

PRINCIPLES ON INTERNAL GOVERNANCE

Credit institutions shall have robust governance arrangements, including a clear organisational structure, well defined lines of responsibility, effective risk management processes, control mechanisms and remuneration policies. The internal governance arrangements should be appropriate to the nature, scale and complexity of the credit institution. The main responsibility for internal governance lies with the Board of Directors, which is subject to specific suitability requirements in terms of Article 91 of the [CRD](#). In this respect, the EBA published [Guidelines on Internal Governance](#) (GL44) as well as [Guidelines on the Assessment of the Suitability of Members of the Management Body and Key Function Holders \(EBA/GL/2012/16\)](#). Credit institutions are to be guided by the latter Guidelines.