

Remuneration report 2011

Remuneration report by the supervisory board of BinckBank N.V. for the 2011 financial year

This document is a translation of the Dutch original and is provided as a courtesy only. In the event of any disparity, the Dutch version shall prevail. No rights may be derived from the translated document.

This remuneration report is prepared in accordance with best practice provision II.2.12 of the Dutch Corporate Governance Code ('the Code').

A. Introduction:

1. Best practice provision II.2.12 of the Code stipulates that information must be included in the remuneration report as to the manner in which the Remuneration Policy of the preceding year has been implemented. In addition, it must contain a Remuneration Policy overview for the following and subsequent years as envisaged by the supervisory board.
2. The Remuneration Policy for 2010 ('**Remuneration Policy 2010**') was adopted by the general meeting of shareholders of BinckBank N.V. ('**BinckBank**') in 2010.
3. The Regulation for a Controlled Remuneration Policy in the Financial Supervision Act (Wft) 2011 ('the Regulation') took effect on 1 January 2011. The Regulation is based on the powers of De Nederlandsche Bank (DNB) to set rules with respect to remuneration.
4. Based on a review it conducted in 2011, DNB is of the opinion that the Remuneration Policy 2010 does not fully comply with the Regulation. As a result of the Regulation for a Controlled Remuneration Policy in the Financial Supervision Act (Wft) 2011 and the findings of DNB, BinckBank has to adjust its Remuneration Policy 2010 in certain respects and implement these adjustments.
5. An amended Remuneration Policy ('**BinckBank Remuneration Policy**') will be submitted to the annual general meeting of shareholders of BinckBank in 2012 for adoption.
6. Among other things, the changes to the BinckBank Remuneration Policy mean that the Remuneration Policy will apply to the entire organisation and that a substantial part of the variable remuneration will be awarded on a conditional basis. A variable remuneration will become fully or partially unconditional on the basis of a reassessment that must be made on the basis of the applicable performance criteria after a certain period has elapsed. No (conditional) dividend will be paid on shares that have been conditionally allocated. A risk adjustment may be required in the assessment of whether the applicable performance criteria have been met during the performance period.
7. In consideration of the above, the following gives account of the manner in which the remuneration of the executive board in 2011 has been established by the supervisory board – in accordance with the provisions of the BinckBank Remuneration Policy - and gives a summary of the Remuneration Policy for the next and subsequent years as envisaged by the supervisory board.

B. Implementation of BinckBank Remuneration Policy:

Introduction

8. The BinckBank Remuneration Policy is the framework used by the supervisory board to establish the remuneration of the executive directors of BinckBank N.V. (**‘the executive directors’**) for the 2011 financial year.

Remuneration elements

9. The BinckBank Remuneration Policy comprises the following remuneration components:
 - a) Fixed gross annual salary;
 - b) Variable remuneration;
 - c) Pension scheme and supplementary disability insurance;
 - d) Car lease scheme and reimbursement of mobile telephone charges.
10. A description of each element in the BinckBank Remuneration Policy and the way in which it was implemented by the supervisory board during the calendar year 2011 is given below.

a) Fixed gross annual salary

BinckBank Remuneration Policy

11. The fixed gross annual salary is established by the supervisory board within a framework indicated in the BinckBank Remuneration Policy. A distinction is made between the tasks and responsibilities of the chairman and of the other executive directors.

Implementation of BinckBank Remuneration Policy

12. The fixed gross annual salary was unchanged from that in 2010, apart from that of Mr Aartsen, who received an increase as a result of his reappointment, and was established by the supervisory board for 2011 in accordance with the provisions of the BinckBank Remuneration Policy as follows:

K.N. Beentjes	€ 375,000
P. Aartsen	€ 325,000
E.J.M. Kooistra	€ 300,000
N. Bortot	€ 300,000

b) Variable remuneration

BinckBank Remuneration Policy

13. A variable remuneration consists of 50% in BinckBank shares and 50% of cash. A variable remuneration may not exceed the fixed gross annual salary. The period in which a variable remuneration is earned is one year; this is known as the performance period. A number of performance criteria are established for this period, in the form of a considered package of qualitative and quantitative, financial and non-financial criteria focused on both the short term and the long term. After the performance period has elapsed, an evaluation is made to determine whether, and if so to what extent, the performance indicators have been realised. This evaluation may involve an adjustment for risk.
14. 50% of the total variable remuneration awarded is allocated unconditionally. The other 50% is allocated conditionally over a period of three years on a pro rata basis. A reassessment is made on the basis of the initial performance indicators at the end of each year (within the three-year period). Depending on the result of the reassessment, the part of the variable remuneration allocated for the year in question pro rata becomes fully or partially unconditional.

15. BinckBank shares awarded unconditionally must be held by the executive director in question for a period of at least two years.

Implementation of BinckBank Remuneration Policy

16. The quantitative target for 2011 of an adjusted net annual profit of € 1.04 per share was not fully realised. The adjusted net annual profit per share came to € 0.88. This represents in total 85% of the target to be realised and exceeds the minimum threshold of 80% of the budgeted adjusted net annual profit per share.
17. The quantitative targets based on the long-term development of the earnings per share (EPS), customer satisfaction and the growth of the number of brokerage accounts were realised to an extent of 56%.
18. The qualitative targets for 2011 were realised to an extent of 66%. These concern the further development of the new European Retail base platform, the migration of the Dutch Binck customers to this platform, the achievement of break-even operations in France, increasing the assets under management at ThinkCapital, the conclusion of new BPO agreements by Professional Services, the targets focused on the internal controls that relate to the availability of systems, contingency facilities, test management and automated testing, the establishment of the future ICT architecture and the improvement and implementation of various reporting and risk management systems.
19. The supervisory board has established the degree to which the executive board has achieved its targets for 2011 at 61%. There are no grounds for differentiation between the individual executive directors. This results in a total variable remuneration for each executive director of 61% of the fixed gross annual salary.

c) Pension scheme and supplementary disability insurance

BinckBank Remuneration Policy

20. Executive directors participate in a pension scheme in which 20% of the gross annual salary is paid by the company each year as pension contribution for a defined contribution scheme. BinckBank pays 50% of the premium for the supplementary disability insurance, which entitles the insured person to receive a maximum of 70% of their last-earned salary. The premium is 2.3630% of the insured sum per year.

Implementation of BinckBank Remuneration Policy

21. Executive directors participated in the pension scheme in 2011.

d) Car lease scheme and reimbursement of mobile telephone charges

BinckBank Remuneration Policy

22. The executive directors participate in the relevant BinckBank car lease scheme and are reimbursed for mobile telephone costs.

Implementation of BinckBank Remuneration Policy:

23. The executive directors participated in this scheme in 2011.

Remuneration of executive directors in 2011

Remuneration of the executive board in 2011	Fixed basic remuneration	Pension contribution 20%	Social security	Performance-related pay 2011	Total remuneration (fixed + variable)	Variable as a % of fixed remuneration	Shares BinckBank held at year-end 2011	of which shares in lock-up period
K.N. Beentjes	€ 375,000	€ 75,000	€ 7,892	€ 229,420	€ 687,312	61%	30,901	16,826
P. Aartsen	€ 325,000	€ 65,000	€ 7,892	€ 198,831	€ 596,723	61%	42,885	13,460
E.J.M. Kooistra	€ 300,000	€ 60,000	€ 7,892	€ 183,536	€ 551,428	61%	30,039	13,460
N. Bortot	€ 300,000	€ 60,000	€ 7,892	€ 183,536	€ 551,428	61%	57,547	13,460
Total	€ 1,300,000	€ 260,000	€ 31,568	€ 795,323	€ 2,386,891		161,372	57,206

* Payment of the performance fee will be based on the still to be approved Remuneration policy by the AGM

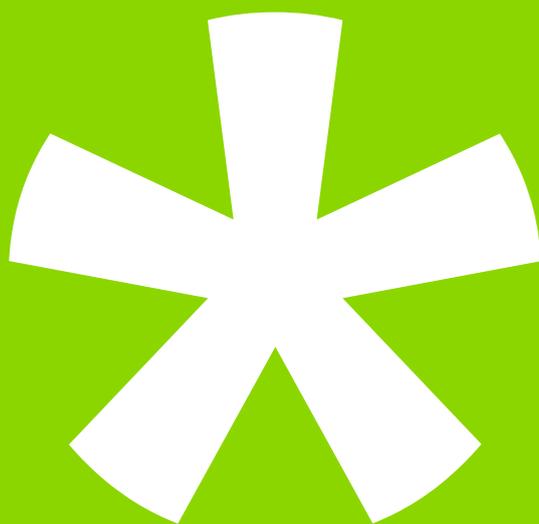
Remuneration of the executive board in 2010	Fixed basic remuneration	Pension contribution 20%	Social security	Performance-related pay 2010	Total remuneration (fixed + variable)	Variable as a % of fixed remuneration	Shares BinckBank held at year-end 2010	of which shares in lock-up period
K.N. Beentjes	€ 375,000	€ 75,000	€ 7,387	€ 294,961	€ 752,348	79%	19,872	9,872
P. Aartsen	€ 300,000	€ 60,000	€ 7,387	€ 235,968	€ 603,355	79%	37,322	7,897
E.J.M. Kooistra	€ 300,000	€ 60,000	€ 7,387	€ 235,968	€ 603,355	79%	20,876	7,897
N. Bortot	€ 300,000	€ 60,000	€ 7,387	€ 235,968	€ 603,355	79%	51,984	7,897
Total	€ 1,275,000	€ 255,000	€ 29,548	€ 1,002,865	€ 2,562,413		130,054	33,563

Loans granted to executive directors

24. At 31 December 2011 there were two executive directors who had been granted a collateralised lending facility, Mr N. Bortot in an amount of € 255,000 and Mr P. Aartsen in an amount of € 47,000. Mr N. Bortot was the only executive director with a collateralised loan in 2010, in an amount of € 339,000. Executive directors may take collateralised loans on the same terms and conditions BinckBank uses for its customers.

C. C. Future remuneration policy:

25. Recent experience has shown that remuneration policy has become a sensitive issue. Society's views have changed, especially with regard to variable remunerations to executive directors of listed companies and financial institutions. Partly as a result of this, the legislation and regulation and the recommendations relating to remuneration have changed as well.
26. As a publicly listed bank in the Netherlands, BinckBank must design, structure and implement its Remuneration Policy in the light of various demands from national and international authorities in this area. While these generally have much in common, they differ in the details. This makes it sometimes challenging to operate a Remuneration Policy that meets all the national and international demands in this respect. A general central (international) direction for the national and international authorities for the executive directors of listed companies and financial institutions would be a useful objective for the future.
27. The BinckBank Remuneration Policy is a policy that has been amended to reflect recent legislation and regulation in the field of remuneration. It would not however be realistic to assume that there will be no further developments in this area in the near future. BinckBank N.V. may therefore be compelled to amend its Remuneration Policy, either partly or entirely, in future.



BinckBank

Barbara Strozilaan 310
1083 HN Amsterdam

Postbus 75047
1070 AA Amsterdam

t 020 522 03 30

f 020 320 41 76

e info@binck.nl

i www.binck.nl