



# Hewlett-Packard International Bank DAC

## Compliance with the Capital Requirements Directive

Article 96 of the fourth Capital Requirements Directive (“CRD IV”) requires institutions to explain, on their website, how they comply with the requirements of Articles 88 to 95 of the Directive. This overview sets out how Hewlett Packard International Bank DAC (“HPIB” or “the Bank”) complies with the CRD IV requirements, which relate primarily to governance, remuneration and reporting.

## Governance

Articles 88 and 91 of CRD IV set requirements in respect of the governance arrangements and management body of an institution. HPIB’s governance arrangements include:

### Board of Directors

The HPIB Board of Directors (“the Board”) is the management body with overall responsibility for the institution. The Board terms of reference reflect the principles of Article 88, paragraph 1 and set out its duties including:

- Approval and oversight of the implementation of strategic objectives, risk strategy and internal governance of HPIB;
- Ensuring the integrity of controls including those that relate to financial accounting and operational systems and compliance with applicable legislation;
- Overseeing the effective oversight of HPIB’s risk management framework through the three line of defence;
- Oversight of communications, reporting and disclosures;
- Effective oversight of senior management;
- Management of conflicts of interest.

The roles of HPIB Chair of the Board and the Managing Director are separate and distinct. The Board Chair (“Chair”) provides leadership, sets the agenda and ensures the effectiveness of the Board on all aspects of the Board’s role. The Managing Director has responsibility for the day to day management of the business and its Executive Leadership Team and acts in accordance with authority delegated by the Board. In addition to the Chair and Managing Director, the Board is comprised of both Hewlett Packard Enterprise (HPE) Group Non-Executive Directors and Independent Non-Executive Directors who have broad commercial and financial experience, providing independent and objective oversight and challenge to executive management.

The Board meets fitness and probity criteria including requirements in relation to reputation, honesty, integrity, knowledge, skills and a broad range of experience sufficient to understand the Bank’s activities and risks and challenge the decisions of senior management, where necessary. To this end the Board periodically reviews and assesses its composition and the collective suitability of its members and the key function holders within the senior management team and if required the Bank will take appropriate steps to address any deficiencies. As part of this process, the Board satisfies itself, as to a director’s independence and that they are committed to dedicating sufficient time to perform their functions in relation to HPIB.

HPIB has put in place a Diversity and Suitability Policy to ensure that a broad set of qualities and competences are taken into account in making appointments to the Board. This Policy also considers the joint European Securities and Markets Authority and European Banking Authority guidelines on the

assessment of the suitability of members of the management body and key function holders. Where new Board members are appointed HPIB ensures that sufficient induction and training is provided.

### Board Committees

The Board has established three Board Committees, the Audit & Compliance Committee, Nominations and Risk Committee. These committees have terms of reference describing the authority delegated to them by the Board. Each of these Committees has a role in ensuring the effective oversight by the Board of the Bank.

### Executive Management

HPIB's executive leadership team is led by the Managing Director and comprises strong and diverse management capabilities and experience. The leadership operates within a Board delegation of authority with clearly defined roles and responsibilities and a comprehensive suite of policies and procedures to support execution of strategy, effective governance and risk management. Further information on HPIB's governance procedures can be found within the HPIB Pillar III disclosures located on the HPIB website. <https://www.hpe.com/ie/en/services/hpe-financial-services/legal.html>. In addition, and in compliance with the Central Bank of Ireland's Individual Accountability Framework (IAF), HPIB has a) developed its Management Responsibility Map, which sets out its management and governance arrangements in respect of its activities, business areas and management functions, with a particular focus on how decisions are made by individuals and collective bodies within HPIB, and b) implemented Statement of Responsibilities (SoRs) for all pre-approved controlled function role holders (including all non-executive directors and independent non-executive directors) setting out the particular area(s) of HPIB business for which these individuals are accountable. In addition, these SoRs and the Management Responsibility Map were reviewed in 2025, in compliance with the IAF requirement to maintain up to date documentation.

### **Remuneration**

Articles 92 to 94 of CRD IV provide for requirements as to remuneration policies of an institution. HPIB's Remuneration Policy and practices are consistent with and promote sound and effective risk management that do not encourage excessive risk taking. This policy forms part of the overarching requirement to have robust governance arrangements in place and is in line with the business strategy, objectives, values and long-term interests of HPIB and of HPE. The Board approves the Remuneration Policy on an annual basis. Further information on HPIB's remuneration policy can be found on the HPIB website. <https://www.hpe.com/ie/en/services/hpe-financial-services/legal.html>

Article 95 of CRD IV requires institutions that are significant in terms of their size, internal organisation and the nature, scope and complexity of their activities to establish a remuneration committee to exercise independent judgment on remuneration policies and practices. After consideration regarding proportionality and as HPIB remuneration is predominantly determined by governing HPE group policies it is considered that a HPIB Remuneration Committee is not required.

Details of the remuneration annual disclosures can be found within the HPIB Pillar III disclosures located on the HPIB website. <https://www.hpe.com/ie/en/services/hpe-financial-services/legal.html>

### **Reporting**

#### Public disclosure of return on assets

HPIB will meet its reporting requirements in accordance with article 90 of CRD IV. Details of the return on average balance sheet assets can be found on page 3 of the 2024 HPIB Statutory Accounts within the Director's report. <https://www.hpe.com/ie/en/services/hpe-financial-services/legal.html>

### Country by Country Reporting

HPIB will meet its reporting requirements in accordance with article 89 of CRD IV. Details of these annual disclosures can be found on the HPIB website <https://www.hpe.com/ie/en/services/hpe-financial-services/legal.html>