performance criteria set by the Supervisory Board. The basis of these criteria was defined in 2007 by the General Meeting of Shareholders as part of remuneration policy and can be consulted on the company's website. In the light of the company's results in 2008, the Managing Board has waived the short-term bonus.

The long-term bonus does not become unconditional for three years. The award becomes unconditional after three years if the performance target of 10% average annual growth in earnings per share has been achieved.

Under the agreed pension plan for the Managing Board, which is a defined-contribution (DC) scheme, a fixed contribution of 24.9% was paid into each member's pension and life-course savings plan. The company also bore the cost of incapacity benefit insurance for members of the Managing Board.

A change-of-control clause has been agreed with the two new members of the Managing Board, under which they are entitled to one year's salary in the event of a change of control. This clause will also be included in the contracts with the other members of the Managing Board.