

**Pillar III Disclosures**

**For the year ended 31 January 2025**

**Dell Bank International Designated Activity Company (d.a.c.)**

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## Overview

### Principal Activities

Dell Bank International d.a.c. ("Dell Bank", "the Bank") was incorporated on 15 August 2011. The Bank's immediate parent undertaking is DFS BV, a Company incorporated in the Netherlands and the Bank's ultimate parent undertaking is Dell Technologies Inc. a public company incorporated in the United States of America. On 28 December 2018, Dell Technologies returned to being publicly traded on the New York Stock Exchange (NYSE) under trading symbol "DELL" by completing an exchange of all outstanding shares of its Class V Common Stock for a combination of cash and shares of Class C Common Stock.

The principal activity of the Bank has been the provision of financing solutions to end users of products and services sold by Dell/EMC entities in Europe. This includes leases and loan arrangements, rentals and asset management facilities to all Dell business segments and with third party providers.

The Bank is regulated by the Central Bank of Ireland ("CBI") and has an Irish banking licence under the Central Bank of Ireland Act 1971 (as amended). The Bank is subject to the CBI's Corporate Governance Code for Credit Institutions and Insurance Undertakings 2015 which imposes minimum core standards on all credit institutions licensed by the CBI. The Bank is not required to comply with the additional Corporate Governance Code requirements for High Impact designated institutions.

A special purpose vehicle, Dell Receivables Financing 2016 Designated Activity Company (d.a.c.) (the "SPV"), was incorporated on 9 September 2016 as part of a securitisation structure. The Bank and its controlled SPV are collectively referred to as (the "Group"). The SPV is a "qualifying company" as defined in Section 110 of the Taxes Consolidation Act 1997. The Bank began selling eligible receivables to the SPV from the 1 January 2017 and will continue to do so on a revolving basis. The SPV is funded by a senior loan facility provided by a number of external banks and by a junior loan facility provided by the Bank. Operationally the Bank remains responsible for the credit management, servicing, collection, and administration of these assets (including receivables) under a Servicing Agreement between the Bank and the SPV. The Bank retains the credit risk associated with the receivables. The Group renewed the securitised loan facility in December 2024.

### Capital Requirements Regulation & European Directives

The Capital Requirements Directive (CRDIV) and the Capital Requirements Regulation (CRR) were published by the European Banking Authority (EBA) on 27 June 2013. CRD IV and CRR came into effect on 1 January 2014.

Since their publication, CRR and CRD IV have been subject to numerous amendments including by CRR II and CRD V which were published in the Official Journal of the EU on 7 June 2019 and with a phased approach to implementation. In addition various technical standards have been published under CRR II and CRD V.

CRD and CRR in the context of this document describes the package CRR and CRR II as amended, CRD IV, CRD V, as amended, and regulations including technical standards.

CRD and CRR transposed the majority of the Basel III accord into law. The Basel III accord is made up of three Pillars.

Pillar I ("minimum capital requirements") sets out the regulatory prescribed rules for calculating the minimum capital requirements covering credit risk, operational risk and market risk along with set criteria for calculating the minimum Liquid Assets and Stable Funding requirements based on inflow/outflows and maturity mismatches. Pillar I ensures capital adequacy.

Pillar II ("supervisory review") requires banks to have in place an Internal Capital Adequacy Assessment Process ("ICAAP"), under which banks calculate their own estimate of the capital requirements to cover all material risks and an Internal Liquidity Adequacy Assessment Process ("ILAAP"), under which banks calculate their own estimate of short term liquidity requirements and longer term funding requirements to achieve strategic objectives. ICAAP and ILAAP are forward looking and assess capital and liquidity adequacy under base and stress scenarios. The institution's ICAAP and ILAAP are subject to the Supervisory Review and Evaluation Process (SREP). The purpose of Pillar II is to address any institution specific risks that are not adequately covered by Pillar I and ensure sufficient capital is held for those risks.

Pillar III ("market discipline") requires disclosure to the market of certain qualitative and quantitative information relating to an institution's risk profile and risk management processes. Pillar III aims to promote market discipline through regulatory disclosure requirements.

This document presents the Bank's Pillar III disclosures as at 31 January 2025. The Bank is required to comply with the Pillar III disclosure requirements as an authorised credit institution by the Central Bank of Ireland (CBI).

### **Scope of Application**

The Bank's regulatory banking licence requires both Dell Bank International d.a.c (individual basis ) and the Parent Company, DFS BV, (consolidated basis) to file regulatory returns with the CBI for the purpose of assessing, *inter alia*, their capital adequacy and balance sheets. In line with CRR requirements, the risk based figures provided in the tables contained within the document are derived from the year end consolidated COREP returns that were submitted to the Central Bank of Ireland.

The audited consolidated Financial Statements are presented for Dell Bank International d.a.c (individual basis) and therefore the scope of application differs to the Pillar III requirements.

DFS B.V.'s sole purpose is to act as a holding company for the Bank. Therefore to reflect the risk profile of the Bank the qualitative information below has been presented on a solo basis.

In 2020, the EBA published Guidelines and Implementing Technical Standards which implement regulatory changes introduced by the CRRII and aligns the disclosure framework with international standards. These guidelines have set out prescriptive requirements for disclosing both qualitative and quantitative data. The EBA prescriptive templates for quantitative data can be found in the Appendices while the pertinent data is contained within the body of the document.

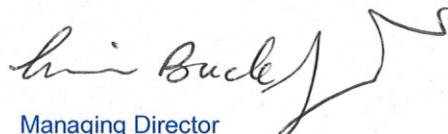
### **Small and Non Complex Designation**

The Central Bank of Ireland confirmed that it has no objection to Dell Bank International DAC's classification as a 'small non-complex institution'. As a Small and Non Complex institution the Pillar III disclosure requirements are reduced compared to previous year's disclosures.

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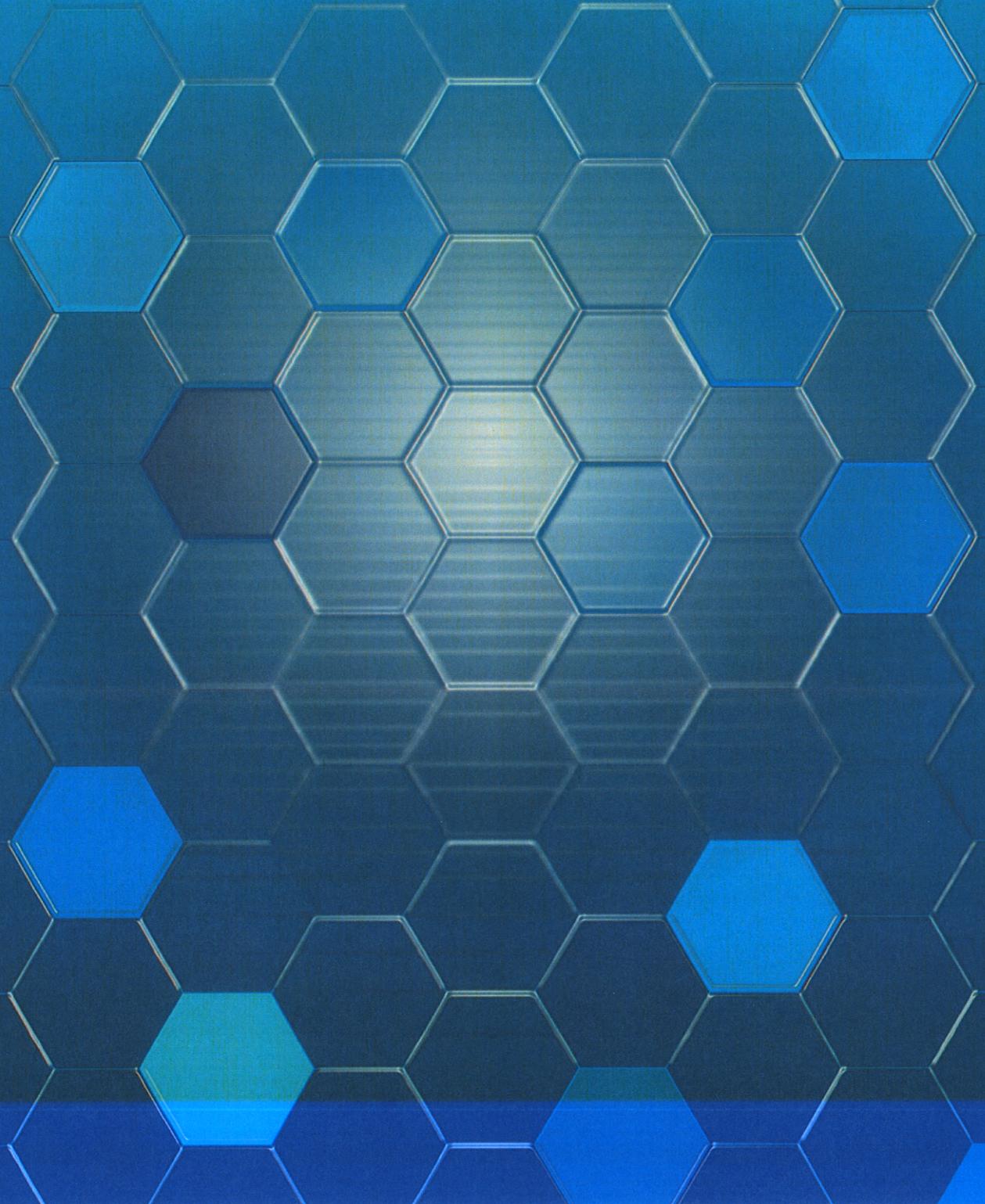
### Pillar III Disclosures Statement

These disclosures represent the Pillar III disclosures of Dell Bank International d.a.c. as at 31 January 2025. They have been prepared in accordance with the requirements of the Capital Requirements Directive and Regulation (CRDIV) and with the Pillar III Disclosures Policy, internal processes, systems and controls of Dell Bank



Managing Director  
Liam Buckley  
17 April 2025

## 2 Key Metrics



Template EU KM1 - Key metrics template

All figures are in €000s		A	b
		Jan-25	Jan-24
<b>Available own funds (amounts)</b>			
1	Common Equity Tier 1 (CET1) capital	851,239	829,154
2	Tier 1 capital	851,239	829,154
3	Total capital	851,239	829,154
4	Total risk exposure amount	2,964,241	3,033,991
<b>Capital ratios (as a percentage of risk-weighted exposure amount)</b>			
5	Common Equity Tier 1 ratio (%)	28.72%	27.33%
6	Tier 1 ratio (%)	28.72%	27.33%
7	Total capital ratio (%)	28.72%	27.33%
<b>Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)</b>			
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	6.25%	9.50%
EU 7b	of which: to be made up of CET1 capital (percentage points)	3.52%	5.34%
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	4.69%	7.13%
EU 7d	Total SREP own funds requirements (%)*	14.25%	17.50%
<b>Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)</b>			
8	Capital conservation buffer (%)	2.50%	2.50%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0.00%	0.00%
9	Institution specific countercyclical capital buffer (%)	1.14%	1.15%
EU 9a	Systemic risk buffer (%)	0.00%	0.00%
10	Global Systemically Important Institution buffer (%)	0.00%	0.00%
EU 10a	Other Systemically Important Institution buffer (%)	0.00%	0.00%
11	Combined buffer requirement (%)	3.64%	3.65%
EU 11a	Overall capital requirements (%)	17.89%	21.15%
12	CET1 available after meeting the total SREP own funds requirements (%)	14.47%	9.83%

\*On 31 January the bank has a licence condition requiring the bank is adequately capitalised and shall maintain a minimum solvency ratio of 20%. This has not been reflected in the bank's Total SREP own funds requirements but is maintained in line with license requirement. This license condition has since been removed by the bank's supervisors on 26 Feb 2025.

All figures are in €000s		a	b	
		Jan-25	Jan-24	
	<b>Leverage ratio</b>			
13	Total exposure measure	3,451,476	3,744,998	
14	Leverage ratio (%)	24.66%	22.14%	
	<b>Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)</b>			
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	0.00%	0.00%	
EU 14b	of which: to be made up of CET1 capital (percentage points)	0.00%	0.00%	
EU 14c	Total SREP leverage ratio requirements (%)	3.00%	3.00%	
	<b>Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)</b>			
EU 14d	Leverage ratio buffer requirement (%)	3.00%	3.00%	
EU 14e	Overall leverage ratio requirement (%)	3.00%	3.00%	

All figures are in €000s		a	b	
		Jan-25	Jan-24	
	<b>Liquidity Coverage Ratio</b>			
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	191,853	140,475	
EU 16a	Cash outflows - Total weighted value	102,661	61,084	
EU 16b	Cash inflows - Total weighted value	215,603	234,367	
16	Total net cash outflows (adjusted value)	25,665	15,271	
17	Liquidity coverage ratio (%)	748%	920%	

All figures are in €000s		A	b	
		Jan-25	Jan-24	
	<b>Net Stable Funding Ratio</b>			
18	Total available stable funding	2,376,009	2,195,924	
19	Total required stable funding	1,745,576	1,854,247	
20	NSFR ratio (%)	140%	118%	

### 3 Remuneration Disclosures

## Remuneration disclosures

The Bank's strategy with regards to remuneration of employees and members of the Board of Directors is to attract, retain and motivate the talent needed to drive the growth of the business. The Bank executes this strategy by providing market-competitive base and incentive pay, by motivating performance toward key company objectives and supporting and enhancing our strong meritocracy. The Bank values accountability and seeks to reward teams and individual team members who continually improve their capabilities and increase their contribution.

The Bank's approach to remuneration includes the following factors: the Bank's business strategy and business plan performance; the performance of the Dell Group; market factors; Dell Group governance and standards, including group remuneration policies and standards; and all applicable regulatory requirements.

The approach to remuneration encourages a positive risk culture by aligning risk management practices with remuneration practices which discourages excessive risk taking.

The applicable regulations, under which these disclosures are made, include the CRD IV and CRR, as amended, updated EBA Regulatory Technical Standards on Identified Staff, and the EBA Guidelines on Sound Remuneration Policies.

### 3.1 Proportionality

The Bank's Remuneration Policy is commensurate with the small size, non-complexity and relatively low risk profile of the institution. Furthermore, following the amended CRD V requirements and the CBI's variable remuneration notice of 18 January 2022, the Bank is exempt from having to defer at least 40% of variable remuneration over a 3-5 year period and awarding at least 50% of variable pay in instruments, subject to meeting certain criteria. Additionally, the Bank does not need to obtain approval from the CBI. Prior to 2021, the Bank availed of derogations granted by the CBI.

### 3.2 Remuneration components

The Bank's remuneration components are derived from the individual job role, including responsibility and job complexity, performance and benchmarking to relevant market data, pay and conditions. The key remuneration components include: base pay remuneration; performance-based remuneration; pension scheme; other benefits (including death-in-service); and severance schemes.

#### Base pay remuneration

Base pay or "fixed" remuneration is determined primarily by the job role definition, employee individual performance and external market benchmarking.

#### Performance-based remuneration

Performance-based or "variable" remuneration is awarded in a manner which promotes sound risk management and does not induce excessive risk-taking while maintaining an appropriate balance of fixed and variable remuneration. Variable remuneration takes account of individual performance, the performance of the Bank and the performance of the Dell Technologies Group.

The Bank also makes use of Dell Technologies Group's long-term incentive programme ("LTI") for the purposes of staff retention. LTI awards vest over a deferral period. It is to be noted that variable remuneration may not be payable in full or in part on the basis of unsustainable results.

In order to achieve risk alignment, variable remuneration is performance-based and subject to risk-adjustments as deemed appropriate, including malus and clawback provisions.

### 3.3 Identified Staff

Identified Staff are defined as those individuals whose professional activities have a material impact on the Bank's risk profile. The Remuneration and Nominations Committee shall be responsible for determining those groups, categories of employees or individuals that fall within the definition of Identified Staff. In determining those individuals to be included as Identified Staff the Remuneration and Nominations Committee will at a minimum consider the following staff members;

- Executive members of the Bank's corporate bodies.
- Senior management including Members of the Management Body with responsibility for day-to-day management.
- Staff with responsibility for independent control functions.
- Other risk takers; and,
- Staff whose total remuneration is in the same bracket as senior managers and risk-takers.

The following roles were deemed Identified Staff as at January 2025:

- Non-Executive Directors of the Bank
- Managing Director
- Chief Financial Officer
- Chief Risk Officer
- Chief Credit Officer
- Head of Compliance
- Legal Director
- Head of Treasury
- Head of Internal Audit
- Chief Information Officer
- Chief Operating Officer
- Spanish Branch Manager
- Czech Branch Manager

There are twelve employees of the Bank (excluding non-executive directors) included in the Identified Staff. The process for determining the identification of staff who have a material impact on the institution's risk profile is carried out annually, or more frequently if required. It takes into account the qualitative and quantitative identification criteria set out in the updated EBA Regulatory Technical Standard on Identified Staff. The Chief Risk Officer is responsible for carrying out the Identified Staff assessment. The results are presented to the Remuneration and Nominations Committee for their review and recommendation to the Board for approval.

The Bank is compliant with the remuneration ratio requirements as set by CRR and CRD. In accordance with article 94 (1) (g) (i) of the CRDIV, the variable component shall not exceed 100% of the fixed component of the total remuneration for each individual. The Bank has adhered to the conditions set out in article 94 (1) (g) (ii) of the CRDIV which allows for the ratio to be increased to 200% for certain individuals.

### 3.4 Remuneration Governance

The Board of Directors is the ultimate decision-making body for the Bank. It has delegated certain responsibilities to the Bank's Remuneration and Nominations Committee. The Remuneration and Nominations Committee meets at the same frequency as the Board. In 2024, the Remuneration and Nominations Committee met six times. In general the Bank implements the remuneration policies and practices of Dell Technologies Group with appropriate oversight of the Remuneration Committee and the Board of Directors. Non-Executive Board directors that are not part of Dell Technologies Group receive a fixed annual fee. Non-Executive Directors employed by Dell Technologies Group receive no fee for Board membership.

The Bank's Remuneration Policy is reviewed by the Remuneration & Nominations Committee and recommended to the Board for approval on an annual basis. The Risk Committee also review the Remuneration Policy to ensure it is appropriately aligned with risk appetite and does not promote excessive risk taking. Furthermore, the Bank's Remuneration Policy is both gender neutral and applies to its branch offices.



