



Banco Comercial Português, S.A.

**Plan for the Prevention of
Corruption Risks and Related
Infractions of the Entities of
Banco Comercial Português
Group in Portugal**

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1. LEGISLATIVE FRAMEWORK

On 18 March 2021, the 2020-2024 National Anti-Corruption Strategy (Strategy) was approved, pursuant to the Council of Ministers Resolution No. 37/2021, of 6 April, which established seven priorities:

- improve institutional knowledge, training and practices on transparency and integrity;
- prevent and detect corruption risks in public action;
- engage the private sector in the prevention, detection and prosecution of corruption;
- strengthen the articulation between public and private institutions;
- ensure a more effective and uniform application of legal mechanisms for the prosecution of corruption, improve the response time of the judicial system and ensure the adequacy and effectiveness of punishment;
- produce and regularly disseminate reliable information on the phenomenon of corruption; and
- co-operate internationally in the fight against corruption.

Consequently, on 9 December 2021, Decree-Law no. 109-E/2021 of 9 December ("Decree-Law 109-E/2021") was published, which created the National Anti-Corruption Mechanism and established the general regime for the prevention of corruption that implements the mandatory compliance programme.

The compliance programme should include the prevention plan, the code of conduct, the training programme, the whistleblowing channel and the appointment of a compliance officer.

Corruption crimes and related infractions¹ that underlie the risks addressed here are regulated in the Portuguese Criminal Code. In general, corruption means when a person in a dominant position agrees to receive an undue advantage in exchange for performing any act or omission contrary to the duties of office.

¹ These offences are provided for in the Portuguese Penal Code, approved in annex to Decree-Law No. 48/95 of 15 March 1995 (examples: undue receipt and offer of advantages, economic participation in business, influence peddling, abuse of power, money laundering, fraud to obtain or misuse subsidies).

2. FOREWORD

1. The Plan for the Prevention of Corruption Risks and Related Infractions (hereinafter “PPCR” or “Plan”) applies to BCP - Banco Comercial Português (including its Macao branch and Representation Offices) and its subsidiaries located in Portugal (hereinafter “Bank”, “Group” or “Group Entities”).
2. The PPCR contains the identification, analysis and classification of risks and situations that may expose the Group to acts of corruption and related infractions, including those associated with the performance of duties by those holding positions in management and supervisory bodies.
3. The PPCR aims to adopt, strengthen and publicise preventive and corrective measures that reduce the likelihood of occurrence and impact of identified risks.
4. In the scope of the PPCR, the Group identifies the following behaviours or practices that may constitute corruption or related infractions:
 - a. Lack of technical impartiality due to the influence of specific interests outside the Group or in violation of legally established obligations;
 - b. Use/disclosure of insider and/or confidential information to the benefit or detriment of specific interests;
 - c. Acceptance of benefits in exchange for the granting of advantages and/or favours in the conduct of internal decision-making processes;
 - d. Omission/manipulation/alteration of information to condition the decisions taken by the Group in the performance of its duties;
 - e. External influence on MOAFs or Group employees by third parties to exercise institutional representation in order to favour their best interests over those of the Group or its stakeholders.
5. The PPCR aims to ensure that the Group has a number of mechanisms built into its internal control system that are based on requirements and recommendations arising from legislation and national and transnational supervisory regulators to address the risk of corruption and related infractions.
6. The PPCR presumes that the prevention of corruption risks and related infractions is addressed in the organisation through 4 main macro-activities, as described in chapters 6 to 9:
 - Prevention mechanisms;

- Training and culture of corruption prevention;
- Communication and reporting circuits;
- Evaluation system.

7. The PPCR is presented and approved in the Compliance and Operational Risks Commission of BCP ("CORC").
8. The PPCR is subject to a periodic review, to be carried out within a maximum of three years or whenever necessary or relevant.

3. OBJECTIVES

The principles and procedures set out in this PPCR aim to comply with the applicable legal and regulatory provisions, with the following objectives:

1. ensure that the Group's activities enable the prevention and detection of circumstances qualifying as "Corruption" under this Plan as well as the use of the internal control system to comply with the General Regime for the Prevention of Corruption (GRPC);
2. ensure that all members of the Group's management and supervisory bodies (MOAFs), employees and outsourcers ² promote compliance with applicable laws and regulations and that their actions are aimed at disseminating and defending the principles, values and rules set out in this regulation;
3. ensure that the persons identified in the preceding paragraph receive specific training on the provisions set out in this Plan (provided that this is duly justified in the case of outsourcers) and that it is regularly updated;
4. inform the persons identified above that failure to comply with the provisions contained herein may result in disciplinary liability, to which may be added civil and criminal sanctions that such conduct may generate;
5. ensure that the Group Entities disclose the information necessary to comply with this Plan.

² Service providers. Casually, the Outsourcing risk evaluation may include the employees of companies that provide services to the Group.

4. ETHICAL AND CONDUCT CULTURE

The PPCR is developed on the basis of a strong culture of ethics and good conduct that guides the Group's activity.

Thus, the Group observes the principles and guidelines of Notice 3/2020 of Banco de Portugal, of July 2020, safeguarding that its activity complies with high ethical standards and organisational culture, implementing controls, preventive actions and tolerance levels regarding conduct risks.

The Group Entities, its members of the management and supervisory bodies, as well as its employees, are guided by principles of respect for people's rights, for the preservation of social and environmental sustainability, and for the institutional culture and values, committing themselves to upright and honest behaviour in all the relationships they establish with each other, with their customers, or any other person or entity with which they relate.

5. GOVERNANCE MODEL

The implementation and monitoring of this Plan is ensured by the Group's governance structures, which ensure an effective and adequate internal control environment for the prevention and mitigation of corruption risks, guaranteeing the Group's credibility and solidity.

5.1 Corporate Governance Structure and Internal Control

1. The Bank³ follows a single-tier management and supervisory model, composed of the Board of Directors ("BoD"), which includes the Audit Committee ("CAud"), composed solely of non-executive directors and the Executive Committee ("EC"), the Bank's day-to-day management body) and the Statutory Auditor.
2. Therefore, the Bank's governance model is based on the separation of management and supervisory functions, which contributes to the prevention and mitigation of different risks inherent to the activity of a financial institution, including the risks of corruption and related infractions.
3. The Group has a governance framework that promotes confidentiality, security, protection of sensitive information, identification, analysis and classification of risks

³ The indicated bodies are the ones defined for Banco Comercial Português S.A. (BCP). For other Group Entities, bodies with equivalent responsibilities must be considered (or BCP ones, if so established in terms of the Entity's governance).

and situations that may expose the Group to acts of corruption and corresponding measures, including those associated with the fulfilment of functions by the MOAFs.

4. The EC, in the scope of the Prevention of Corruption Risks and Related Infractions, is responsible for the adoption and implementation of the regulatory compliance programme.
5. The EC, through its CORC, is responsible for reviewing and monitoring this Plan and its initiatives.
6. The Compliance Officer, as Head of the Group's Regulatory Compliance, appointed pursuant to Article 4 of Decree-Law 109-E/2021, shall ensure and monitor the implementation of the corruption prevention compliance programme for the Group;
7. The Bank's internal control system is based on the "Three Lines of Defence Model", with the 2nd and 3rd Lines being autonomous and independent of the business areas.

5.2 Head of the Regulatory Compliance

1. The Compliance Officer, as Head of the Regulatory Compliance of BCP, ensures and monitors the implementation of the Regulatory Compliance Programme on the prevention of corruption for BCP Group⁴.
2. The Compliance Officer performs its duties autonomously, independently, on a permanent basis, with decision-making autonomy, access to internal information and to the human and technical resources necessary for the proper performance of those duties.
3. The main responsibilities of the Compliance Officer as Head of the Regulatory Compliance in the framework of corruption prevention are:
 - a) To watch over the permanent updating of the Bank's anti-corruption policy, promoting its review/update, ensuring that the organisation is informed in a timely manner of the changes introduced;
 - b) Advise the governance bodies, and in particular the EC, the CAud and the Risk Assessment Committee (CAvR), on the Group's risk appetite and the measures needed to ensure that this level of risk is met;
 - c) Ensure that the internal control system has a plan and procedures in place to comply with the applicable legal requirements;

⁴ In articulation with the HRC of the other Group Entities.

- d) Ensure and monitor the implementation of the regulatory compliance programme, which includes the PPCR;
- e) Issue opinions to the BoD, EC and the CAud on whistleblowing reports (or circumstances that have come to their attention) involving circumstances of possible corruption;
- f) Verify that the Group has the necessary means, structures and resources to fulfil the legally binding requirements, notifying the EC and the AudC of any shortcomings detected.

6. PREVENTION MECHANISMS

The PPCR is based on the implementation and enforcement of permanent controls, rules and procedures that contribute to the prevention and mitigation of possible corruption situations, organised as follows:

- Compliance rules and policies;
- Whistleblowing channels for irregular situations;
- Approval and monitoring processes for banking products and services;
- Suspicious Activity Monitoring Tools;
- Operational controls in the execution of transactions;
- Control tools and processes.

6.1. Compliance rules and policies

6.1.1. Code of Conduct

1. The Group's Code of Conduct sets out the principles, values and procedures that form an integral part of the internal control system, which includes provisions to prevent corruption risks under Decree-Law 109-E/2021 of 9 December.
2. The disciplinary sanctions identified in the Code of Conduct may be cumulatively applied in case of non-compliance.
3. For each detected infraction related to corrupt practices or related infractions, the COFF draws up a report identifying the provisions breached and the measures taken.
4. The sanctions provided for circumstances involving corruption and related infractions may range from:

- a. In labour terms, from verbal reprimand to dismissal with fair cause;
- b. In contractual terms, the total termination of the contractual relationship;
and
- c. In criminal terms, a fine and a prison sentence of up to 16 years as well as the penalties arising from the other applicable crimes.

6.1.2. Anti-Corruption Policy and Regulation

BCP Group ensures through its Policies and Principles related to Sustainability, namely in its Annex III ("Anti-corruption and anti-bribery policy") that its activity, in the different jurisdictions where it operates, is conducted not only in compliance with the legal requirements in force on the fight against corruption and bribery (through a "zero tolerance" position), but also following the best practices applied in this matter, ensuring that the values that guide the Group are put into practice by employees.

On the other hand, the Bank has a Regulation that specifically addresses the prevention of corruption and related infractions, establishing in particular the criteria and principles with which this PPCR should be structured and implemented.

6.1.3. Policy for the Management and Prevention of Conflicts of Interest

The Bank has a Policy, applicable to the entire Group⁵, to establish the principles, corporate governance model and fundamental processes adopted to identify and mitigate conflict of interest situations, including the processes of segregation of duties, information barriers and decision-making on transactions with "Related Parties, as well as the responsibilities of the internal control functions, and the regular reporting model to the Group's management and supervisory bodies.

6.1.4. Anti-Money Laundering and Counter Financing of Terrorism Policy

The Group has a Policy, applicable to the entire Group⁵, which sets out specific procedures and controls for the prevention of financial crime, including committing acts of corruption.

This Policy is a key component of the Group's control framework, as part of the ethical standards and values for the development of its activity and is considered a fundamental element for preserving the sustainability, solidity, integrity, reputation and trust of the stakeholders of each Group Entity.

⁵ In Portugal as in the subsidiaries abroad.

6.2. Canal de denúncias de situações irregulares

1. The Group has channels where employees and third parties can report irregularities, commonly known as whistleblowing, and can receive whistleblowing reports of possible acts of corruption and related infractions ⁶.
2. Whistleblowing can be submitted in writing, verbally or in a meeting, anonymously (or non-anonymously), or via email comunicar.irregularidade@millenniumbcp.pt (or specific addresses in the particular case of BCP Group entities that have an autonomous email for this purpose).
3. If the whistleblower chooses to report the irregularity anonymously, using the encrypted personal data reporting functionality, the Group ensures that the record of the reports is encrypted, so that the supervisory body or any other corporate body of the Group will not have access to any data of the whistleblower.
4. These whistleblowing reports may not serve as grounds for any disciplinary procedure, civil or criminal proceedings, discriminatory practice or act of retaliation against the whistleblower who meets the protection conditions provided for in the Law.
5. The whistleblowing channels aim to prevent, detect and sanction irregularities concerning legal or regulatory provisions, including matters relating to corruption and other related matters committed against or through the Group.
6. Potentially irregular activities and behaviour that could lead to a breach of the Code of Conduct and/or the possible perpetration of a criminal offence may be reported by confidential means as identified in section 2.
7. Personal data collected as a result of whistleblowing are kept for a 5-year period and, regardless of this period, during the pendency of judicial or administrative proceedings relating to the whistleblowing report.

6.3. Approval and monitoring processes of banking products and services

1. The Group has established a Policy for the Governance, Approval and Monitoring of Products and Services, which provides for the intervention of several divisions of the Bank and with mandatory character of the Risk Office, Legal Advisory, Tax Advisory,

⁶ Pursuant to Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 transposed into the national legal order by Law No. 93/2021 of 20 December.

Credit Division, among others, with final validation of the Compliance Office before the final approval of the management body or commission;

2. Through this process, the Group ensures that the conditions for selling the Bank's products and services comply with criteria of transparency and rigour that effectively prevent the risks of corruption and other related practices;
3. Periodically, and in particular through monitoring or compliance tests carried out by the Compliance Office ("COFF"), the Group verifies compliance with the criteria for the sale of its products and services, validating their suitability and conformity with the characteristics of the products and customers.

6.4. Suspicious Activity Monitoring Tools

1. Among the controls implemented in the Group for the prevention or detection of suspected acts of corruption, the suspicious transaction monitoring functionality is used, which covers BCP accounts held by its members of management and supervisory bodies, its employees and suppliers.
2. Among the customer relationships, the accounts and transactions of the established business relationships are also analysed by BCP and other Group entities, considering the risk presented by each type of customer, as provided for in the regulations in force on the prevention of financial crime, and corruption in particular.
3. Among the above-mentioned groups of business relationships, the category of politically exposed persons (PEP), as resulting from the National Money Laundering and Terrorism Financing Risk Assessment, deserves special mention.

6.5. Operational controls in the execution of transactions

1. The Group adopts practices and procedures for validating orders on behalf of the Bank or its customers, ensuring a policy of segregation of duties, as provided for in the applicable regulations, in order to ensure good conduct and operational rigour in the execution of transactions on the Group's accounts;
2. In the approval and execution of any transaction, the Bank has dedicated approval circuits⁷ to ensure that no customer benefits from an undue advantage.

⁷ Example: workflow for analysing and approving credit transactions;

6.6. Control tools and processes

1. The Group adopts software-based tools and solutions that analyse the Group's business relationships and allow for the prevention and detection of suspicious practices or indications of corruption and related infractions, of which the following are highlighted:
 - a) When establishing a business relationship, the Group uses an information system, transversal to all its Networks, which allows the identification of reputational risks and those related to the practice of financial crimes, including corruption, prior to the start of the banking relationship.
 - b) When granting credit, risk models, decision workflows and customer information validation systems are adopted that prevent an individual employee from having the power to decide on the approval or conditions of a credit operation;
 - c) Within the scope of the Market Abuse legislation⁸ the Group adopts dedicated information systems independent of the execution of orders, which allow continuous monitoring of orders on financial instruments, autonomously alerting the COFF whenever suspicious operations carried out by customers are detected, namely in situations where they may be in possession of confidential and insider information;
 - d) The Group has dedicated tools for transactional monitoring, identifying atypical or suspicious situations in obtaining funds, whose origin is doubtful and may constitute corruption practices or related infractions.
2. Due to the impact and risk of certain activities developed by the Group, there are transactions that require a more specialised hierarchical approval chain, which includes the intervention of internal control functions, namely:
 - a) The control of gifts within the Group requires that any offer received by a Group employee or a MOAF must comply with the rules set out in the Code of Conduct and may involve, depending on the situations described therein, a prior opinion from the COFF and a decision by the CAud (or supervisory body of a Group Entity);

⁸ According to Regulation (EU) No 596/2014.

- b) Transactions involving Related Parties,⁹, due to their possible level of influence, require the prior opinions of the COFF and ROFF, the approval of the EC or the Supervisory Body and the BoD (depending on the characteristics of the transaction);
 - c) The contracting of services is subject to internal procedures to analyse and validate their necessity, including budgetary control, which are provided for in internal regulations and through an approval process that requires the intervention of Commissions and Sub-Commissions in which several employees and Members of the EC participate;
3. In addition to the situations identified in numbers 1 and 2, any process that implies exposure to the risk of corruption and, consequently, may impact the Group or the economic system, determines the need for the Group to have controls and safeguards that additionally address specific risks through internal actions, namely:
 - a. Regulations and procedures contributing to the prevention of risks of corruption and related infractions, in particular those requiring different levels of authorisation and validation:
 - Opening and handling of accounts;
 - Verification of signatures;
 - Control and access to insider information;
 - Approval of expenditures;
 - Management of human resources.
 - b. Preventive and corrective measures to reduce the probability of non-compliance with legal and regulatory requirements and the impact of identified risks, namely:
 - Separation of the duties of the person (or persons) who contacts (or is contacted by) the service provider or customer, the person (or persons) who has the capacity to decide, or the person (or persons) who executes the decision;
 - Action of different lines of defence operating through a system of verification and corroboration of the decision-making process;

⁹As provided for in internal regulations;

- Requirement of prior opinion from internal control functions on higher risk transactions and decisions, according to previously defined parameters;
- Prohibition and limitation on granting credit to MOAFs;
- Implementation of multi-party systems to ensure that several persons or decision-making bodies participate in various processes, such as Credit, Contracting Services, Recruitment or Trading Room;
- Monitoring of approved limits and respective reporting in Transactions in Financial Markets;
- Requirement to sign a “Declaration of Conflict of Interest” by those involved in processes such as Recruitment or Contracting of Services (example: employees who are in conflict of interest because they have a family or corporate relationship with the counterparty);
- Identification and enhanced monitoring of special business relationship groups, with particular emphasis on the category of politically exposed persons (PEP);
- Intervention of at least two areas, the Legal and Litigation Advisory Division and the area related to the event, or where applicable the management body, in the decisions to be taken in the management of judicial and administrative proceedings;
- Requirement to declare that the donation is granted without compensation and, in the case of sponsorship, a description of the compensation of a pecuniary or commercial nature of the Bank, quantifying them, when applicable in the attribution and acceptance of Donations and Sponsorships. Likewise, requirement of the legal quality of the entity receiving donations - that is, the qualification or not of the beneficiary entity in Article 62-A of the Tax Benefit Statute;
- Reliability of Financial and Accounting Information which is guaranteed by the diversity of reports to the Supervisory Entities that allow a cross-checking of financial information, by the governance and supervision model of the Group Entities (management and supervisory body, External Auditors), as well as by the communication and control of the second and third lines of defence;

- Conducting compliance tests and periodic audits of a number of processes, including those listed in 9.2. above.

7. CORRUPTION PREVENTION TRAINING AND CULTURE

1. The Human Resources Division, with the support of the COFF, provides appropriate and regular training to all employees, service providers and MOAFs to ensure that they are aware of, and understand, the policies and procedures related to corruption prevention and related matters.
2. The frequency of training is proportional and appropriate to the performance of each function. Among the various duties performed by the Group's Employees and service providers, the following are considered to be functions exposed to increased risk and consequently with more frequent training, namely those involving:
 - a. the establishment of direct contacts with customers, suppliers and other counterparties to the Group;
 - b. judicial or administrative proceedings or other litigation matters;
 - c. contracting, or participating in the contracting process, of service providers;
 - d. credit granting processes;
 - e. recruitment processes;
 - f. financial crime (vg. ML/FT and Market Abuse);
 - g. transactions with related parties;
 - h. ability to directly influence internal decision-making.
3. Additionally, the COFF carries out awareness and prevention campaigns with employees and encourages the Group's service providers to comply with anti-corruption legislation¹⁰, namely through actions for awareness and endorsement of the Group's Code of Conduct.
4. The COFF also schedules internal communication actions, at least quarterly, to encourage the dissemination of good practices and controls in the Group for the prevention of risks of corruption and related infractions.

¹⁰ This verification is carried out as part of the outsourcing risk assessment as governed by internal regulations.

5. Similarly to the Code of Conduct, which has a training programme, disclosure and internal communication pieces under the responsibility of the COFF, the topic of corruption has a similar layout, as shown in the table below.
6. The PPCR training programme is autonomous, but is properly linked to the Code of Conduct training.

| | Code of Conduct | Prevention of Corruption |
|---|---|---|
| 1.MBA Platform | Yes. Interactive format. | Yes. Interactive format. |
| 2.Frequency | Training scheduled every 2/2 years, or whenever there are changes to the Code of Conduct. | Training scheduled every 2/2 years, or whenever there are legislative or internal rule changes considered relevant, in particular the regulation on the prevention of corruption. Training for persons with the functions referred to in section 2 of this chapter may have a different frequency. |
| 3.Scope | MOAFs, employees and service providers. | MOAFs, employees and service providers, with the specificity referred to in 2. Frequency. |
| 4.Contents | Code of Conduct. Case studies. | PPCR and Code of Conduct. Case studies. |
| 5. Internal disclosure | Whenever there are changes to the Code of Conduct. | Whenever there are legislative or internal rule changes considered relevant, in particular the regulation on the prevention of corruption. |
| 6. Internal communication actions (portal) | Communications during festive periods (Easter, Christmas), with a greater focus on Extra-professional Activities and Gifts. | 1 quarterly communication. |

7. The Bank may resort to outsourcing, always trying to reconcile the regulatory aspect with a conduct of integrity, which should guide the actions of the majority of employees.

8. COMMUNICATION AND REPORTING CIRCUITS

1. If any of the persons identified in chapter 3. section 2. detects any situation that may constitute a case of corruption (potential or real), he/she shall immediately report the situation to the Compliance Officer¹¹, who in turn, within a maximum of two working days, shall notify BCP's BoD, EC and CAud (and if applicable also the management and supervisory bodies of the Group Entity)¹².
2. The Compliance Officer issues an opinion identifying the situation and the mitigation measures that he/she considers necessary to implement to address them, involving, if necessary, the DAU or any other Division. This opinion will be forwarded to the EC and to BCP's CAud (and if applicable also to the management and supervisory bodies of the Group Entity), and both Committees may decide to implement additional measures.
3. All the situations identified in the previous paragraphs are identified and described in the annual report and, if the Compliance Officer considers a particular situation as high risk, it will be reported through the interim report ¹³.
4. The COFF has a permanent database of all communications received.

9. ASSESSMENT SYSTEM

To ensure that this PPCR is suitable to continuously address future risks and prevent any non-compliance, the Group has carried out a comprehensive assessment that ensures the highest standards in the fight against corruption, as identified in this Chapter.

9.1. Methodology

In the methodology used for the creation and development of the PPCR, the banking activities and processes potentially most exposed to corruption risk were considered, taking into account the potential reputational risk, emerging damages or lost profits.

¹¹ If this report is made in accordance with the Policy on the Communication of Irregularities (Whistleblowing), the case should be carried forward and dealt with in accordance with the PPCR and the Regulation on the Prevention of Corruption and Related Infractions.

¹² No staff member or MOAF may participate if they are in a Conflict-of-Interest situation.

¹³ Both reports are forwarded to the BoD, EC and CAud (or Group Entity supervisory body).

This analysis was carried out taking into account the probability of occurrence of the identified risk (with the expected frequency over a given time horizon) and the potential impact of the occurrence of an episode of corruption.

For the purpose of determining the likelihood of occurrence, the internal records that the Group already has were considered, as well as the effectiveness of the mechanisms in place and their adequacy to mitigate, prevent or invalidate the occurrence of the risk in question.

In terms of determining severity, it was considered that some activities potentially more exposed to corruption situations negatively impact the Group's image and reputation, with potential financial losses or loss of income.

Thus, the following degrees of probability of occurrence were established:

Probability of occurrence

| Probability of Occurrence | Low | Moderate | High |
|---------------------------|---|--|--|
| Degree factors | <p>The Group has internal regulations governing its activities, clearly defining the guidelines, procedures and behaviours prohibited for MOAFs, employees and service providers. There are principles and practices in place that mitigate the possibility of this occurring.</p> <p>Timeframe Less than 1 occurrence per year.</p> | <p>Despite the existence of internal regulations, they may not be fully sufficient to limit the occurrence of the risk. Equitable decisions can be taken or additional procedures developed to mitigate the probability of occurrence.</p> <p>Timeframe between 1 and 4 occurrences per year.</p> | <p>Even if rules, guidelines, procedures or practices exist, they are unlikely to limit the occurrence of the risk even if additional procedures are implemented.</p> <p>Timeframe More than 4 occurrence per year.</p> |

As for the severity of the impact, it takes into account the type of consequence that can be expected in relation to a hypothetical occurrence of an event of risk of corruption or related infractions. The following degrees of impact/severity have been established:

Severity

| Severity of Impact | Low | Moderate | High |
|--------------------|---|---|---|
| Degree factors | <p>If there are instances of corruption or related infractions, they will mainly have internal consequences and may harm the Group's organisational performance with limited impact.</p> <p>Description of the quantitative criteria</p> <p>Impact of up to €1M.</p> | <p>Corruption or related infractions negatively impact the Group's image and reputation.</p> <p>There are also potential impacts in terms of financial losses or loss of income.</p> <p>Description of the quantitative criteria</p> <p>Impact >1M€ up to 10M€.</p> | <p>Corruption or related infractions can have a serious negative impact on the Group's image and reputation, as well as sanctions, financial losses or loss of income.</p> <p>Limitations of business opportunities and reduction of the Institution's expansion potential may occur.</p> <p>Description of the quantitative criteria</p> <p>Impact > 10M€.</p> |

As a result of the foregoing, the combination of the probability of occurrence with the severity of the estimated impact results in the attribution of the degree of risk of corruption and related infractions that will be present in each activity.

The risk levels indicated in the following matrices refer to the residual risk, that is, after the application of prevention mechanisms and specific controls already

implemented, described in Chapter 6 of this Plan, which reduce the levels of inherent risk.

| Final residual risk matrix | Probability of Occurrence | | | |
|----------------------------|---------------------------|----------|----------|----------|
| | Severity of Impact | Low | Moderate | High |
| | High | Moderate | High | High |
| | Moderate | Low | Moderate | High |
| | Low | Low | Low | Moderate |

9.2. Assessment of the most potentially exposed banking activities and processes

Each activity and banking process that is potentially the most exposed was classified according to the established corruption risk, based on the methodology described in the previous section. Accordingly, the following table presents the result of the classifications assigned to each activity and banking process potentially more exposed (residual risk classification).

Classification of residual risk for activities and banking processes potentially more exposed

| Activities and banking process potentially more exposed | Probability of occurrence | Severity of Impact | Classification of residual risk |
|---|---------------------------|--------------------|---------------------------------|
| Authorisation of extra-professional activities | Low | Low | Low |
| Analysis of suspicious situations of Money Laundering and Terrorist Financing | Low | Moderate | Low |
| Commercial customer service | Low | Moderate | Low |
| Awarding and accepting donations and sponsorships | Low | Low | Low |
| Credit Granting | Low | Moderate | Low |
| Procurement of Goods or Services | Low | Moderate | Low |
| Management of judicial and administrative proceedings | Low | Moderate | Low |
| Preparation of financial and accounting information | Low | Moderate | Low |
| Recruitment | Low | Low | Low |
| Transactions in Financial Markets | Low | Moderate | Low |

9.3. Mitigating measures

The Group considers that it already has a suitable and effective range of corruption prevention measures and mechanisms in place, with diversified controls, as described in chapter 6, which provide a robust control environment against this risk.

Nevertheless, the Group regularly communicates through new awareness-raising activities on some of the risks identified in section 9.2. and ensures continuous monitoring that enables it to assess any need to strengthen controls that may be necessary.

9.4. Reporting and implementation

1. This PPCR entails the drafting of an annual report entitled “Annual report on the implementation of the internal control system to fight corruption”, which focuses on the implementation, execution and assessment of the Plan, as well as a mid-term report for high-risk situations that occur during the year.
2. The COFF, with the support of the other lines of defence, is responsible for coordinating this report.
3. The implementation of the PPCR is subject to an internal review carried out as follows:
 - a. An annual assessment report prepared in April by the COFF containing:
 - The identification of the situations that have been addressed during the year;
 - The degree of implementation of the preventive and corrective measures identified;
 - If any of the measures are not fully implemented, the estimate for their full implementation.
 - b. A mid-term assessment report in October if high-risk situations have been identified.
4. The Compliance Officer is responsible for the implementation, monitoring and periodic review of the PPCR.

10. DISCLOSURE

1. Both reports provided for in paragraph 1 of subchapter 9.4. are published on the intranet and on the website of the Entities that make up the Group within 10 days of their issuance.
2. Este PPRC é igualmente disponibilizado na intranet e na página da internet das Entidades que compõem o Grupo, no prazo de 10 dias após a sua aprovação ou posterior revisão.

11. SANCTIONS FRAMEWORK

The Group shall ensure to the fullest extent of the law the enforcement of the sanctions provided for in paragraph 4 of section 6.1.1, without prejudice to the other criminal and

civil sanctions that may be applicable, if an employee, MOAF or service provider commits any act that (directly or indirectly) may constitute (even if by attempt) the crime of corruption and related infractions.

Additional Information

This PPCR was approved by BCP's Compliance and Operational Risk Commission on 20 July 2023.