



REGULATIONS
OF THE APPOINTMENT, ASSESSMENT
AND REMUNERATION COMMITTEE
OF CAIXA GERAL DE DEPÓSITOS, S.A.





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1. OBJECT

These Regulations set out the rules for the composition and the appointment, powers, organization and functioning of the Appointment, Assessment and Remuneration Committee (“CNAR” or “Committee”) of Caixa Geral de Depósitos, S.A. (“CGD”), in addition to all legal and statutory provisions, with which its interpretation shall comply.

2. COMPOSITION AND APPOINTMENT

2.1. The Appointment, Assessment and Remuneration Committee is composed of 3 (three) to 6 (six) Members, as defined by the Board of Directors, who are not Members of the Executive Committee.

2.2. The Members of CNAR and its Chairperson shall be appointed by the Board of Directors.

2.3. CNAR shall comprise a majority of independent Members and be chaired by an independent Member.

2.4. The Members of CNAR shall hold the professional qualification and experience required for carrying out their duties.

3. POWERS

3.1. CNAR’s responsibilities include:

3.1.1. Supporting and advising the Board of Directors in setting up, approving and overseeing the implementation of the following:

- (a)** A remuneration policy in line with the principles set out in the Legal Framework of Credit Institutions and Financial Companies and other legal and regulatory provisions, stemming from national law or European authorities;
- (b)** Mechanisms ensuring:
 - (I)** that the individual and collective suitability assessments of the Board of Directors and the Supervisory Board are carried out effectively;
 - (II)** that the composition of the statutory bodies and the succession plan of the management body are appropriate and that those bodies perform their functions effectively;
- (c)** An effective process for the selection and suitability assessment of key function holders.

3.1.2. Concerning CGD’s management and supervisory bodies:

- (a)** Identifying and recommending candidates to fill vacancies within those bodies, assessing their composition in terms of knowledge, skills, diversity and experience, preparing a description of the duties and qualifications for a particular position and analyzing the amount of time to be committed to the exercise of those duties;
- (b)** Establishing targets for meeting the goals of representation of men and women in those bodies and drafting a policy aiming to increase the number of individuals of the underrepresented gender so as to meet the defined objectives;
- (c)** Periodically, and no less than once a year, assessing the structure, size, composition and performance of those bodies as a whole and making recommendations on potential changes to implement;
- (d)** Periodically, and no less than once a year, assessing the knowledge, skills, experience and performance of individual Members of those bodies and informing them of the outcome of that assessment;



- (e) Periodically and no less than once a year, reassessing the suitability of the knowledge, skills, experience and diversity of the management and supervisory bodies as a whole;
- (f) Periodically and no less than once a year, reassessing the suitability of the members of the management and supervisory bodies;
- (g) Exercising the remaining functions and powers assigned to it within the Policy for the Selection and the Assessment of the Suitability of Members of the Management and Supervisory Bodies, Key Function Holders and Managers of International Branches and the Succession Plan (forming the "Suitability Policy and Succession Plan"), periodically verifying the need for revising this set of policies.

3.1.3. Concerning holders of control functions and other key function holders, as well as the managers of CGD's international branches, CNAR shall carry out the duties and functions assigned to it in the Suitability Policy and in the Succession Plan, namely in what concerns the qualification of key function holder, the initial suitability assessment, the periodic suitability reassessment, the annual performance assessment and the termination of duties by holders of control functions.

3.1.4. Concerning the management and supervisory bodies and the key function holders of CGD's subsidiaries:

- (a) Supporting CGD's Board of Directors in filling openings in the management and supervisory bodies of CGD's subsidiaries and in selecting the Board Members to appoint for the corresponding Executive Committees;
- (b) Following up on the annual suitability reassessment of the Members of the management and supervisory bodies and of the key function holders of CGD's subsidiaries;
- (c) Following up on the annual reassessment process of the suitability, knowledge, skills, experience and diversity of the management and supervisory bodies as a whole, as well as on the description of the duties and qualifications for the positions in question and analyzing the amount of time to be committed to the exercise of those duties;
- (d) Following up on the annual suitability assessment process of the size, composition and performance of the management and supervisory bodies of CGD subsidiaries and making recommendations on potential changes;
- (e) Following up on the annual assessment process of the knowledge, skills, experience and performance of individual Members of the management and supervisory bodies of CGD subsidiaries and of those bodies as a whole;
- (f) Following up on the selection and assessment process of senior officers for CGD's subsidiaries, in order to timely obtain a recruitment pool of future heads of statutory bodies and Executive Directors;
- (g) Following up on the process of appointment of holders of control functions (compliance, risk and internal audit) and remaining key function holders in CGD subsidiaries.

3.1.5. In the event that the subsidiary has not established a structure equivalent to that of CGD's CNAR, this Committee is responsible for issuing a mandatory prior opinion on the matters referred to in 3.1.4. (b)-(e) and (g).

3.1.6. Concerning remuneration and remuneration policies:

- (a) Annually providing the Shareholders' General Assembly Remuneration Committee ("CRAG") with a proposal for a remuneration policy, including discretionary pension benefits, concerning the Members of CGD's management and supervisory bodies;
- (b) Annually approving and reviewing the corporate remuneration policy, including discretionary pension benefits, of the remaining employees of CGD and CGD's subsidiaries;
- (c) Ensuring that the corporate remuneration policy is implemented and complied with by:
 - (I) all of CGD's employees and all of the identified employees in the remaining Entities within the scope of prudential consolidation, including all branches.
- (d) Annually approving and reviewing the remuneration policy, including discretionary pension benefits, of

the members of the management and supervisory bodies and other employees of all CGD subsidiaries;

- (e) Annually assessing CGD's and CGD Group's remuneration policies and adopting the suitable measures, ensuring that they consider the customers' rights and interests and that they do not create incentives for undermining those interests;
- (f) Ensuring the timely proposal, approval and implementation of a plan containing correction measures to be implemented whenever periodic revisions detect that the remuneration policies do not have the intended or foreseeable effect or whenever recommendations are drafted for that purpose;
- (g) Following up on the process of identifying employees whose professional activities have a significant impact on CGD's risk profile, within an individual and a consolidated perimeter.

3.1.7. CNAR is specifically responsible for:

- (a) Providing support and advice to the Board of Directors concerning the drafting of the remuneration policy of CGD and the CGD Group;
- (b) Providing support to the Board of Directors so as to ensure the overall consistency of the Group's remuneration policies, including the identification processes and their proper implementation on a consolidated, subconsolidated and individual basis;
- (c) Supporting the Board of Directors in overseeing the remuneration policies, practices and processes and the compliance with CGD's and the CGD Group's remuneration policies;
- (d) Assessing, no less than once a year, the implementation of the corporate Remuneration Policies in CGD and its subsidiaries, so as to ascertain compliance with the implemented remuneration policies and procedures;
- (e) Assessing the appointment of external consultants that the Board of Directors decides to hire so as to provide consultancy or support services concerning remuneration;
- (f) Promoting the assessment of the mechanisms and systems adopted to ensure that the remuneration system properly takes into account all types of risks, as well as liquidity and own capital levels, and that the overall remuneration policy is consistent with and promotes sound and effective risk management and is line with the business strategy, objectives, corporate culture and values and the long-term interests of the institution;
- (g) Assessing the achievement of performance targets and the need for ex post risk adjustment, including the implementation of malus and clawback mechanisms;
- (h) Reviewing a number of possible scenarios to test the way in which the remuneration policies and practices react to external and internal events, and back-test the criteria used for determining the award of remuneration and the ex ante risk adjustment based on the actual risk outcomes;
- (i) Directly supervising the remuneration of employees performing control functions and making recommendations on the project for the remuneration package and the amounts of remuneration to be paid to senior staff Members in control functions;
- (j) Following up on and issuing an opinion on the appointment of CGD managers directly reporting to the Board of Directors or any of its Committees (Including the Executive Committee);
- (k) Exercising the remaining powers conferred on the Appointment Committee and the Remuneration Committee, pursuant to Articles 115-B and 115-H of the Legal Framework of Credit Institutions and Financial Companies and to the EBA (European Banking Authority) and ESMA (European Securities Market Authority) Guidelines.
- (l) Performing the functions and duties conferred on CNAR in Regulations, corporate rules and other documents approved by CGD's Board of Directors or Shareholders' General Assembly (inter alia, the internal rules pertaining to remunerations and conflicts of interest and the Regulations of the Shareholders' General Assembly Remuneration Committee).
- (m) Issuing an opinion on the annual centralized and independent assessment report on the Remuneration



Policy, pursuant to Article 44 of Notice No. 3/2020 of the Bank of Portugal, to be submitted to the General Assembly, and to CGD's supervisory body and management body.

- (n) Issuing, within the scope of the self-assessment report, provided for in Article 57(b) of Notice No. 3/2020 of the Bank of Portugal, a duly justified overall opinion on the remuneration policies and practices of the members of the management and supervisory bodies;
- (o) Issuing, within the scope of the group's self-assessment report, provided for in Article 58(1)(d) of Notice No. 3/2020 of the Bank of Portugal, an opinion on the overall coherence of the remuneration policies of its international subsidiaries, pursuant to the provisions of the Legal Framework of Credit Institutions and Financial Companies, and Notice No. 3/2020 of the Bank of Portugal, pointing out potential deficiencies, including those detected by the parent company's internal control functions;
- (p) Assessing, in articulation with the risk management and Compliance functions, periodically and at least once a year, the impact of the remuneration policies of CGD's subsidiaries, on risk management, with particular emphasis on the Institution's capital and liquidity risks, pursuant to Article 53(3) of Notice No. 3/2020 of the Bank of Portugal.
- (q) Performing, whenever necessary directly, the functions of the appointment, assessment and remuneration committees of CGD's subsidiaries.
- (r) Being informed about the communications, namely from supervisory authorities, concerning the Committee's remit.

3.2. CNAR shall:

- (a) Receive regular reports, ad hoc information, communications and opinions from the heads of internal control functions concerning the current risk profile of the institution, its risk culture and its risk limits, as well as on any material breaches that may have occurred, with detailed information and recommendations on corrective measures implemented, to be implemented, or suggested to address those breaches;
- (b) Where necessary, ensure the proper involvement of the internal control functions and other relevant functions and/or receive advice from the human resources and legal affairs division, strategic planning and other relevant functions, as well as from the Audit and Control Committee and the Risk Committee in reviewing CGD's and CGD Group's remuneration policies, so as to ensure harmony with the institution's risk management framework and strategy;
- (c) Follow up on the work carried out by local structures that are equivalent to CGD's CNAR;
- (d) Have access to all information and data that are necessary to perform its role;
- (e) Periodically review and decide on the content, format and frequency of the information on risk reported to it.

4. ACTIVITY PLAN AND ACTIVITY REPORTS

4.1. CNAR shall annually approve the Activity Plan for the following year and submit it to the Board of Directors by 15 (fifteen) December.

4.2. CNAR shall prepare 2 (two) activity reports per year, one concerning the first half-year activity and the other concerning the activity carried out during each calendar year, providing the Board of Directors with information on the Committee's activity.

4.3. The activity reports shall include, inter alia, the assessment of the degree of compliance with the Activity Plan, the main constraints and potential action measures and the activities referred to in paragraphs 8.1 and 8.2 below, and shall be submitted to the Board of Directors by the end of the month following the end of each half of the financial year.

5. MEETINGS

5.1. CNAR shall hold regular meetings at least 11 (eleven) times a year, in different calendar months, and whenever convened by its Chairperson or at the request of any of its Members.

5.2. Meetings of CNAR shall be convened at least 5 (five) days in advance, or on a shorter notice, if necessary, provided that it allows for the timely participation of all Members of the Committee. The meeting may be convened via any written means of communication and sent to the addresses (e-mail or otherwise) provided by the Members of the Committee, or may be addressed by the Chair by simple verbal communication. The scheduling of meetings, with the corresponding date and time, approved during a meeting of CNAR or communicated by the Chairperson of the Committee, is equivalent to convening said meetings.

5.3. The convening of each meeting, to be carried out pursuant to the preceding paragraph, shall be accompanied by information on the Agenda of the meeting.

5.4. The Agenda shall be determined by the Chairperson of CNAR, and any Member of the Committee may request the inclusion of items in the Agenda. This request shall be submitted to the Chairperson as soon as possible before the date of the meeting, together with the corresponding supporting documents.

5.5. Supporting documents for the several Agenda items shall be made available to all Members of CNAR at least 5 (five) days prior to the date of the meeting, preferably at the same time as the notice of the meeting or, if this is not possible, with due notice, so as to allow its timely analysis by the Members of CNAR.

5.6. Unless otherwise indicated in the notice, and without prejudice to the use of telematic means, the meetings of CNAR shall be held at CGD's head office.

5.7. The meetings of CNAR may be held using telematic means, such as videoconference or conference call, provided that CGD ensures the authenticity of the statements and the security of the communications, as well as the recording of the contents and the corresponding participants.

5.8. The meetings of CNAR shall be chaired by its Chairperson, or, in his/her absence or impediment, by the Member of the Committee appointed for that purpose by the other Members,

5.9. The Company Secretary and the Head of the Corporate Support Division shall appoint the Secretary of the Committee, who will be responsible for providing technical advice and supporting the conduction of the meetings.

5.10. In addition to the Members of CNAR, Directors, company officers or third parties may also be present at the meetings, provided they are invited or authorized by the Chairperson or his/ her alternate at such meeting, whenever suitable, in view of the matters to be discussed.

6. RESOLUTIONS

6.1. CNAR may not deliberate without the presence or representation of the majority of its Members.

6.2. The decisions of CNAR shall be made by simple majority of the votes cast, the Chairperson or his/her alternate having a casting vote in the event of a tie.

7. MINUTES

7.1. Minutes of all meetings of CNAR shall be drafted and include the information provided for in the applicable rules, namely, the identification of the Company, the place, date, time and duration of the meeting, the name, function and signatures of all of the attendees, as well as a specific mention to their form of participation and to the members that were not present, the presented proposals and the corresponding supporting documents.

7.2. Minutes of CNAR shall also contain the debates, comments and contributions provided by its members and



by all participants during the meeting, the deliberations made and the corresponding rationale/justification, and the explanations of vote provided by any member during the meeting, the description of potential recommendations made and the identification of subjects that require follow-up during future meetings.

7.3. The minutes shall be drafted and approved by the Members present at the meeting as shortly after the meeting or during the subsequent meeting, and shall also be signed by the person who acted as secretary.

7.4. All minutes of CNAR meetings shall be kept in the corresponding minutes book, by paper or electronic means, according to the Company's logistics, and a copy of each minutes shall be filed in a secure digital format with restricted access.

7.5. The minutes shall be drafted in Portuguese, without prejudice of English translations being provided where necessary.

8. ARTICULATION WITH THE BOARD OF DIRECTORS, THE EXECUTIVE COMMITTEE, THE BOARD OF DIRECTORS' SPECIAL COMMITTEES AND THE COMPANY'S MANAGEMENT BODIES

8.1. The articulation between CNAR and the Board of Directors, the Executive Committee and the other Special Committees of the Board of Directors shall be ensured by the Chairperson of CNAR and by the Chairpersons of each of the bodies concerned.

8.2. The articulation with the other Special Committees may also be ensured through:

- (a) The participation of Members of CNAR in those Committees;
- (b) The occasional attendance of Members of CNAR in the meetings of other Committees;
- (c) The sharing of Agendas and minutes of CNAR meetings with the remaining Special Committees.

8.3. Without prejudice to other established procedures, CNAR, whenever deemed appropriate, may request that the heads of CGD's Divisions provide the necessary information for the performance of its duties, including information concerning Group Entities.

9. SUPPORT STRUCTURES

9.1. CNAR may use any means at its disposal, including hiring external consultants, and use the necessary funds for that purpose.

9.2. CNAR may appoint, whenever deemed necessary, one or more resources, with acquired experience in its areas of responsibility, so as to provide information and carry out projects supporting the corresponding assessments and conclusions.

10. CONFLICTS OF INTEREST

The prevention and management of situations that constitute actual or potential conflicts of interest is regulated by the Global Conflict of Interest Prevention and Management Policy in force at CGD, published in the Internal Standards System.

11. AMENDMENTS

- 11.1.** Amendments to these Regulations shall be approved by the majority of the Members of the Board of Directors.
- 11.2.** Without prejudice to the remit of the Board of Directors, CNAR shall submit proposals for the revision of these Regulations whenever deemed necessary.

12. FINAL PROVISIONS

- 12.1.** The provisions of the Regulations of the Board of Directors shall apply to all matters not provided for in these Regulations.
- 12.2.** In case of conflict between the articles of these Regulations and the Regulations of the Board of Directors, the provisions of the latter shall prevail.



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