CAIXA GERAL DE DEPÓSITOS S.A.
RISK COMMITTEE
REGULATIONS

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REGULATIONS OF THE RISK COMMITTEE

1. OBJECT

These Regulations of the Risk Committee of Caixa Geral de Depósitos, S.A. ("CGD") set out its rules in terms of powers, organization and operation, in addition to all legal and statutory provisions, with which its interpretation shall comply.

2. APPOINTMENT AND COMPOSITION

2.1 The members of the Risk Committee shall be appointed by the Board of Directors, which shall also appoint its Chairman, who shall not chair any other Committee of the Board of Directors.

2.2. The Risk Committee is composed of 3 (three) to 6 (six) members of the Board of Directors who are not members of the Executive Committee.

3. POWERS AND FUNCTIONS

3.1 It is incumbent upon the Risk Committee:

a) To monitor the CGD’s risk strategy and risk appetite, both in the individual and the consolidation perimeters;
b) To advise the Board of Directors on risk appetite and the general, current and future risk strategy of credit institutions;
c) To provide support to the Board of Directors in supervising the implementation of CGD’s risk strategy, in the domestic and the consolidation perimeters, by the statutory bodies;
d) To analyze whether the terms of the products and services offered to customers take into account CGD’s and the CGD Group's business model and risk strategy, including in the domestic and the consolidation perimeters, and submitting a correction plan to the Board of Directors, in case the analysis reveals that these conditions do not clearly show their risks;
e) To examine whether the incentives established in CGD’s remuneration policy, including the domestic and consolidation perimeters, take into account capital risk, liquidity and expectations concerning results;
f) To follow-up on management policies pertaining to all CGD’s risk and the risks connected with its activities, both financial and non-financial (excluding compliance risk), namely liquidity, interest rate, exchange rate, market, credit, operational, reputational and ICT risks, notwithstanding the Supervisory Board’s responsibilities in these areas;
g) To perform the remaining functions assigned to the Risk Committee provided for in Article 115-L (1) of the Legal Framework of Credit Institutions and Financial Companies (RGICSF, in Portuguese).

3.2. The Risk Committee is particularly responsible for:
a) Advising the Board of Directors on the CGD Group's general policies, both current and future, regarding risk taking, management, control, hedging and reduction factors;
b) Analyzing specific risk categories, including credit risk and the remaining risks mentioned in Articles 115-N to 115-V of the RGICSF by monitoring and evaluating the risk of non-compliance with the obligations to which CGD, both in the domestic and in the consolidation perimeters, is subject by law or by the Supervisory Authorities;

c) Analyzing the adequacy of the allocation of resources to the management of risks regulated under the Legal Framework of Credit Institutions and Financial Companies and other national and European legislation in force; Reviewing the processes, methodologies and models for assessing assets and external risk ratings, as well as the most significant processes of risk rating and estimation;

d) Reviewing the processes, methodologies and models for assessing assets and external risk ratings, as well as the models related to those risks, and approving the most significant aspects of the corresponding procedures.

3.3. As part of the competences referred to in the previous paragraphs, it is incumbent upon the Risk Committee to monitor:

a) With regard to financial risks:
   (i) Liquidity management and the medium- and long-term financing plan, including the contingency liquidity plan;
   (ii) Market risks, interest rates, settlement of exchange and credit operations associated with derivatives;
   (iii) Risks associated with the bond, equity and other security portfolios;
   (iv) Available financial assets at Banco de Portugal and European Central Bank;
   (v) The status, investments and liabilities in CGD's Pension Fund.

b) With regard to credit risks:
   (i) The evolution of the loan portfolio and defaults therein;
   (ii) The analysis of defaults involving amounts in excess of € 250,000.00 (two hundred and fifty thousand euros);
   (iii) The evolution of impairments;
   (iv) The analysis of the 50 (fifty) largest impairments;
   (v) The evolution and analysis of companies without impairment;
   (vi) The evolution of credit risks by class:
      • above € 10,000,000.00 (ten million euros) and under € 25,000,000.00 (twenty-five million euros);
      • above € 25,000,000.00 (twenty-five million euros) and under € 75,000,000.00 (seventy-five million euros) and under € 75,000,000.00 (seventy-five million euros) and under € 300,000,000.00 (three hundred million euros);
      • above € 300,000,000.00 (three hundred million euros);
   (vii) The analysis of the sectors with the highest risk, as designated by the Risk Committee for this purpose at any given time;
   (viii) The evolution of real estate received as payment and impairment thereof in excess of € 250,000,000.00 (two hundred and fifty million euros);
   (ix) The risk of total gross credit exposure for each borrower, including all companies that, at any given time, are in a controlling or group relationship with the borrower, regardless of the location of their registered office, main office or effective headquarters of their administration or
principal place of business, as well as for interconnected groups of customers;
(x) The risk exposure to the State, including, without limitation, municipalities and public companies, when exceeding 10 (ten) percent of CGD’s own funds, as per the last audited and approved balance sheet;

c) With regard to operational risk:
(i) The operational risk management model and the effectiveness of operational procedures;
(ii) The effectiveness and adequacy of information systems, in particular as regards the documentation of applications and the security of data, applications and equipment;
(iii) The suitability of the asset management and monitoring model to ensure their security and control;
(iv) The control of the risks inherent to outsourcing activities;
(v) The aggregate amounts of operating losses incurred, the most relevant claims and, on an immediate basis, any individual losses in excess of € 200,000.00 (two hundred thousand euros);
(vi) The development and updating of the business continuity plan;
(vii) The reliability of the management information system, both in the areas of business and budget control, and risk control;

3.4. To issue a written opinion on any operation resulting in a gross total exposure (i) to a non-sovereign entity (including, for this purpose, all companies in a control or group relationship, regardless of the location of their registered office, main office or effective headquarters of their administration or principal place of business (i) in excess of € 300,000,000.00 (three hundred million euros) or (ii) to one of the sovereign entities listed in Annex II (Sovereign Entities) of the Regulations of the Executive Committee in excess of 10 (ten) percent of CGD’s consolidated equity, as per the latest audited and approved balance sheet.

3.5. The Risk Committee shall also:

   a) Monitor the internal risk measurement and own fund calculation models;
   b) Monitor the rules issued by European Institutions, the Bank of Portugal and other international supervisory authorities on financial risk;
   c) Monitor the rating processes;
   d) Define and update an action plan on all the risks.

3.6. The Risk Committee shall exercise its powers in constant interaction and communication with the Risk Management Division, the Rating Division, the Models Validation Office, the Credit Risk Division, the Chairman of the Board of Directors and the CGD Administrator in charge of risk management (Chief Risk Officer) and the CGD Administrator in charge of credit risk management.

3.7. The Risk Committee shall have access to the risk information of CGD and the CGD Group and, whenever necessary and suitable, to the risk management function and to external expert advice and may determine the nature, amount, format and frequency of the risk information it requires.
3.8. Without prejudice to the duty to immediately report to the Board of Directors any detected situations considered as entailing high risk, the Risk Committee shall prepare a quarterly report providing the Board of Directors with information on its activity, which must be submitted within a maximum of 30 (thirty) days from the end of each calendar quarter.

3.9. The Risk Committee shall establish internal communication procedures with the Board of Directors and the Executive Committee.

4. MEETINGS

4.1. The Risk Committee shall have regular meetings, at least [11] times a year, in different months, as well as whenever convened by its Chairman or at the request of any of its Members.

4.2. The Risk Committee meetings shall be convened with at least 5 (five) days before the session or with a shorter notice, whenever necessary, provided that it allows all the Members of the Committee to participate. The notice of the meeting can be written through any means of communication and sent to the addresses (mail, e-mail, inter alia), provided by the Members of the Risk Committee, or verbally. The scheduling of the meetings, with a date and an hour, approved during a meeting of the Risk Committee or convened by its Chair, is equivalent to a meeting notification.

4.3. The notification for each meeting, to be sent under the terms laid out on the previous paragraph, a written notification shall include the corresponding Agenda.

4.4. The supporting material concerning the different items of the agenda shall be submitted to all the Members of the Risk Committee with a 5 (five) days’ notice or, in case it is impossible to meet this deadline, within a timeframe that allows for a timely assessment of the documents.

4.5. In cases where a different location is designated in the respective notice, meetings of the Risk Committee shall be held at CGD’s head office.

4.6. The meetings of the Risk Committee may be held using telematic means, such as video-conference or conference call, provided that CGD ensures the authenticity of the representations and the security of the communications, and keeps a register of the contents and the respective participants.

4.7. The meetings of the Risk Committee shall be presided over by the respective Chairman, or, in case he cannot attend, by a member of the Committee elected by the other members.

4.8. CGD’s Secretary, or a person appointed for that purpose, shall support the functioning of the Risk Committee and the holding of its meetings.

5. MINUTES

5.1. Minutes of all the meetings of the Risk Committee shall be drawn up and include the information provided for in the applicable rules, namely the company’s name, the place, the date, the time and the length, the names of the Members and remaining attendees, their speeches during the meeting,
the proposals presented and the votes cast, the discussions, comments and contributions made by its Members and by all participants from Divisions of CGD or Group companies during the meeting, and resolutions adopted, expressly stating the respective justification/basic rationale and any explanations of vote made by the Members during the meeting.

5.2. Draft minutes shall be drawn up, approved and signed, in the shortest possible time after the meeting or during the subsequent meeting.

5.3. All minutes of the meetings of the Risk Committee shall be kept in in the corresponding minutes book, by paper means or by electronic means, according to what was established by the company, and a copy of each minutes shall be stored in secure and restricted-access paper and electronic form.

5.4. Minutes shall be drawn up in Portuguese with an incorporated English translation.

6. SUPPORT STRUCTURES

The Risk Committee may appoint, when it deems it necessary, one or more supporting elements with experience in the areas of their competence, to provide information and perform works with a view to substantiating its analyses and conclusions, provided the associated costs are provided for in CGD's budget.

7. CONFLICTS OF INTEREST

The Global Conflicts of Interest Prevention and Management Policy that is in force in CGD and published in the Bank’s Internal Normative System, is applicable to the prevention and the management of situations that are identified as an existing or potential case of conflicts of interest.”

8. AMENDMENTS AND FINAL PROVISIONS

8.1 The amendments to these Regulations shall be approved by the Board of Directors.

8.2. In all situations not provided for in these Regulations, the provisions of the Regulations of the Board of Directors shall apply.

8.3. In case of conflict between any of the provisions of these Regulations and those of the Regulations of the Board of Directors, the provisions of the latter shall prevail.