



Banco Comercial Português, S.A.

**REGULATIONS OF THE BOARD  
OF DIRECTORS OF BANCO  
COMERCIAL PORTUGUÊS, S.A**

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## CHAPTER I – GENERAL PART

### Article 1 (Definition)

1. These Regulations aim to govern the functioning of the Board of Directors of Banco Comercial Português, S.A. (BoD or Bank), identify its own and delegated powers and the rules of conduct of its members, complementing the applicable legal and statutory provisions and internal regulations.
2. These regulations bound all the members of the Board of Directors and a copy of the same will be delivered to them, together with the Code of Conduct and the Code of Good Conduct for Preventing and Combating Harassment and Promoting of Equality and Non-Discrimination (Codes of Conduct), at the time of their election or co-optation and always before they commence exercising their functions.

### Article 2 (Composition)

With the objective of ensuring a sound and prudent management, more than half of the members of the BoD should be non-executive, with an appropriate number of independent members.

## CHAPTER II – COMMON PROVISIONS

### Article 3 (Acceptance of the position and exercise of functions)

1. Acceptance of the position of director must be formalised prior to election under the terms of article 391 of the CC and, before taking up office, by signing a declaration to be sent by the Company Secretary Office.
2. Although appointed for a fixed term, directors remain in office until reappointed, unless they are dismissed or resign.
3. The beginning of functions of each director, in accordance with the law, depends on the authorisation to be granted by the supervisory authority.
4. Each director will inform in due the Chairperson of the Board of Directors, the Chairperson of the Committee for Nominations and Remunerations and the Company Secretary as soon as he/she becomes aware of any fact that may alter the information provided to the Supervisor for the purposes of the previous paragraph, undertaking, in particular, to respect the rules on the accumulation of positions and conflict of interests.
5. Prior to accepting the position of director, the person appointed must commit to authorising, in writing, access by the Tax Authority to his/her banking information with Banco de Portugal, whenever this is considered by the BoD to be in the interest of the Bank or the Group.

### Article 4 (Independence)

1. Directors are considered independent if they are not associated with any specific interest group in relation to the Bank, nor are they under any circumstances likely to affect their impartiality in analysing or making decisions.
2. The following is considered an indication of a loss of independence:

- i) Being the holder, directly or indirectly, of a qualifying stake in the Bank or being the representative of a shareholder with qualifying stake;
  - ii) Having had an employment relationship with the Bank or a company in a control or group relationship with the Bank in the last three years;
  - iii) Having provided, in the last three years, services or established a relevant financial or significant commercial relationship with the Bank or with a company with which it is in a controlling or group relationship, either directly or as a partner, director or manager of a legal person;
  - iv) Having held executive positions in the Bank or in a company included in the prudential consolidation perimeter in the last five years;
  - v) Having exercised for more than twelve years, continuously or interspersed, functions in any management or supervisory body of the Bank;
  - vi) Being the beneficiary of remuneration paid by the Bank or by a company with which it is in a control or group relationship, in addition to the remuneration arising from the exercise of duties as a director;
  - vii) Living in a non-marital partnership or being the spouse, relative or first-degree relative of directors of the Bank, directors of a legal person with a qualifying holding in the Bank, or natural persons who directly or indirectly hold a qualifying holding in the Bank.
3. Whenever a supervening fact is likely to affect his/her impartiality in analysing or deciding, the director must report this fact to the Chairperson of the BoD, the Chairpersons of the Audit Committee (CAud) and of the CNR and to the Company Secretary.

## **Article 5**

### **(General and conduct duties of the directors)**

1. In carrying out their duties, directors shall conduct their actions in compliance with the duties of care, loyalty and suitability, with the diligence of a judicious and orderly manager, in the interest of the Bank, devoting the necessary time and effort to the effective fulfilment of their obligations as directors.
2. In the exercise of their powers, directors must act in a responsible and prudent manner, based on high ethical standards, contributing to reinforce the levels of trust and reputation of the company, both internally and in the relationships established with employees, customers, investors, supervisory authorities and other third-parties.
3. In the exercise of their powers, directors must independently ensure the existence of an organisational culture that promotes professional conduct, observes the ethical standards set out in the Codes of Conduct and a risk culture that covers all areas of the Bank's activity and ensures the identification, assessment, monitoring and control of the risks to which the Bank is or may foreseeably be exposed.
4. Directors are bound by a duty of secrecy under the terms of the law with regard to information they become aware of in the course of their duties, except when disclosure is the result of a legal provision or a decision by a competent administrative or judicial authority. The secrecy duty remains in place even after leaving office.
5. Without prejudice to the provisions of the previous paragraph, the Chairperson of the BoD or the Chairperson of the EC, when they see the need to disclose, publicly or internally, resolutions or matters relating to the Bank or the Group, may do so, provided that they respect the general duty

of professional secrecy under the terms of the Legal Framework for Credit Institutions and Financial Companies.

## **Article 6**

### **(Conflicts of interests)**

1. Any member of the BoD who, in addition to this position, performs management or supervisory duties in a company that carries out a business in competition with that pursued by the Bank or by an entity belonging to the Group or a company in which the Bank holds a qualifying holding, is prevented from accessing any privileged or sensitive documentation, as well as from participating in the appraisal and decision of any operation or contract related to the company that gives rise to the conflict.
2. Any member of the BoD who, in addition to this position, performs management duties in an entity that holds a stake equal to or greater than 5% of the Bank's share capital, or in an entity that is in a control or group relationship with the Bank, is prevented from participating in the appraisal and decision of any operation or contract related directly or through an intermediary with any of the aforementioned entities.
3. Any member of the BoD is prevented from participating in the appraisal and decision of any operation or contract with a related party under the terms of the Policy on Related Parties in force.
4. The operations or contracts referred to in paragraphs 1 to 3 must be approved by a majority of at least two-thirds of the remaining members of the management body, having obtained the prior favourable opinion of the CAud, preceded by the opinions of the Risk Office and the Compliance Office, under the terms of the Policy on Related Parties in force.
5. Directors have a duty to avoid situations that could give rise to conflicts of interest, respecting the provisions of the Code of Conduct, particularly with regard to receiving gifts.
6. Whenever any director is the spouse or equivalent or is a relative up to the 2<sup>nd</sup> degree of affinity in a direct or collateral line, of an employee of the Group, they may not participate in any decision that directly involves that employee personally or professionally, and they may not report to them hierarchically.

## **Article 7**

### **(Definitive absence and loss of mandate)**

1. The definitive absence of a director must be declared by the BoD and implies the loss of mandate.
2. If the absence lasts for more than six months, even if justified, the Board of Directors may declare the absence as definitive, with the consequent loss of mandate.
3. A director who, having been summoned and without justification accepted by the Board itself, incurs three consecutive absences or five interpolated absences, loses his/her mandate.
4. In the event of a justified reason, the BoD may declare the temporary impediment of a director, after obtaining the favourable opinion of the CNR and the CAud, appointing another director to replace him/her during the impediment when there is no previously appointed substitute.

### Article 8 (Meetings of the BoD)

1. The BoD meets monthly, except in August, and whenever convened by its Chairperson or by two directors;
2. The call notice, with the respective agenda, shall be made in writing, and electronic means may be used and it shall be sent to each director by the Company Secretary at least 5 working days before the scheduled date, without prejudice to a shorter call notice if justified by the company's interests.
3. In order to convene at shorter notice, the Chairperson must obtain the agreement of one of the vice-chairs or the Chairperson of the CAud.
4. Except for reasons of special convenience, the dates of the Board's regular meetings and standard agendas shall be set for each year by the end of the previous year.
5. The members of the BoD may also meet to resolve, waiving prior formalities, provided that all its members are in attendance or duly represented and expressly agree with it.
6. The adoption of resolutions by the BoD in writing and without a meeting shall only be permitted if none of the directors objects to this procedure.
7. Meetings may be held by electronic means, provided that the authenticity of statements and the security and confidentiality of interventions are guaranteed.
8. Any director may be represented by another director by means of a written document addressed to the Chairperson, which may only be used once. Each director is only entitled to represent one other director.
9. Directors that cannot attend a meeting must justify their absence to the Chairperson or to his/her substitute, if possible at least 24 hours prior to the date set forth for the meeting.
10. The Company Secretary shall provide each director with the preparatory documents that have been sent to him/her before the meeting and shall promote their immediate publication on the Board meetings' support platform, together with any other information that the directors deem necessary or convenient for the exercise of their functions.
11. As a rule, the documents supporting the meeting will be made available to BoD members at least 5 days before the date set for the meeting, except in the case of exceptional situations duly reported to the Chairperson of the BoD and also in the case of credit transactions with related parties where it is not possible to meet the deadline or there is another justified reason, in which case, provided the prior opinion of the Audit Committee is obtained, the transactions may be submitted for ratification.
12. Apart from exceptional situations, the supporting documents for each item on the Agenda should include a summary presentation incorporating an executive summary. Whenever updates are made to the documents made available prior to the meeting, the members of the Board must be informed of the changes made and these must be highlighted in the new versions.
13. Whenever the BoD has a director whose first language is not Portuguese, the supporting documents must be presented in English or accompanied by an English translation, unless

the length or content of the documents does not justify this or does not allow it to be done in good time.

14. When unanimously approved by its members, the BoD may resolve on issues not included in the Agenda.
15. All the employees, consultants, experts, or members of other corporate or governance bodies or guests, provided that summoned by the Chairperson, may participate in the BoD meetings.

## **Article 9 (Resolutions)**

1. The BoD shall only adopt resolutions if the majority of its members are either present or represented. Directors attending by electronic means are considered present.
2. The resolutions of the Board of Directors are adopted by majority of the votes cast, and the Chairperson or his/her substitute, shall have a casting vote.
3. Without prejudice to the provisions of article 6 above, the directors are not allowed to vote or take part in the debate on matters in which they have, on their own behalf or that of a third party, directly or indirectly, an interest that may conflict with that of the company.
4. Should any member of the BoD consider themselves prevented from voting due to any incompatibility or conflict of interest, they must inform the Chairperson in advance of the impediment and include a statement to this effect in the minutes.

## **Article 10 (Committees of the Board of Directors)**

1. The BoD may create specialised committees to follow certain specific matters on an ongoing basis.
2. In addition to the CAud elected at the General Meeting, and without prejudice to other Committees it deems necessary, the BoD shall set up:
  - a) an Executive Committee;
  - b) a Risk Assessment Committee;
  - c) a Nominations and Remunerations Committee;
  - d) a Corporate Governance, Ethics and Sustainability Committee.
3. All Committees, including the EC, may engage the services of experts to assist one or more of their members in the performance of their duties, and the engagement and remuneration of experts shall take into account the importance of the matters entrusted to them and the economic situation of the Bank.
4. The costs of the services provided for in the preceding paragraph must be budgeted for or be previously agreed with the Chairperson of the EC regarding this Committee. In the case of the CAud, the costs must be articulated with the Chairperson of the BoD and, in the case of the other Committees, be previously agreed with the Chairperson of the BoD. If this agreement is not reached, the proposal must be submitted to a plenary meeting of the BoD and, in any case, the internal rules for the engagement of services must be respected, namely the applicable service orders.
5. The BoD must ensure respect for the competencies and delegated competencies of the committees better described in their own regulations, ensuring that they are provided, in a timely

and adequate manner, with all the necessary information and clarifications for the due performance of their respective duties.

6. The CAud, as a supervisory body under the terms defined by the legal and regulatory framework in force, monitors compliance with the law and the articles of association, verifies the regularity of the accounting records and supporting documents, the accuracy of the financial statements, supervises the effectiveness of the risk management system, the internal control system and the internal audit system, as well as the process of preparation, financial disclosure and review of the Bank's financial statements by the Statutory Auditor and the External Auditor, also ensuring the necessary procedures for hiring them and monitoring their independence, under the terms of the powers laid down by law and its Regulations.
7. The EC is the committee to which the BoD delegates the day-to-day management of the Bank, at individual and consolidated level, with the exception of the matters it reserves for itself or for the other specialised committees and which are identified in Article 12 of these Regulations and is designated under the terms of Article 407(3) of the Companies Code and in compliance with Article 35 of the Bank's Articles of Association.
8. The Risk Assessment Committee (CAvR) is responsible for the Bank's current and future general risk appetite and risk strategy and for monitoring their implementation, under the terms of the law and its Regulations.
9. The CNR is responsible for assessing the suitability requirements of the members of the BoD, its Committees and key function holders, defining the Succession and Remuneration policies for Directors and Employees, monitoring their implementation, as well as other matters relating to the Bank's human resources, under the terms of the law and its Regulations.
10. The Corporate Governance, Ethics and Sustainability Committee (CGSES) is responsible for monitoring policies and implementing appropriate processes in terms of corporate governance, conduct, values and social responsibilities, and it monitors and supervises measures to develop the Bank's activity in terms of sustainability, in accordance with the powers laid down in its Regulations.
11. The Chairpersons of the Committees may agree to hold joint meetings, provided that the subject is of common responsibility to the Committees concerned and without prejudice to the exemption from analysis of each one of them. These Committees may be convened by one of the Chairpersons, by arrangement, and the documentation must be sent by the respective secretaries at least five days in advance, and the presentation and debate must be included in one of the Committees' minutes, with reference in the other.

## CHAPTER IV – POWERS

### Article 11 (Powers of the Chairperson)

1. Without prejudice to the other powers provided for in the applicable legal and statutory provisions, the Chairperson of the BoD is particularly responsible for:
  - a) Coordinating the BoD's activities and making public communications on its behalf or on behalf of the Bank;
  - b) Promoting the holding of meetings of the Board that he/she deems necessary, convening them, chairing them, exercising the casting vote and deciding on all matters concerning

their operation;

- c) Attending the meetings of the BoD Committees when he/she deems it appropriate, without the right to vote, except for the CAud when it is resolving within the scope of its specific functions as a supervisory body;
- d) Monitoring the Committees set up by the BoD, including the EC, with regard to the exercise of the powers delegated to them by the BoD;
- e) Issuing a binding opinion on the appointment of Investor Relations;
- f) Ensuring that the BoD's resolutions are implemented;
- g) Representing the BoD and promoting communication between the Bank, its Shareholders, Regulators, Supervisors and other Stakeholders;
- h) Authorising the attendance of guests at Board meetings.

## **Article 12**

### **(Powers and delegation of powers)**

1. The BoD is the Bank's governing body and, under the terms of the law and in particular those set out in articles 33 and 34 of the Bank's Articles of Association, it has the broadest powers of management and representation of the company.
2. With the exception of the powers it reserves for itself and those delegated to the various Committees, the BoD delegates to the EC all other powers necessary and sufficient for the pursuit of the corporate purpose and management of the Bank and the Group.
3. For the purposes of these Regulations, the BoD's powers are structured into 8 areas of activity:
  - 3.1 General and non-delegated powers;
  - 3.2 Internal governance, Organisational Structure and Strategic Planning;
  - 3.3 Internal Control and Risk Management System;
  - 3.4 Related Parties, Conflicts of Interest and Reporting of Irregularities;
  - 3.5 Human Resources Management and Remuneration Policies;
  - 3.6 Conduct and Organisational Culture;
  - 3.7 Outsourcing;
  - 3.8 Activity Monitoring and Indicators.

### **3.1 General and non-delegated powers:**

- a) Choose its Chairperson and Vice-Chairpersons when they have not been elected by the General Assembly;
- b) Appoint the members who are part of the Executive Committee and appoint its Chairperson and Vice-Chairpersons;
- c) Appoint the members of the Risk Assessment Committee, the Nominations and Remunerations Committee and the Corporate Governance, Ethics and Sustainability Committee, appointing the respective Chairpersons;
- d) Appoint, for a period of time coinciding with the term of office of the Board itself, the Company Secretary and his/her Alternate;
- e) To co-opt directors to fill any vacancies that may occur;

- f) To request the Chairperson of the General Meeting to convene;
- g) Approve the proposals to be submitted to the General Meeting that are the responsibility of the management body, namely the proposal for the appropriation of profits;
- h) Resolve, under the terms of the law and the Articles of Association, on the issue of shares or other securities that imply or may imply an increase in the Bank's capital, establish the respective conditions of issue and carry out, with them, all operations permitted by law, respecting any limits set by the General Meeting;
- i) To approve the relocation of the head office within national territory;
- j) Approve merger, demerger and transformation projects of the company, in consultation with the CAud;
- k) Approve the Quarterly Accounts and the Half-Yearly and Annual Reports and Accounts, in consultation with the CAud;
- l) Approve the Corporate Governance Report and the Sustainability Report, in consultation with the CGSES;
- m) To approve the acquisition, disposal or encumbrance of real estate provided that the operation has a negative impact of more than 0.5% on the total consolidated regulatory own funds;
- n) Define and resolve, after obtaining the opinion of the CAud, on any changes to the Group's corporate structure, namely the opening or closing of establishments that represent a positive or negative variation of 10% of the number of branches existing in Portugal at the end of the year prior to the decision being taken;
- o) Approve significant increases or reductions in the company's organisation whenever these produce an impact above 5% on consolidated assets;
- p) Provide collateral and personal or real guarantees for the company, with the exception of those that fall within the Bank's current activity;
- q) Approve or terminate non-commercial cooperation deemed to constitute lasting and relevant relationships.

### **3.2 Internal Governance, Organisational Structure and Strategic Planning:**

- a) Approve its own Regulations, as well as the Regulations of the EC, the CAVR and the CNR, the CGSES or of other Committees it resolves to set up, and take note of the CAud's Regulations;
- b) Review, at least once every two years, its own Regulations and those of the other Committees it has set up;
- c) Appraise the activity reports of its Committees;
- d) Approve the training plan of its members;
- e) Approve the Bank's Strategic Plan;
- f) Approve the Bank's annual and multi-annual budgets, taking into account the macroeconomic outlook, having obtained the opinion of the CAud;
- g) Approve the Market Discipline Report, having obtained the opinion of the CAVR;
- h) Ensure and submit the Selection and Assessment Policy for Members of the Management

and Supervisory Bodies and Control Function Holders to the General Meeting for approval, at the proposal of the CNR and following an opinion from the CAud;

- i) Approve the Policy for the Succession of Members of the Management and Supervisory Bodies and Key Function Holders, on a proposal from the CNR;
- j) Approve, following a proposal submitted by the EC or the Board Committees, the general policies of governance and organisation of the Bank and the Group, namely the Group Codes and the service orders regulating the internal control areas;
- k) Ensure the proper implementation of the policies referred to in the previous paragraph, delegating this power to the EC;
- l) Ensure the existence of specific policies on recruitment and selection, evaluation of performance, promotion and management of careers, remuneration, training and development of skills, delegating this competence to the EC;
- m) Ensure the approval and review, at least every two years, of the internal organisational model and the powers and responsibilities of the different Organic Units, delegating their implementation to the EC, which will ensure their day-to-day management;
- n) Ensure the operation and communication of the organisational structure, with the appropriate detail on the members and those responsible for the functions and structures of the governance model, delegating this power to the EC;
- o) Ensure the existence of adequate procedures for obtaining, prepare and process the information disclosed to the employees or to the public and of control mechanisms able of ensuring the reliability, integrity, consistency, completeness, validity, timeliness, accessibility and granularity of all the information produced and its periodical independent assessment by an external entity, delegating this power to the EC;
- p) Ensure the existence of formal, transparent, relevant processes adjusted to the Bank's needs that guarantee effective, timely, adequate, wide-ranging and comprehensible communication, facilitate the decision-making process and promote the necessary flows of information between all the relevant parties in a process and between the management and supervisory bodies and the internal control functions, and the periodic independent evaluation, to be carried out by an external entity, of the information flows instituted in the Bank, delegating this power to the EC;
- q) Ensure the internal disclosure of the Policy for the Selection and Appointment of the Statutory Auditor or Audit Firm and the Hiring of Non-Audit Services, approved by the Audit Committee and by the General Meeting of Shareholders, to all the employees, in the Bank's website, delegating this power to the EC;
- r) Communicate to the Resolution Authority any decisions of a strategic nature that may have a relevant impact on the Group's resolvability and which, having been subject to prior assessment from this perspective by the Organic Unit responsible for Resolution planning, are approved by it, delegating this power to the EC.

### **3.3 Internal Control and Risk Management System:**

- a) Establish and maintain an internal control system, translated into a set of strategies, policies, processes, systems and procedures with the aim of guaranteeing the institution's sustainability in the medium and long term and the prudent exercise of its activity and

ensuring that it is applied consistently in all the Bank's subsidiaries and branches, in Portugal or abroad, in compliance with the applicable legislation, delegating its execution to the EC;

- b) Establish and maintain structures with internal control functions endowed with the appropriate status and authority to fulfil objectively and independently the responsibilities arising from articles 27, 28 and 32 of Banco de Portugal Notice no. 3/2020, or assigned to them by the respective service orders, and after a proposal by the Chairperson of the BoD, and after obtaining the opinion of the CAud regarding the Internal Audit, and a proposal by the EC, and after obtaining the opinion of the CAud regarding the Compliance Office and the CAVR regarding the Risk Office, approve the respective service orders;
- c) Appoint, replace or dismiss those responsible for internal control functions, on the proposal of the EC and after obtaining the prior binding opinions of the CAud, as regards the Internal Audit and Compliance Office, the CAVR, as regards the Risk Office, and the opinion of the CNR, providing them with adequate material and technical resources for the effective performance of their responsibilities;
- d) Approve the activity and training plans of each of the control functions, with these entities having direct access to the BoD, the respective specialised committees and the CAud, as well as the support offices for these bodies, providing them with information systems appropriate to the performance of their functions, and respective access to internal and external information necessary to fulfil their responsibilities, as well as full access to all internal structures or activities undertaken by the Bank, including Outsourcers;
- e) Approve, taking into account the BoD's opinion, the annual self-assessment report on the adequacy and effectiveness of the Group's organisational culture and internal control systems and an individual report on each entity subject to supervision on a consolidated or sub-consolidated basis that carries out credit institution activities;
- f) Analyse the conclusions of the SREP - Supervisory Review and Evaluation Process exercise, approve the implementation plan for the obligations arising from it and monitor its progress under the applicable terms;
- g) Analyse the conclusions of asset quality assessment exercises or stress tests, conducted by supervisory bodies, approving the necessary measures pursuant to the recommendations issued and which fall within the scope of its intervention;
- h) Ensure, at the proposal of the EC, the existence of a risk management system comprising a set of strategies, policies, processes, systems and procedures for identifying, evaluating, monitoring and controlling all the risks to which the Bank is or may foreseeably be exposed, ensuring that these risks remain at the previously defined level and do not significantly affect the Bank's financial situation;
- i) Define, approve and review at least once a year, on a proposal from the EC, after obtaining the prior opinion of the CAVR, the Bank's global risk policy, which establishes its global objectives and the objectives of each structural unit, with regard to the risk profile and the level of risk tolerance, in particular the RAF - Risk Appetite Framework and the RAS - Risk Appetite Statement;
- j) Ensure that the RAS - Risk Appetite Statement is disclosed to all the Divisions and subsidiaries involved, delegating this responsibility to the EC;

- k) Approve the Report on the Prevention of Money Laundering and Terrorist Financing on the internal control system in the area of the prevention of money laundering and terrorist financing, on a proposal from the EC and after obtaining the opinion of the CAud;
- l) Approve the ICAAP – Internal Capital Adequacy Assessment Process and the ILAAP – Internal Liquidity Adequacy Assessment Process, on a proposal from the EC, and after obtaining the opinion from the CAVR;
- m) Approve the Funding and Capital Plan, on a proposal from the EC;
- n) Approve the plan for the reduction of NPAs - Non-Performing Assets, on a proposal from the EC and after obtaining the opinion from the CAVR;
- o) Approve the Recovery Plan and its possible triggering on a proposal from the EC and after obtaining the opinion from the CAVR;
- p) Monitor the implementation of pricing policies within the credit granting process;
- q) Analyse the CAud's report on potential or actual deficiencies or recommendations for improvement to strengthen the organisational culture and the risk management, governance and internal control systems in relation to all matters covered by Banco de Portugal Notice 3/2020;
- r) Issue an opinion on the reports issued by the risk management function, as set out in Article 27(1)(r) and (s) of Banco de Portugal Notice 3/2020, having obtained the opinion of the CAud and having heard the CAVR;
- s) Issue an opinion on the reports issued by the compliance function, as set out in article 28 (1)(o) and (p) of Banco de Portugal Notice 3/2020, after obtaining the opinion from the CAud;
- t) Issue an opinion on the reports issued by the internal audit function, as set out article 32 (1)(c) and (d) of Banco de Portugal Notice 3/2020, after obtaining the opinion from the CAud;
- u) Appoint, after obtaining a favourable opinion from the CNR, the Client Ombudsman, who will not have employment ties with the Bank;
- v) Identify the Group's key function holders, having obtained the CNR's favourable opinion;
- w) Appoint, on a proposal from the EC, the managers reporting directly to the management, other than those responsible for internal control functions, delegating this power to the CNR;
- x) Ensure that the internal control functions have full, free and unconditional access to all the Bank's functions, activities, including Outsourcers' functions, processes and activities, own premises or those of service providers, assets and employees, information, accounting records, systems, computer files and data, delegating this power to the EC;
- y) Ensure that all risk-taking structures make decisions considering the underlying risk and within the tolerance thresholds and adopt control mechanisms enabling the timely communication of the risks to the internal control functions, delegating this power to the EC;
- z) Ensure, if the case may be and complying with the applicable legislation, the existence of reporting lines between the internal control functions of the subsidiaries and the internal control functions of the Bank, delegating this power to the EC;

- aa) Monitor the activity of the Bank's risk management function, compliance function and internal audit function, in coordination with the CAud and the CAVR, in the case of the risk management function;
- bb) Ensure, at group level and whenever appropriate, the contracting of the provision of common services for the development of the responsibilities attributed to the risk management, compliance and internal audit functions, delegating this power to the EC.

### **3.4 Related Parties, Conflicts of Interest and Reporting of Irregularities:**

- a) Approve the internal policy providing for the definition, identification and updating of the Bank's related parties, on the proposal of the EC and after obtaining the opinion of the CAud;
- b) Approve, complying with the legislation and with the internal regulations, transactions with related parties, on the proposal of the EC and after obtaining the opinion from the CAud;
- c) Ensure that the Bank identifies its related parties in a comprehensive list that is updated quarterly;
- d) Approve the Policy for the Prevention and Management of Conflicts of Interest, on a proposal from the EC and after obtaining the opinion of the CAud;
- e) Approve the Policy for the Reporting of Irregularities, on a proposal from the CAud.

### **3.5 Human Resources and Remuneration Policies:**

- a) Appraise the proposal made by the CNR and by the Remunerations and Welfare Board, on the remuneration policy of the Members of the Management and Supervisory Bodies to be submitted every year to the General Meeting of Shareholders;
- b) Approve and review, on a proposal from the EC and after obtaining the CNR's opinion, the remuneration policy for employees, including those responsible for internal control functions;
- c) Ensure that an annual assessment report on the implementation of the Remuneration Policies is presented to the General Meeting;
- d) Ensure that an annual report is presented to the General Meeting of Shareholders assessing the impact of the remuneration practices of subsidiaries abroad in terms of risk, especially on capital and liquidity;
- e) Ensure that the individual employee performance evaluation process, used to define the variable remuneration component, is adequate and consistent and is communicated to employees prior to the start of the evaluation period, delegating its implementation to the EC, which must obtain an opinion from the CNR.

### **3.6. Conduct and Organisational Culture:**

- a) Approve and review, at least every two years, the Codes of Conduct, on a proposal from the EC and after obtaining the opinions of the CAud and the CGSES;
- b) Ensure, for all BoD members, that they are aware of the Codes of Conduct before taking up their duties, and promote training sessions on them;
- c) Promote the external and internal disclosure and the application of the Codes of Conduct and guarantee that each employee expressly state that he/she is aware of the same, delegating this competence to the EC;
- d) Ensure the debate with senior managers on the conduct and organizational culture,

delegating this competence to the EC;

- e) Promote an organizational environment which does not adopt or tolerate aggressive management practices, delegating this competence to the EC;
- f) Ensure the adoption of impartial, transparent and auditable internal procedures, namely when involving the engagement of services and the purchase and sale of assets by the institution, delegating this competence to the EC;
- g) Promote, at least every term of office, independent evaluations, to be carried out by an entity external to the institution, regarding the conduct and values of the Bank, the BoD and its Committees, which may be developed in conjunction with the CAud, delegating this power to the CGSES.

### 3.7. Outsourcing of Services:

- a) Approve the outsourcing of specific operational tasks associated with the risk management function, compliance and internal audit, delegating this power on the EC which, for that purpose, must obtain a prior favourable opinion from the CAud;
- b) Ensure the existence and update of a registry of all outsourced operational tasks of the internal control functions, delegating this power to the EC.

### 3.8. Monitoring Business Activity:

- a) Monitor BCP's share performance;
  - b) Monitor the performance of market shares and quality indicators;
  - c) Carry out, twice a year, a comparative analysis of the indicators and annual results of the main banks in the Portuguese financial system;
  - d) Appraise the strategic plans for the technology, cybersecurity and digital areas on an annual basis;
  - e) Monitor the results of the Business Areas in Portugal and the subsidiaries abroad on an annual basis;
  - f) Ensure the monitoring of the events with a significant impact on the Bank's activity or on the market where it operates and of the business policies which are consequently approved;
- 4. The monitoring and analyses referred to in the previous paragraphs will be carried out on the basis of documentation to be prepared by the EC.
  - 5. The BoD may specifically instruct one or more directors to deal with certain specific matters.
  - 6. The delegation of powers provided for in this article does not exclude the powers of the BoD or, under the terms of the law, the joint responsibility of all directors towards the company for any losses caused by their acts or omissions.

## CHAPTER V – COMPANY SECRETARY

### Article 13 (Company Secretary)

- 1. The BoD shall appoint a Company Secretary and his/her Alternate.
- 2. In addition to the powers conferred on him/her by law, the Articles of Association of the Bank or

any other duties that the Board may decide to entrust to him/her, the Company Secretary shall be responsible for:

- a) Ensure support to the meetings of the BoD, namely by providing the directors with access to the information and clarifications they eventually need;
  - b) Ensure support for the meetings of the other corporate bodies by ensuring, in compliance with the provisions of the respective Regulations, that the call notice of the meeting is sent in good time, together with the respective agenda and any other supporting documents supplied to him/her, unless this responsibility is entrusted to the person in charge of the BoD Support Office;
  - c) Keep an up-to-date record of all Commissions and Committees that the BoD or EC decide to set up;
  - d) Provide support to the Chairpersons of the BoD and of its Committees, including the Executive Committee, in the exercise of their functions so that the performance of these bodies complies with the applicable domestic and EU legislation and with the respective Articles of Association, except when this responsibility is entrusted to the person in charge of the BoD Support Office;
3. The Company Secretary shall make available, at the request of any member of the BoD, any information the latter deems necessary or convenient for the performance of his/her duties.
  4. The Company Secretary must also carry out the duties of Secretary of the EC, as well as of the specialised Committees to which he or she is appointed.
  5. The Company Secretary and his/her Alternate are bound by a duty of secrecy with regard to matters discussed at meetings at which they are present, as well as facts and information they become aware of in the course of their duties. The secrecy duty remains in place even after leaving office.

## CHAPTER VI – FINAL PROVISIONS

### Article 14 (Minutes of Meetings)

1. The BoD shall ensure that minutes of all meetings held are drawn up which allow for the proper identification of all those who took part in each item of the agenda, including the position held, as well as an understanding of the matters dealt with therein and the meaning and reasoning of the resolutions adopted, the identification of the voting members and an express reference to any dissenting opinions, as well as a description of any recommendations made and identification of issues that need to be followed up at future meetings.
2. The draft minutes of each meeting of the BoD shall be written up by the Company Secretary, who shall distribute it among the members who attended the meeting for analysis and amendments deemed relevant and must be formally approved and signed by its members at the next meeting, except when the urgency of a matter demands otherwise.
3. In the simultaneous absence of the Company Secretary and the Alternate Secretary, the Chairperson of the BoD, or whoever replaces him/her, shall appoint a director or the Head of the Board of Directors Support Office who shall provide the Company Secretary with the information and documents necessary for drawing up the minutes.

4. The minutes must be drawn up and transcribed into the respective book in Portuguese, but whenever one of the members does not speak Portuguese, a version of the minutes must also be drawn up in English, which will be sent to him/her and kept as an annex to the minutes of the meeting.
5. The Company Secretary shall guarantee that all those, who are not directors and intervened in the meetings, validate the extract of the minutes related with their intervention.
6. The minutes must contain the elements set out in article 8 of Banco de Portugal Notice 3/2020 and in the other legal provisions in force.
7. The minutes and remaining documents supporting each one of the items of the agenda must be filed in a document management IT system.

## **Article 15** **(Final provisions)**

Matters not regulated in these Regulations are governed by the applicable legislation in force, and any amendment to these Regulations requires approval by the BoD.

**Approval date:** 27<sup>th</sup> November 2024

**Approved by:** Board of Directors

**Main changes:** deleting of Article 5 (6); introduction of Article 6 (3); adjustments in Article 8(3) and (11) and in Article 10 (8) to (10) and introduction of (11); amendment to Article 12 (3.3 f) and (3.8 d)