CAIXA GERAL DE DEPÓSITOS, S.A.
(incorporated with limited liability in Portugal)

€15,000,000,000 COVERED BONDS PROGRAMME
BASE PROSPECTUS

Caixa Geral de Depósitos, S.A. (the "**Issuer**" or "**CGD**"), incorporated under Portuguese law, with a fully paid-up share capital of €4,525,714,495 represented by 905,142,899 ordinary shares with a nominal value of €5 each, with head-office at Av. João XXI, no. 63, 1000-300 Lisbon and registered under the sole registration and taxpayer number 500 960 046 with the Commercial Registry Office of Lisbon, is an authorised credit institution for the purposes of Decree-Law 31/2022, of 6 May 2022 (the "**Legal Regime of Covered Bonds**"). The Covered Bonds (as defined below) will constitute covered bonds for the purposes, and with the benefit, of the Legal Regime of Covered Bonds.

Under this €15,000,000,000 Covered Bonds Programme (the "**Programme**") described in this base prospectus (the "**Base Prospectus**"), as further supplemented, the Issuer may from time to time issue covered bonds (the "**Covered Bonds**") denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below).

Covered Bonds will be issued in nominative form (*nominativas*) and will be represented in book-entry form (*forma escritural*). The maximum aggregate nominal amount of all Covered Bonds from time to time outstanding under the Programme will not exceed €15,000,000,000 (or its equivalent in other currencies calculated as described herein), subject to increases as described under Overview of the Covered Bonds Programme. Covered Bonds may be issued on a continuing basis to one or more of the Dealers specified herein and any additional Dealer appointed under the Programme from time to time by the Issuer (each a "**Dealer**" and together, the "**Dealers**"), which appointment may be for a specific issue or on an on-going basis. References in this Base Prospectus to the relevant Dealer shall, in the case of an issue of Covered Bonds being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to purchase such Covered Bonds.

See *Risk Factors* for a discussion of certain risk factors to be considered in connection with an investment in the Covered Bonds.

This Base Prospectus comprises a base prospectus for the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended (the "**Prospectus Regulation**").

This Base Prospectus has been approved by the *Comissão do Mercado de Valores Mobiliários* (the "**CMVM**"), as competent authority under the Prospectus Regulation. The CMVM only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the quality of the Covered Bonds that are subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Covered Bonds. Such approval relates only to Covered Bonds which are to be admitted to trading on a regulated market for the purposes of Directive 2014/65/EU (as amended, "MiFID II") and/or which are to be offered to the public in any Member State of the European Economic Area ("**EEA**").

This Base Prospectus (as supplemented as at the relevant time, if applicable) is valid for a period of 12 months from the date of approval. The Issuer will, in the event of any significant new factor, material mistake or material inaccuracy relating to information included in this Base Prospectus which may affect the assessment of any Covered Bonds, prepare and publish a supplement to this Base Prospectus in accordance with Article 23 of the Prospectus Regulation. The obligation to prepare a supplement to this Base Prospectus in the event of any significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid.

Application will or has been made to Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A. ("**Euronext**") for the admission of Covered Bonds issued under the Programme to trading on the regulated market of Euronext Lisbon ("**Euronext Lisbon**") and to the official list of Euronext Lisbon (the "**Official List**").

References in this Base Prospectus to Covered Bonds being "listed" (and all related references) shall mean that such Covered Bonds have been admitted to trading on Euronext Lisbon. The Issuer may also issue unlisted Covered Bonds and/or Covered Bonds not admitted to trading on any stock exchange.

The Covered Bonds have not been, and will not be, registered under the United States Securities Act 1933, as amended (the "**US Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S under the Securities Act (the "**Regulation S**") unless an exemption from the registration requirements of the Securities Act is available and in accordance with all applicable securities laws of any state of the United States and any other jurisdiction (see section entitled "*Subscription and Sale*").

The Issuer has been assigned a long-term debt rating of "Baa1" with a stable outlook from Moody's Investors Service España, S.A ("**Moody's**"), "BBB" with a stable outlook from Fitch Ratings Ireland Limited ("**Fitch**") and "BBB (high)" with a stable trend from DBRS Ratings GmbH ("**DBRS**"). Moody's, Fitch and DBRS are established in the European Union (the "**EU**") and registered or certified under the Regulation (EC) no. 1060/2009 on credit agencies (the "**CRA Regulation**") and are, as of the date of this Base Prospectus, included in the list of credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website (https://www.esma.europa.eu/supervision/credit-rating-agencies/risk) in accordance with the CRA Regulation.

Series of Covered Bonds to be issued under the Programme will be rated or unrated. Where a Series of Covered Bonds is to be rated, such rating will be disclosed in the relevant Final Terms and will not necessarily be the same as the rating assigned to any Covered Bonds already issued. **A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.**

Arranger

Barclays

Co-Arranger

Caixa – Banco de Investimento

Dealers

Barclays	**BNP PARIBAS**
BofA Securities	**Caixa – Banco de Investimento, S.A.**
Citigroup	**Commerzbank**
Crédit Agricole CIB	**HSBC**
Deutsche Bank	**ING**
J.P. Morgan	**Mediobanca**
Morgan Stanley	**NATIXIS**
Nomura	**Société Générale Corporate & Investment Banking**
NatWest Markets	**UBS Investment Bank**
UniCredit	

This Base Prospectus is dated 28 November 2023.

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IMPORTANT INFORMATION RELATING TO THE USE OF THIS BASE PROSPECTUS AND THE OFFER OF COVERED BONDS GENERALLY

In connection with the issue of any Tranche of Covered Bonds (as defined in *Overview of the Covered Bonds Programme*), the Dealer or Dealers (if any) named as the stabilisation manager(s) (the "**Stabilisation Manager(s)**") (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms may over-allot Covered Bonds or effect transactions with a view to supporting the market price of the Covered Bonds at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Covered Bonds is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Covered Bonds and 60 days after the date of the allotment of the relevant Tranche of Covered Bonds. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS

If the Final Terms in respect of any Covered Bonds include a legend entitled "Prohibition of Sales to EEA Retail Investors", such Covered Bonds are not intended to be offered, sold or otherwise made available to and, should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II, (ii) a customer within the meaning of Directive (EU) 2016/97 of the European Parliament and of the Council of 20 January 2016 on insurance distribution (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II, or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, where such restriction applies, no key information document required by Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA has been or will be prepared and, therefore, offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation. If a key information document has been prepared and made available by the Issuer in respect of any Covered Bonds, the relevant Final Terms will specify that a key information document has been made available.

PROHIBITION OF SALES TO UK RETAIL INVESTORS

If the Final Terms in respect of any Covered Bonds include a legend titled "Prohibition of Sales to UK Retail Investors", such Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Commission Delegated Regulation (EU) 2017/565, as amended (the "**Regulation 2017/565**") as it forms part of the UK domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended ("**EUWA**"), (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 ("**FSMA**") and any rules or regulations made under the FSMA to implement the Insurance

Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014, as amended (the "**Regulation 600/2014**") as it forms part of UK domestic law by virtue of the EUWA, or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of UK domestic law by virtue of the EUWA (the "**UK Prospectus Regulation**"). Consequently, where such restriction applies, no key information document required by the PRIIPs Regulation as it forms part of UK domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Covered Bonds or otherwise making them available to retail investors in the UK has been or will be prepared and, therefore, offering or selling the Covered Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation. If a key information document has been prepared and made available by the Issuer in respect of any Covered Bonds, the relevant Final Terms will specify that a key information document has been made available.

MiFID II PRODUCT GOVERNANCE / TARGET MARKET – The Final Terms in respect of any Covered Bonds may include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Covered Bonds and which channels for distribution of the Covered Bonds are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID II Product Governance Rules under Commission Delegated Directive (EU) 2017/593, of 7 April 2016 (the "**MiFID II Product Governance Rules**"), any Dealer subscribing for any Covered Bonds is a manufacturer in respect of such Covered Bonds, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID II Product Governance Rules.

UK MiFIR PRODUCT GOVERNANCE / TARGET MARKET – The Final Terms in respect of any Covered Bonds may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Covered Bonds and which channels for distribution of the Covered Bonds are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a "**UK distributor**") should take into consideration the target market assessment; however, a UK distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Covered Bonds is a manufacturer in respect of such Covered Bonds, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

EU BENCHMARKS REGULATION

Amounts payable on Floating Rate Covered Bonds may be calculated by reference to the Euro Interbank Offered Rate ("**EURIBOR**") as specified in the relevant Final Terms. As at the date of this Base Prospectus, the administrator of EURIBOR (the European Money Markets Institute ("**EMMI**")) is included in the register of administrators and benchmarks established and maintained by the ESMA pursuant to Article 36 of Regulation (EU) 2016/1011 (as amended, the "**EU Benchmarks Regulation**").

SINGAPORE SFA PRODUCT CLASSIFICATION: in connection with Section 309B of the Securities and Futures Act 2001 of Singapore (as amended or modified from time to time, the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), unless otherwise specified before an offer of the Covered Bonds, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Covered Bonds are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

PROJECTIONS, FORECASTS AND ESTIMATES

Forward-looking statements, including estimates, and any other projections or forecasts in this document are necessarily speculative in nature and some or all of the assumptions underlying the forward-looking statements may not materialise or may vary significantly from actual results.

PROSPECTIVE INVESTORS SHOULD HAVE REGARD TO THE FACTORS DESCRIBED IN THE SECTION HEADED "RISK FACTORS" HEREIN

The Covered Bonds may not be a suitable investment for all investors. Each potential investor in Covered Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should consider, either on its own or with the help of its financial and other professional advisers, whether it:

(a) has sufficient knowledge and experience to make a meaningful evaluation of the Covered Bonds, the merits and risks of investing in the Covered Bonds and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;

(b) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Covered Bonds and the impact the Covered Bonds will have on its overall investment portfolio;

(c) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Covered Bonds, including Covered Bonds with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the currency in which such potential investor's financial activities are principally denominated;

(d) understands thoroughly the terms of the Covered Bonds and is familiar with the behaviour of any relevant indices and financial markets; and

(e) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisors to determine whether and to what extent (1) Covered Bonds are legal investments for it, (2) Covered Bonds can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Covered Bonds. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Covered Bonds under any applicable risk-based capital or similar rules.

ALTERNATIVE PERFORMANCE MEASURES

This Base Prospectus and the documents incorporated by reference in this Base Prospectus contain certain management measures of performance or alternative performance measures ("**APMs**"), which are used by management to evaluate the Issuer's overall performance. These APMs are not audited, reviewed or subject to review by the Issuer's auditors and are not measurements required by, or presented in accordance with, International Financial Reporting Standards (as adopted by the EU ("**IFRS-EU**"). Accordingly, these APMs should not be considered as alternatives to any performance measures prepared in accordance with IFRS-EU.

Many of these APMs are based on the Issuer's internal estimates, assumptions, calculations, and expectations of future results and there can be no guarantee that these results will actually be achieved. Accordingly, investors are cautioned not to place undue reliance on these APMs.

Furthermore, these APMs, as used by the Issuer, may not be comparable to other similarly-titled measures used by other companies. Investors should not consider such APMs in isolation, as alternatives to the information calculated in accordance with IFRS-EU, as indications of operating performance or as measures of the Issuer's profitability or liquidity. Such APMs must be considered only in addition to, and not as a substitute for or superior to, financial information prepared in accordance with IFRS-EU and investors are advised to review these APMs in conjunction with the audited consolidated annual financial statements incorporated by reference in this Base Prospectus.

The description (including definitions, explanations and reconciliations) of all APMs are set out in the "Alternative Performance Measures" section of the unaudited condensed consolidated financial statements of the Issuer for the first semester of 2023 and the audited consolidated financial statements of the Issuer in respect of the financial year ended 31 December 2022 which are all incorporated by reference into this Base Prospectus.

OVERVIEW OF THE COVERED BONDS PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Covered Bonds, the applicable Final Terms. The Issuer and any relevant Dealer may agree that Covered Bonds shall be issued in a form other than that contemplated in the Terms and Conditions, in which event, in the case of listed Covered Bonds, a new Base Prospectus will be published.

This overview constitutes a general description of the Programme for the purposes of the Prospectus Delegated Regulations, notably Article 25(1)(b) of Commission Delegated Regulation (EU) no. 2019/980.

Description:	Covered Bonds Programme.
Programme Size:	The maximum aggregate nominal amount of all Covered Bonds from time to time outstanding under the Programme will not exceed €15,000,000,000 (or its equivalent in other currencies calculated as described herein). The Issuer will have the option at any time to increase the amount of the Programme, subject to compliance with the relevant provisions of the Programme Agreement.
Maximum period for which Covered Bonds may be issued under the Programme:	50 years.
Issuer:	Caixa Geral de Depósitos, S.A.
Auditor:	The Issuer's auditor is Ernst & Young Audit & Associados, SROC, S.A., member of the Portuguese Institute of Statutory Auditors (*Ordem dos Revisores Oficiais de Contas*) with registration number 178, registered with the CMVM with registration number 20161480, with registered office at Avenida da República, no. 90, 6, 1600-206, Lisboa.
Arranger:	Barclays Bank Ireland PLC.
Co-Arranger:	Caixa – Banco de Investimento, S.A. (together with the Arranger, the "**Arrangers**").

Dealers:	Barclays Bank Ireland PLC, BNP Paribas, BofA Securities Europe SA, Caixa–Banco de Investimento, S.A., Citigroup Global Markets Europe AG, Commerzbank Aktiengesellschaft, Crédit Agricole Corporate and Investment Bank, Deutsche Bank Aktiengesellschaft, HSBC Continental Europe, S.A., ING Bank, N.V., J.P. Morgan SE, Mediobanca – Banca di Credito Finanziario S.p.A., Morgan Stanley Europe SE, Natixis, NatWest Markets N.V., Nomura Financial Products Europe GmbH, Société Générale, UBS Europe SE and UniCredit Bank AG, and any other Dealer(s) appointed from time to time by the Issuer in accordance with the Programme Agreement
Common Representative:	Deutsche Trustee Company Limited, in its capacity as representative of the holders of the Covered Bonds pursuant to Article 28 of the Legal Regime of Covered Bonds in accordance with the Terms and Conditions and the terms of the Common Representative Appointment Agreement, having its registered office at Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom.
Agent:	Caixa Geral de Depósitos, S.A., in its capacity as Agent, with head office at Av. João XXI, no. 63, 1000-300 Lisboa.
Paying Agent:	Caixa Geral de Depósitos, S.A., in its capacity as Paying Agent, with head office at Av. João XXI, no. 63, 1000-300 Lisboa, and any other Paying Agent appointed from time to time by the Issuer in accordance with the Programme Documents.
Cover Pool Monitor:	PricewaterhouseCoopers & Associados, member of the Portuguese Institute of Statutory Auditors (*Ordem dos Revisores Oficiais de Contas*) under number 183, registered with the CMVM with registration number 20161485, with its registered office at Palácio Sottomayor, Rua Sousa Martins, no. 1, 3rd, 1069-316 Lisbon, Portugal. *See Cover Pool Monitor*.
Accounts Bank:	Caixa Geral de Depósitos, S.A., in its capacity as Accounts Bank, with head office at Av. João XXI, no. 63, 1000-300 Lisboa.

Hedge Counterparties:	The parties or party (each, a "**Hedge Counterparty**" and together, the "**Hedge Counterparties**") that, from time to time will enter into Hedging Contracts with the Issuer in accordance with the Legal Regime of Covered Bonds.
Risk Factors:	There are certain factors that may affect the Issuer's ability to fulfil its obligations under the Covered Bonds issued under the Programme. Some of these factors are related to the Issuer's business activities, financial condition or results of operations. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Covered Bonds issued under the Programme. All of these are set out under "Risk Factors".
Distribution:	Covered Bonds may be distributed by way of private placement and on a non-syndicated or syndicated basis. The method of distribution of each Tranche of Covered Bonds will be stated in the applicable Final Terms.
Certain Restrictions:	Each issue of Covered Bonds denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time. See *Subscription and Sale and Secondary Market Arrangements*.
Currencies:	Subject to compliance with relevant laws and the relevant currency being accepted by Interbolsa at the time, Covered Bonds may be issued in any currency agreed between the Issuer and the relevant Dealer(s) (as set out in the applicable Final Terms).

Ratings:	The rating of certain Series of Covered Bonds to be issued under the Programme may be specified in the applicable Final Terms. Whether or not each credit rating applied for in relation to or assigned to a relevant Series of Covered Bonds will be (1) issued or endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation or by a credit rating agency which is certified under the CRA Regulation and/or (2) issued or endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or by a credit rating agency which is certified under the UK CRA Regulation will be disclosed in the applicable Final Terms. The rating of Covered Bonds will not necessarily be the same as the rating applicable to the Issuer. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation. A rating addresses the likelihood that the holders of Covered Bonds will receive timely payments of interest and ultimate repayment of principal at the Maturity Date or the Extended Maturity Date, as applicable.
Listing and Admission to Trading:	Application will or has been made to Euronext for the admission of Covered Bonds issued under the Programme to trading on Euronext Lisbon. Under the Programme, the Issuer may also issue unlisted Covered Bonds and/or Covered Bonds not admitted to trading on any stock exchange.
Selling Restrictions:	There are restrictions on the offer, sale and transfer of the Covered Bonds in the United States, the EEA (including Belgium), the UK, Singapore, Switzerland and Japan as set out in Subscription and Sale and Secondary Market Arrangements and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Covered Bonds in a particular jurisdiction, which will be set out in the relevant Final Terms. *See Subscription and Sale and Secondary Market Arrangements.*

United States Selling Restriction: The Covered Bonds have not been and will not be registered under the US Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S unless an exemption from the registration requirements of the US Securities Act is available and in accordance with all applicable securities laws of any state of the United States and any other jurisdiction. See *Subscription and Sale and Secondary Market Arrangements*.

Use of Proceeds: Proceeds from the issue of Covered Bonds will be used by the Issuer for its general corporate purposes, or as otherwise identified in the applicable Final Terms.

Status of the Covered Bonds: The Covered Bonds will constitute direct, unconditional, unsubordinated and secured obligations of the Issuer and will rank *pari passu* among themselves. The Covered Bonds will be covered bonds issued by the Issuer in accordance with the Legal Regime of Covered Bonds and, accordingly, will be secured by cover assets that comprise a cover assets pool maintained by the Issuer in accordance with the terms of the Legal Regime of Covered Bonds, and will rank *pari passu* with all other obligations of the Issuer under covered bonds issued or to be issued by the Issuer pursuant to the Legal Regime of Covered Bonds. See *Characteristics of the Cover Pool*.

Clearing Systems: Covered Bonds will be integrated in and held through Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A. ("**Interbolsa**"), as operator of the CVM. The appropriate ISIN for each Tranche of Covered Bonds allocated by Interbolsa will be specified in the Final Terms.

Form of the Covered Bonds: The Covered Bonds will be in book-entry form and in nominative form (*nominativas*), and thus title to such Covered Bonds will be evidenced by book entries in accordance with the provisions of the Portuguese Securities Code and the applicable CMVM regulations. No physical document of title will be issued in respect of Covered Bonds. See *Form of the Covered Bonds and Interbolsa*.

Transfer of Covered Bonds:	The Covered Bonds may be transferred in accordance with the applicable procedures established by the Portuguese Securities Code (or under any legislation which may replace or complement it in this respect from time to time) and the provisions of Interbolsa regulations. The transferability of the Covered Bonds is not restricted.
Maturities:	The Covered Bonds will have such maturities as may be agreed between the Issuer and the relevant Dealer(s) and as set out in the applicable Final Terms, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body), the Legal Regime of Covered Bonds or any laws or regulations applicable to the Issuer or the relevant Specified Currency. See also *Extended Maturity Date*.

Extended Maturity Date:	The applicable Final Terms may provide that an Extended Maturity Date applies to a Series of the Covered Bonds which corresponds to at least one year after the applicable Maturity Date. If an Extended Maturity Date is specified in the applicable Final Terms, the maturity of the relevant Series of Covered Bonds will be automatically extended to the Extended Maturity Date if either (i) the Issuer fails to redeem the relevant Series of Covered Bonds or to pay interest due on the applicable Maturity Date and it is foreseeable (as determined by the Issuer) that such failure will continue for 5 Business Days thereafter or (ii) the authorisation of the Issuer as a credit institution is revoked by the competent banking supervisory authority. In each case of extension of maturity referred to above, a notice thereof shall be given to the CMVM, all as further described in Condition 6.7 (*Extension of Maturity up to Extended Maturity Date*) of the Terms and Conditions. If within 10 calendar days of receiving such notice, CMVM objects to such extension of maturity, the extension of maturity will then cease to apply and the relevant Series of Covered Bonds will become immediately due and payable at its Final Redemption Amount together with any accrued interest determined pursuant to the Terms and Conditions. In respect of any Series of Covered Bonds, in case of liquidation or resolution of the Issuer, no extension to an Extended Maturity Date will (i) affect the ranking between any holders of Covered Bonds or (ii) invert the sequencing of the original maturity schedule of Covered Bonds. See Condition 6.7 (*Extension of Maturity up to Extended Maturity Date*) of the Terms and Conditions.
Issue Price:	The Covered Bonds may be issued on a fully-paid basis and at an issue price which is at par or at a discount to, or premium over, par, as specified in the applicable Final Terms.
Events of Default:	Issuer insolvency, as further described in Condition 9 (*Insolvency Event and Enforcement*).
Negative Pledge:	None.

Cross Default:	None.
Guarantor:	None.
Fixed Rate Covered Bonds:	Fixed interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer(s) and on redemption and will be calculated on the basis of such day count fraction as may be agreed between the Issuer and the relevant Dealer(s) (as set out in the applicable Final Terms).
Floating Rate Covered Bonds:	Floating Rate Covered Bonds will bear interest determined separately for each Series as follows: • on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions or the latest version of 2021 ISDA Definitions, including each Matrix (as defined therein), as specified in the applicable Final Terms; or • on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service. Interest on Floating Rate Covered Bonds in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer(s), will be payable on such dates, and will be calculated on the basis of such day count fraction, as may be agreed between the Issuer and the relevant Dealer. The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer(s) for each Series of Floating Rate Covered Bonds. Interest periods will be specified in the applicable Final Terms. Floating Rate Covered Bonds may also have a maximum interest rate, a minimum interest rate or both.
Zero Coupon Covered Bonds:	Zero Coupon Covered Bonds may be offered and sold at a discount to their nominal amount and will not bear interest.

Redemption:	The applicable Final Terms relating to each Tranche of Covered Bonds will specify either (i) that the relevant Covered Bonds cannot be redeemed prior to their stated maturity or extended maturity, or (ii) that the relevant Covered Bonds will be redeemable at the option of the Issuer and/or the holder of Covered Bonds upon giving notice to the holder of Covered Bonds or the Issuer, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer(s).
Denomination of the Covered Bonds:	Covered Bonds will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s), as specified in the applicable Final Terms, subject to compliance with the applicable legal and/or regulatory and/or central bank requirements and provided that each Series will have Covered Bonds of one denomination only.
Minimum Denomination:	The Covered Bonds to be issued on or after the date hereof will be issued in denomination per unit not lower than €100,000 (or its equivalent in another currency) as specified in the relevant Final Terms, unless the Covered Bonds will not be distributed to the public or admitted to trading on a regulated market, in which case lower denominations per unit may apply.
Benchmark Discontinuation:	In the event a Benchmark Event occurs, such that any rate of interest (or any component part thereof) cannot be determined by reference to the original benchmark specified in the relevant Final Terms, then such rate of interest may be substituted (subject to certain conditions) with a Successor Rate or Alternative Reference Rate (with the application of an Adjustment Spread (which could be positive, negative or zero)).

Taxation of the Covered Bonds:	All payments of principal and interest in respect of the Covered Bonds will be made subject to any legally applicable Tax withholding or deductions (notably in relation to residents for tax purposes in Portugal), except if any Tax withholding exemption or waiver applies, in which case such payments of principal and interest in respect of the Covered Bonds shall be made free and clear of, and without withholding or deduction for, Taxes (investors being in any case required to comply with the applicable obligations). The Issuer will not be obliged to make any additional payments in respect of any such withholding or deduction imposed. In order for withholding tax not to apply, the holders of the Covered Bonds must, *inter alia*, deliver certain tax certifications. See *Taxation* section.
Governing Law:	Unless otherwise specifically provided, the Covered Bonds and all other documentation and matters relating to the Programme, including any non-contractual obligations arising out of, or in connection with, the Covered Bonds or the Programme are governed by, and will be construed in accordance with, Portuguese Law.

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under Covered Bonds issued under the Programme. All these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Covered Bonds issued under the programme. Although these are the specific risks which are considered to be more significant and capable of affecting the Issuer's ability to meet its obligations in relation to the Covered Bonds, they may not be the only risks to which the Issuer is exposed, and the Issuer may be unable to make payments on or in connection with any Covered Bonds for other reasons or for the identified risks having materialised differently. Additional risks or uncertainties not presently known to the Issuer or which the Issuer currently considers immaterial may arise or become material in the future and have an adverse effect on the Issuer's ability to make payments on or in respect of the Covered Bonds.

Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus or incorporated by reference herein and make their own assessments prior to making any investment decision.

Capitalised terms used but not otherwise defined in this risk factor section shall have the meanings given to them under "Terms and Conditions of the Covered Bonds".

The risk factors have been organised into the following categories and sub-categories:

1) Risk factors relating to CGD Group's business;

2) Risks relating to the legal and regulatory framework;

3) Risk factors specific to the Covered Bonds; and

4) Risk factors specific to the Cover Pool.

Within each category, the most material risks, in the assessment of the Issuer, are set out first. The Issuer has assessed the relative materiality of the risk factors based on the probability of their occurrence and the expected magnitude of their negative impact. The order of the categories does not imply that any category of risk is more material than any other category.

RISK FACTORS RELATING TO CGD GROUP'S BUSINESS

Risks arising from the changes in the Portuguese economy and to current uncertainties in the macro-economic context

As CGD currently conducts the majority of its business in Portugal, its performance is influenced by the volume and cyclical nature of business activity in Portugal, which is in turn affected by both domestic and international economic and political events. Thus, a decline in Portuguese economic activity may have a material effect on the Issuer's financial condition and on the results of its operations. A deterioration in Portugal's international economic performance and/or uncertainty regarding the implementation of political measures may also have a material effect on the Issuer's financial condition and on the results of its operations. In addition, the Portuguese Prime Minister has recently resigned and new elections for the parliament are scheduled to take place in March 2024, these events may lead to political instability and have an additional detrimental effect on the Issuer's financial condition and on the results of its operations.

A weaker international economic outlook, together with high geopolitical uncertainty and trade tensions, and the premature withdrawal of economic stimuli (both on the monetary and fiscal field) and/or the de-anchoring of long-term inflation expectations pose additional challenges to the stability of the global financial system and to the Portuguese economy.

The risks identified may interact together and, should they materialise, mutually enhance one another, having a negative impact, namely, on (i) the Issuer's cost of funding and its ability to issue Covered Bonds under the Programme; and (ii) the Portuguese economy, which, in turn, would have a negative impact on the business of the Issuer.

The Issuer's business activities (including mortgage lending activities) are dependent on the level of banking and financial services required by its customers and borrowers in Portugal which are, in turn, influenced by the evolution of economic activity, saving levels, investment and employment. In particular, levels of borrowing are heavily dependent on customer confidence, employment trends, and the condition of the Portuguese economy and market interest rates.

The current economic environment is still a source of challenge for the Issuer, which may be adversely affected in its business, reputation, financial condition and results of operations or prospects. The adverse macroeconomic conditions in Portugal have significantly affected, and may continue to adversely affect, the behaviour and the financial situation of the Issuer's clients, and consequently, the supply and demand of the products and services that the Issuer has to offer.

The Bank of Portugal projects that the Portuguese economy will grow by 2.7 per cent. in 2023, and 2.4 per cent. in 2024 and 2.3 per cent. in 2025, after the increase of 6.7 per cent. registered in 2022. The negative effects of the Russian military aggression against Ukraine have intensified throughout 2022, implying a relative destabilization of economic activity from the second quarter of 2022 onwards. Since the end of 2022, energy costs have been falling, contributing to an improvement in the terms-of-trade of the economy and a reduction in external pressures on consumer prices. According to the Bank of Portugal, GDP growth is expected to increase in the course of 2023 and inflation is expected to decline from 5.2 per cent. in 2023 to 3.3 per cent. in 2024 and to 2.1 per cent. in 2025. In 2024–2025, the unwinding of supply bottlenecks, lower uncertainty, the recovery in real household income and the inflow of European funds are expected to contribute to the acceleration of GDP, partly hindered by tighter financial conditions. The deceleration in external prices is expected to pass through to consumer prices across the board, leading to a decline in inflation in 2024 and 2025. (*Source: Banco de Portugal, Economic Bulletin, June 2023*).

Over the last couple of years, the coronavirus ("**COVID-19**") outbreak has had a severe impact on the global economy which was acutely felt in Portugal, seeing as it was already facing internal challenges linked to the continuing weak situation of the Portuguese banking system and the lack of availability of credit.

The external and financial environment has deteriorated due to higher inflation and interest rates, with adverse effects on real disposable income. These effects have been mitigated in 2022 by the strong performance of the labour market — reflected in buoyant employment and nominal wages as well as an increase in the participation rate to historically high levels. The resilience of private consumption also stems from households channelling part of the savings accumulated during the COVID-19 pandemic crisis into expenditure and from the support measures introduced. In contrast, investment is expected to grow only slightly, against a background of heightened uncertainty, supply constraints and higher financing costs. Exports, led by the services component, continue to recover significantly, albeit decelerating in quarter-on-quarter terms.

According to the ECB, the Euro area economic activity slightly declined at the turn of the year, but has remained relatively resilient to the large negative supply shocks that have been hitting the economy. The economy is expected to return to growth in the coming quarters as energy prices moderate, foreign demand strengthens and supply bottlenecks are resolved, allowing firms to continue to work through their significant order backlogs, and as uncertainty – including that related to the recent banking sector stress – continues to recede. Overall, annual average real GDP growth is expected to slow down to 0.9 per cent. in 2023 (from 3.5 per cent. in 2022), before rebounding to 1.5 per cent. in 2024 and 1.6 per cent. in 2025. In addition, with energy inflation set to become increasingly negative throughout 2023 and food inflation moderating sharply, headline inflation is expected to continue its decline to stand at around 3 per cent. in the last quarter of the year. Wage's growth is expected to remain over double its historical average for most of the projection horizon, driven by inflation compensation and the tight labour market, as well as increases in minimum wages. Nevertheless, profit margins, which expanded notably in 2022, are expected to act as a buffer against some of the pass-through of these costs in the medium term. In addition, monetary policy should further dampen underlying inflation in the coming years. Overall, headline inflation is expected to decrease from 8.4 per cent. in 2022 to an average of 5.4 per cent. in 2023, 3.0 per cent. in 2024 and 2.2 per cent. in 2025 (*Source: ECB, staff macroeconomic projections for the euro area, June 2023*).

Factors such as interest rates, security prices, credit spreads, liquidity spreads, exchange rates, consumer spending, changes in client behaviour, business investment, real estate values and private equity valuations, government spending, inflation or deflation, the volatility and strength of the capital markets, political events and trends, war, terrorism, pandemics and epidemics or other widespread health emergencies (such as COVID-19) all impact the economy and financial markets, whether directly or indirectly, including by increasing the sovereign debt of certain countries, intensifying volatility and widening credit spreads, which could in turn have a material adverse effect on the Issuer's business, results and financial condition and its ability to access capital and liquidity on acceptable financial terms.

These factors, among other things, may restrict the European economic recovery and the global economy, with a corresponding effect on the Issuer's business, results of operations and financial condition and a negative development of any of the above factors may adversely affect the business and performance of the Issuer.

Risks arising from the recent and ongoing developments between Russia and Ukraine may have a corresponding effect on the Issuer's business, results of operations and financial condition

Rising commodity prices, sweeping financial sanctions and the ban on energy imports from Russia following its invasion of Ukraine are threatening to hobble the global economy after the damage already inflicted by COVID-19 pandemic, with severe impacts on any subsequent trade barriers, exchange controls or financial market restrictions and macroeconomic effects, including supply disruptions, pushing up prices for Europe's export-focused manufacturing companies. In addition, sanctions on Russian businesses, decision of several companies to sever ties with Russia and the deep recession in the country have severely reduced eurozone exports to Russia.

The consequences of the invasion of Ukraine have direct and indirect implications on the banking system. At a high-level, the direct effects include the deterioration of the quality of direct exposures to these geographies or to others interconnected with them, reinforced by international sanctions, which will also increase operational risk.

Regarding CGD Group more specifically the potential direct impact of the war on its credit portfolio, CGD initiated an assessment based on the following approach:

- 1st order impacts related to exposures under the sanctions regime defined by the European Union have not been identified in CGD group;
- 2nd order impacts, related to direct or indirect exposures to Russian or Ukrainian costumers were considered not to be relevant, as CGD group's exposure to these costumers is relatively immaterial;
- 3rd order impacts related to impacts on the credit portfolio considering higher energy costs, interest rates hikes and rising inflation.

The analyses did not identify any material impacts for 2022 in terms of a significant deterioration of the quality of credit risk. The materialisation of several risks, particularly in the sectors most vulnerable to rising energy prices and/or those most affected by the pandemic, may lead to a deterioration of the portfolio's credit quality in 2023, leading to the recognition of overlays.

The war has weighed on household spending through higher prices and greater uncertainty. Although difficult to predict as at the date of this Base Prospectus, the tensions caused by Russia's invasion and any further escalation of this conflict may increasingly affect policies on trade, production, duties and taxation globally, and further disrupt supply chains across Europe. The Russia-Ukraine conflict has already had a direct impact on the global economy and financial markets, causing commodity price volatility, increased inflation, problems related to the massive inflow of Ukrainian refugees, increased funding costs and execution risks related to debt issuance in the capital markets and the valuation of bonds in bank portfolios. The uncertainty caused by these and other events and trends has resulted in, and may continue to result in, increased volatility in the financial markets and a deterioration of the economic capacity of the Issuer's counterparties, which could ultimately reduce the availability of funds. Any consequent losses experienced by the Issuer could adversely affect its business activities, financial condition and results of operations. With regards to the indirect implications, a conflict such as this will tend to have an adverse impact on CGD Group's income statement due to lower activity resulting from increased uncertainty and higher credit risk, with potential consequences on impairment.

The Issuer is exposed to credit risk of its customers and counterparties

Risks arising from changes in credit quality and the repayment of loans and amounts due from borrowers and counterparties are inherent in a great part of the CGD Group's business. Adverse changes in the credit quality of the CGD Group's borrowers and counterparties, a general deterioration in Portuguese or global economic conditions, or increased systemic risks in the financial systems could affect the recovery and value of the CGD Group's assets and require an increase in loan impairments and other impairments. Accordingly, the CGD Group is subject to credit risk, i.e., the risk that the CGD Group's clients and other counterparties are unable to fulfil their payment obligations.

The CGD Group is exposed to many different counterparties in the normal course of its business, but its exposure to counterparties in the financial services industry is particularly significant. This exposure can arise through trading, lending, deposit-taking, clearance and settlement, and numerous other activities and relationships. These counterparties include institutional clients, brokers and dealers, commercial banks and investment banks. Many of these relationships expose the CGD Group to credit risk in the event of default of a counterparty or client. In addition, the CGD Group's credit risk may be exacerbated when the collateral it holds cannot be realised, or liquidated, at prices sufficient to recover the full amount of the loan or derivative exposure it is due to cover. Many of the hedging and other risk management strategies utilised by the CGD Group also involve transactions with financial services counterparties. The insolvency of these counterparties may impair the effectiveness of the CGD Group's hedging and other risk management strategies, which could in turn have a material adverse effect on the Group's financial condition and results of operations.

Although the CGD Group regularly reviews its exposure to its clients and other counterparties, as well as its exposure to certain economic sectors and regions which the CGD Group believes to be particularly critical, payment defaults may arise from events and circumstances that are unforeseeable or difficult to predict or detect. In addition, the collateral and security provided to the CGD Group may be insufficient to cover the exposure or the obligations of others towards it, for example, due to sudden market declines that reduce the value of the collateral. Accordingly, if a major client or other significant counterparty were to default on its obligations, this could have a material adverse effect on the CGD Group's financial condition and results of operations. The CGD Group actively manages credit risk and analyses credit transactions. Expectations about future credit losses may, however, be incorrect for a variety of reasons. An unexpected decline in general economic conditions, unanticipated political events or a lack of liquidity in the economy may result in credit losses which exceed the amount of the CGD Group's provisions or the maximum probable losses envisaged by its risk management models. As the CGD Group's operations are mostly concentrated in Portugal, it is particularly exposed to the risk of a general economic downturn or other events which affect default rates in Portugal. An increase in the CGD Group's impairment for loan losses or any loan losses in excess of these impairments could have a material adverse effect on the CGD Group's financial condition and results of operations.

The level of NPLs in the Portuguese banking system improved during the last year, with the total NPL ratio standing at 3.0 per cent. as at 31 December 2022 (compared with 3.7 per cent as of 31 December 2021) according to the Bank of Portugal publication "Portuguese Banking System: latest developments 4th quarter 2022". The NPL coverage by impairment ratio increased by 1.8 p.p. to 55.4 per cent., reflecting a decrease in NPLs exceeding that of accumulated impairments. As at 31 December 2022, the non-perfoming exposure ratio (NPE ratio – EBA definition) and the non-performing exposure coverage (NPE coverage ratio – EBA definition) of CGD Group were 2.1 per cent. and 107.8 per cent., respectively.

At the end of first half 2023. the level of NPLs in the CGD Group's reached 2.48 per cent., compared to 2.43

per cent. in December 2022 influenced by the reduction in the loan portfolio.

CGD cannot assure potential investors that its level of provisions for possible impairments and other reserves will be adequate or that CGD will not have to take additional provisions for possible impairment losses in future periods. Amongst other aspects, CGD's failure to have an adequate level of provisions and other reserves or CGD's need to take additional provisions for possible impairment losses in future periods may have a material adverse effect on CGD's business activities, financial condition and results of operations.

Credit concentration risks may adversely affect CGD

The CGD Group has a diversified loan portfolio with no industry representing more than 15 per cent. of corporate loans (as at 31 December 2022) with the top 10 exposures representing 7.5 per cent., top 30 exposures representing 12.1 per cent. and top 100 exposures representing 18.3 per cent. of its loan portfolio and with no industry representing more than 32.6 per cent. of corporate loans (in each case, as at 30 June 2023).

Credit concentration risk in natural persons or economic groups is majored and controlled by the risk management function and has been decreasing since risk appetite statement metrics were developed to monitor such risk. If any of these groups defaults, such default may lead to a material increase in impairment charges, which could have an adverse effect on CGD's results and asset quality.

Market and interest rate risks faced by CGD could have a material adverse effect on its results

The Issuer's businesses by their nature, do not produce predictable earnings and are materially affected by conditions in the global financial markets and economic conditions generally, both directly and through their impact on client activity levels and creditworthiness.

Market risk reflects the potential loss that can be registered in a given asset portfolio as a result of changes in the market interest, interest rate, inflation and exchange rates and/or in the market prices of the various financial instruments which comprise that asset portfolio, taking into account the correlation and volatilities between those assets.

It is difficult to predict with accuracy changes in economic or market conditions and to anticipate the effects that such changes could have on the Issuer's financial condition and results of operations.

The most significant market risk the Issuer faces is the interest rate risk. Changes in interest rate levels, yield curves and spreads may affect the interest rate margin realised between lending and borrowing costs. An increase in interest rates could reduce the demand for credit, as well as contribute to an increase in defaults by the CGD Group's customers. Conversely, a fall in interest rates may adversely affect the CGD Group through, among other things, a decrease in the demand for deposits and increased competition in deposit-taking and lending to customers. As a result of these factors, significant changes or volatility in interest rates could have a material adverse impact on the business, financial condition or results of operations of the CGD Group.

In fact, interest rates are sensitive to many factors beyond the Issuer's control, including monetary policies implemented by the ECB, as well as domestic and international economic and political conditions.

Inflationary pressures have significantly increased since 2021 and especially in 2022 because of the Russia-

Ukraine conflict. In this context, several central banks, including the ECB, signalled the need to accelerate the removal of monetary policy stimuli. In addition to the high volatility seen in the interest rate markets and in financial markets globally, with a general rise in risk premia, the perspective of a sharp increase in interest rates has generated fears of deceleration or even contraction in global economic activity.

After almost 7 years of negative EURIBOR rates, on 21 July 2022 the ECB decided to raise euro area interest rates by 50 basis points, i.e., 0.5 percentage points, in an effort to curb the record inflation prevailing in the eurozone. However, EURIBOR rates were already in positive territory before the ECB's decision. The 12-month rate turned positive in April 2022, with the 6-month and 3-month rates reaching that threshold in June and mid-July 2022, respectively. On 8 September 2022 and 27 October 2022, the ECB decided to further raise euro area interest rates by 75 basis points in each meeting, totalling a 150 basis points increase. On 15 December 2022, 2 February 2023 and 16 March 2023, the ECB decided to again raise the euro area interest rates by 50 basis points in each meeting. Recently, the ECB decided to again raise the euro area interest rates, having increased 25 basis points more on 4 May 2023, on 15 June 2023, on 27 July 2023 and on 14 September 2023.

The Issuer has implemented risk management methods intended to mitigate and control this and other market risks, and exposure to such risks is constantly measured and monitored. However, it is difficult to predict with accuracy changes in economic or market conditions and to anticipate the effects that such changes could have on the Issuer's business activity, financial condition and on the results of its operations.

In addition, if the CGD Group is unable to adjust the interest rate payable on deposits in line with the changes in market interest rates receivable by it on loans, or if the CGD Group's monitoring procedures are unable to adequately manage the interest rate risk, its interest income could increase less or decline more than its interest expense, in which case the CGD Group's results of operations and financial condition or prospects could be negatively affected.

CGD's short-term liabilities to its customers may exceed its highly liquid assets

CGD's primary source of funds has traditionally been its retail deposit base (savings, current and term deposits).

During the global crisis that affected the financial system, CGD continued to benefit from high levels of trust among its individual customers and was able to maintain a stable retail deposits base. The lack of other financing sources, caused by the liquidity restrictions faced by Portuguese banks in international money markets and capital markets, has led CGD (as well as other Portuguese banks) to increase the interest rates paid on deposits, thus reinforcing the attractiveness of these products.

CGD's other funding sources include medium and long-term bond issues, commercial paper and medium-term structured products. CGD has also borrowed money in the money markets.

CGD continues to enjoy an ample liquidity situation. In the sphere of Eurosystem monetary policy measures and in consideration of the alterations made by the ECB in the context of the Covid-19 pandemic, CGD increased its participation in the third TLTRO series by €4,800,000 thousand in 2021. CGD continued to comply with the conditions set out in the Bank of Portugal's regulations in respect of liquidity, which include a detailed, permanent collection of information on credit institutions' liquidity levels, including their forecast treasury plans over a one-year timeframe.

The Liquidity Coverage Ratio (“**LCR**”) at the end of 2022, stood at 303.4 per cent., which was much higher than the current regulatory liquidity coverage requirement of 100 per cent.. Net Stable Funding Ratio (“**NSFR**”) stood at 182.6 per cent. for the same period.

As at 31 December 2022, the amount of loans and advances to customers was €53,032 million and customer resources totalled €98,300 million.

At the end of June 2023 the LCR stood at 278.3 per cent., a value much higher than the current regulatory liquidity coverage requirement of 100 per cent.. For the same date, the NSFR stood at 173.5 per cent..

Since CGD relies on the aforementioned sources for funding, there is no assurance that, in the event of a sudden or unexpected shortage of funds in the market in which CGD operates, CGD will be able to maintain its levels of funding without incurring higher funding costs or the liquidation of certain assets. Additionally, CGD is impacted by any changes that may occur in the requirements set by the ECB in its refinancing operations and if CGD is unable to borrow sufficient funds to meet its obligations to its customers and other investors, CGD’s business activities, financial condition and results of operations will be materially adversely affected.

The CGD Group is exposed to the Portuguese real estate market

CGD is exposed to the Portuguese real estate market, either directly through assets related to its operations or obtained in lieu of payments, or indirectly through real estate that secure loans or the financing of real estate projects, making it vulnerable to any depression in the real estate market. As at 31 December 2022, the amount of foreclosed assets held by the CGD Group amounted to €291 million. CGD has additional exposure to the real estate market through, the amount of real estate assets held by the CGD’s pension fund, which as at 31 December 2022 totalled €420 million, representing 12.8 per cent. of the value of the pension fund’s assets.

As at 31 December 2022 the total mortgage lending totalled €27,611 million, representing 52.1 per cent. of the total loans and advances to customers (gross).

Any significant devaluation of Portuguese real estate market prices could result in impairment losses on the assets held directly by CGD, as well as on the assets held by CGD’s pension fund, and cause a decrease in the coverage of credit exposures of real estate collateral, as well as on the coverage of the pension fund’s liabilities by its assets, thereby adversely affecting the financial condition and results of the CGD Group.

In February 2023, the Portuguese Government presented the “Mais Habitação” programme, aimed at increasing the supply of affordable housing in Portugal and at mitigating households’ burdens with mortgage payments and with rents.

The measures related to rent support, subsidies and mortgage payments approved by the Portuguese Government entered into force on 23 March 2023 through the enactment of Decree-Law no. 20-B/2023 of 22 March 2023 producing its effects since 1 January 2023. The measures related to the increase of supply of affordable houses were approved by the Portuguese Government on 30 March 2023 were initially approved in Parliament in July 2023. The President issued a veto on the legislation in August

2023, but the Government submitted it again to the Parliament in September 2023 and, following the approval by an absolute majority, the President announced the promulgation of such diploma on 30 September 2023 and was published on Portugal's Official Gazzete on October 2023.

In September 2023, the Government proposed a temporary mechanism aimed at lowering and stabilising monthly mortgage payments that were contracted under a variable rate regime or a mixed rate regime. The mechanism was approved through Decree-Law 91/2023, of 11 October and is expected to be in place between the end of 2023 and the beginning of 2024. The Government has also proposed a temporary reinforcement of the existing programme of subsidies to mortgage payments.

Activity in the local accommodation sector could also be negatively affected. This could put further downward pressure on house prices.

As of the date of this Prospectus, it is not possible to ascertain the impact of such measures in CGD's activity, depending on its clients and counterparties meeting the legal requirements to apply to this programme.

Portugal may be subject to further rating reviews by the rating agencies, with implications on the funding of the economy and on the Issuer's activity

The rating agencies Standard & Poor's Credit Market Services Europe Limited, Moody's, Fitch Ratings Limited and DBRS have been updating Portugal's long term rating or outlook. Current ratings are as follows: (i) Standard & Poor's Credit Market Services Europe Limited: BBB+ as of 9 September 2022, with a positive outlook as of 8 September 2023; (ii) Moody's: A3 as of 17 November 2023, with a stable outlook (iii) Fitch Ratings Limited: A as of 29 September 2023, with a stable outlook as of 14 April 2023; and (iv) DBRS: A as of 21 July 2023, with stable outlook as of 21 July 2023.

There might be downgrades of the long-term rating assigned to Portugal in the future. This may happen if, for example, there is a deterioration in the public finance situation arising from weaker economic performance, resulting from the disruption caused by the COVID-19 outbreak or the austerity measures adopted internally, or induced by contagion as a consequence of the slowdown in the economic activity of Portugal's main trading partners, particularly Spain. A downgrade may also happen if the market perceives these measures as insufficient, or as a result of the lack of success of structural reforms, the simplification of the Portuguese State administration and streamlining of the Portuguese justice system. Under these circumstances, Portugal's perceived credit risk will increase, with resulting negative effects on the credit risk of Portuguese banks (including CGD) and, consequently, on their profit levels. However, any reduction in Portugal's rating would mean increased haircuts and a reduction in the value of the pool of assets eligible for discount operations with the ECB, in particular with respect to securitisations and covered bonds. A downgrade of Portugal's rating could also impact the sovereign debt portfolio held by CGD and could have a potential detrimental effect on the finances of enterprises who borrow from CGD. Furthermore, the Portuguese State is CGD's sole shareholder and, accordingly, any downgrade of Portugal's ratings could have an impact on CGD and adversely affect its business and financial performance.

RISKS RELATING TO THE LEGAL AND REGULATORY FRAMEWORK

The CGD Group is subject to compliance risk with existing and future regulations, which may have an adverse impact on its profitability

The CGD Group operates in a highly regulated industry. The CGD Group's banking activities are subject to extensive regulation by, among other entities, the ECB, the Bank of Portugal, the European Banking Authority ("**EBA**"), ESMA and the Portuguese Securities Market Commission ("**CMVM**", Comissão do Mercado de Valores Mobiliários), as well as other supervisory authorities from the EU and the countries in which the CGD Group conducts its activities. These regulations relate to liquidity, capital adequacy and permitted investments, ethical issues, money laundering, privacy, know your customer, securities (including debt instruments) issuance and offering/placement, financial intermediation issues, record-keeping, marketing and selling practices. These regulations include rules and regulations related to the prevention of money laundering, bribery and terrorism financing. Compliance with anti-money laundering, anti-bribery and counter-terrorist financing rules entails significant costs and effort. Non-compliance with these rules may have serious consequences, including adverse legal and reputational consequences. Although the CGD Group believes that its current anti-money laundering, anti-bribery and counter-terrorism financing policies and procedures are adequate to ensure compliance with applicable legislation, the CGD Group cannot guarantee that it will comply, at all times, with all applicable rules or that its regulations for fighting money laundering, bribery and terrorism financing, as extended to the whole CGD Group, will be applied by its employees under all circumstances. This may lead to material adverse effects on the CGD Group's business, financial condition, results of operations and prospects. Due to the persistence of the financial crisis and the subsequent government intervention, regulation in the financial services sector has increased substantially over the last decade and this trend is expected to continue. Further regulation of the sector may include measures such as the imposition of higher and more stringent capital requirements, leverage ratios and loss absorbing capacity resources more generally, as well as more demanding duties concerning the disclosure of information and more onerous restrictions on certain types of activity or transactions. These measures may adversely affect the profitability of the CGD Group's business and financial performance and, consequently, the Issuer's ability to fulfil their obligations under the Covered Bonds. Additionally, failure to comply with the applicable regulations could have a material adverse effect on the Issuer as it could result in reputational damage and the imposition of administrative fines and sanctions, as well as loss of authorisation to carry out their business.

The CGD Group is subject to complex regulation, including regulatory capital and liquidity requirements, which may change

The fulfilment of current and future capital requirements, as set out by the European Commission, the European Council and the European Parliament, by Bank of Portugal and by the ECB, has had, and could continue to have, a significant impact on the CGD Group's capital structure and financial position.

The implementation in the EU of Basel III has led to the approval of the package comprised of Directive 2013/36/EU (as amended, the "**CRD IV**"), implemented in Portugal by Decree-Law 157/2014, of 24 October, and Regulation (EU) no. 575/2013 of the European Parliament and of the Council of 26 June 2013, on prudential requirements for credit institutions and investment firms, amending Regulation (EU) no.

648/2012 (as amended, the "**CRR**", and, together with the CRD IV, "**CRD IV/CRR**"). The CRD IV/CRR reinforced the capital requirements of banks, imposing different minimum capital ratios (e.g., CET1 ratio, Tier 1 ratio and total ratio), and changed the definition of regulatory capital. The CRD IV includes general rules, supervision powers, and requirements relating to wages, governance and disclosure, having also introduced the following additional capital buffers, to be met with CET1:

(a) capital conservation buffer of 2.5 per cent. of RWA;

(b) countercyclical capital buffer rate of between 0 and 2.5 per cent. of RWA, pursuant to the conditions to be established by the competent authorities; and

(c) systemic risk buffer: (i) applicable to institutions of global systemic importance: between 1 and 3.5 per cent. of RWA; (ii) applicable to other institutions of systemic importance: between 0 and 2 per cent. of RWA; and (iii) macroprudential systemic risk: between 1 and 3 per cent. or between 3 and 5 per cent. of RWA, depending on the economic situation.

As regards Portuguese banks, the Bank of Portugal set the counter-cyclical buffer rate at 0 per cent. of the total RWAs. This buffer applies to all credit exposures to the domestic private non-financial sector of credit institutions and investments firms in Portugal subject to the supervision of the Bank of Portugal or the ECB (the "**Single Supervisory Mechanism**"), as applicable. The Bank of Portugal's last review of the countercyclical buffer was on 29 September 2023, having confirmed the 0 per cent. rate of the total risk exposure amount.

The Bank of Portugal reviews this decision on a quarterly basis.

In December 2022, CGD was notified of the decision of the ECB regarding minimum capital requirements and leverage ratio for 2023, following the outcome of the SREP in the following terms:

Minimum requirements 2023

	Total	Of which		
		Pilar 1	Pilar 2	Buffers
CET1	**9.069%**	4.50%	1.069%	3.50%
Tier 1	**10.925%**	6.00%	1.425%	3.50%
Total Capital	**13.400%**	8.00%	1.900%	3.50%

The buffers include the capital conservation buffer (2.5 per cent.) and the O-SII buffer (0.5 per cent.).

As of 31 December 2022, Issuer's capital ratios were: the CET1 ratio reached 18.7 per cent., the Tier 1 ratio 18.7 per cent. and the total capital ratio 20.2 per cent.. At the end of June 2023, the fully loaded CET1, Tier 1 and Total ratios were 19.4 per cent., 19.4 per cent. and 19.7 per cent. respectively meeting CGD's current capital requirements with a comfortable margin.

The CRD IV and CRR were further strengthened by Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019, amending the CRR as regards the leverage ratio, the NSFR, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, and reporting and disclosure requirements (as amended, "**CRR II**"), and by Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019, amending the CRD IV as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers, and capital conservation measures (as amended, "**CRD V**"). The CRR II and CRD V introduced a new market risk framework, revisions to the large exposures regime and NSFR. The NSFR is intended to ensure that institutions are not overly reliant on short-term funding. The CRR II's application is staggered, in accordance with Article 3 of the CRR II, from 27 June 2019 to 28 June 2023. The CRD V amends the CRD IV and was transposed into Portuguese law on 9 December 2022 by Law no. 23-A/2022, of 9 December.

Recent developments in the banking market suggest that even stricter rules may be applied by a new framework ("**Basel IV**"), which would require more stringent capital requirements and greater financial disclosure. Basel IV is likely to introduce higher leverage ratios, more detailed disclosure of reserves and the use of standardised models, rather than banks' internal models, for the calculation of capital requirements. Following the publication of Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending the BRRD ("**BRRD2**"), credit institutions have also been subject to more burdensome capital and other legal requirements, as these become applicable. On 9 December 2022, Law no. 23-A/2022, of 9 December. Certain of the BRRD2's requirements relate to the implementation of the total loss absorbing capacity ("**TLAC**") standard, applicable from January 2022. The TLAC standard requires global systemically important banks to hold certain ratios of instruments and liabilities (as a percentage of their respective RWA), which should be available during resolution to absorb losses.

Implementation of the TLAC/MREL Requirements was phased-in from 1 January 2019 (a 16 per cent. minimum TLAC requirement) to 1 January 2022 (a 18 per cent. minimum TLAC requirement).

In addition to the above, on 26 January 2021, the European Commission launched a targeted public consultation on technical aspects of a new review of BRRD ("**BRRD III**"), the SRM Regulation ("**SRM III**"), and Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes (as amended). This public consultation was open until 20 April 2021 and split into two main sections: a section covering the general objectives of the review, and a section seeking technical feedback on stakeholders' experience with the current COVID-19 crisis and framework and the need for changes in the future framework, notably regarding (i) resolution, liquidation and other available measures to handle banking crises, (ii) level of harmonisation of creditor hierarchy in the EU and impact on the 'no creditor worse off' principle, and (iii) depositor insurance. Further work will be needed and legislative proposals on this topic are still expected. Under the new legal framework, there is the risk that the Issuer is not able to comply with stricter and more demanding regulatory requirements regarding capital, liquidity, leverage, and others in a timely manner. A failure to comply with the applicable regulations could have a material adverse effect on the Issuer as it could result in damages to the Issuer's reputation, administrative action, application of penalties or regulatory sanctions, and even loss of authorisation to carry out its activities.

In this context, a new regime that establishes the rules for banking activity (the "**Banking Activity Code**") (*Código de Atividade Bancária*), which aims to replace the RGICSF has been subject to public consultation. The proposed Banking Activity Code introduces changes and/or updates on matters of, among others, internal governance, conflicts of interest and related parties, non-cooperative offshore tax jurisdictions, duties of information and administrative procedures and supervisor enforcement. As of the date of this Base Prospectus, no further legislative procedures have been developed.

Changes to supervisory rules and regulations in respect of the Issuer's activities, in particular in Portugal, may have a negative impact on the Issuer's business, the products and services it offers and/or the value of its assets. Future regulatory changes, changes in tax laws or other alterations may be unpredictable and are outside the Issuer's control.

Borrower's protection laws may limit the Issuer's actions and have a material adverse effect on the Issuer's business, reputation, financial condition and results of operations or prospects

Existing legal and regulatory frameworks impose obligations for credit institutions to ensure protection for borrowers, including, implementing procedures for gathering information, contacting borrowers, monitoring the execution of loan agreements and managing default risk situations; the duty to assess the financial capacity of borrowers and present default correction proposals adapted to the borrower's situation; and drawing up a plan for restructuring debts emerging from home loans or replacing mortgage foreclosures that in some cases of extra-judicial procedures may restrict the Issuer's options to (i) terminate the relevant agreements; (ii) initiate judicial proceedings against the borrower; (iii) assign its credits over the borrower; or (iv) transfer its contractual position to a third party. These legal and regulatory frameworks for borrowers' protection are expected to continue in the future.

Any existing or future legislation and regulation for the protection of borrowers may limit the Issuer's rights with respect to its powers over defaulting clients and, as a result, may have a material adverse effect on the Issuer's business, reputation, financial condition and results of operations or prospects.

The Issuer operates in highly competitive markets, including its home market, it may not be able to increase or maintain its market share, which may have an adverse effect on its results

Structural changes in the Portuguese economy over the past several years have significantly increased competition in the Portuguese banking sector.

The Issuer faces intense competition in all of its areas of operation (including, among others, banking, investment banking, specialised credit and asset management). The competitors of the Issuer in the Portuguese market are Portuguese commercial banks, savings and investment banks and foreign banks that entered the Portuguese market. The principal competitors of the Issuer in the banking sector (ranking in terms of assets as at 31 December 2022) are Banco Santander Totta, S.A., BPI, S.A., Banco Comercial Português, S.A. and Novo Banco,S.A..

Mergers and acquisitions involving the largest Portuguese banks have resulted in a significant concentration of market share.

Competition could also increase due to new entrants (including non-bank and financial technology competitors) in the markets in which the Issuer operates that may have new operating models that are not burdened by potentially costly legacy operations and that are subject to reduced regulation. New entrants may rely on new technologies, advanced data and analytic tools, lower cost to serve, reduced regulatory burden and/or faster processes in order to challenge traditional banks. Developments in technology have also accelerated the use of new business models and the Issuer may not be successful in adapting to this pace of change or may incur significant costs in adapting its business and operations to meet such changes. In particular, the emergence of disintermediation in the financial sector resulting from new banking, lending and payment solutions offered by rapidly evolving incumbents, challengers and new entrants, in particular with respect to payment services and products (e.g., Fintechs), and the introduction of disruptive technology, may impede the Issuer's ability to grow or retain its market share and impact its revenues and profitability.

There is no assurance that the Issuer will be able to compete effectively in some or all segments in which it operates, or that it will be able to maintain or increase the level of its results of operations.

Risks relating to changes in legislation on deferred tax assets could have a material effect on CGD Group

The CRR requires that Deferred Tax Assets ("**DTAs**") be deducted from CET1 capital. However, Article 39 of the CRR contains an exception for DTAs when certain requirements are met, foreseeing that such DTAs are not deducted from CET1 capital. In this regard, some of the EU Member States enacted amendments to their national tax law that allow for the conversion of DTAs into tax credits, with the aim of fulfilling the requirements for non-deductibility of DTAs from the CET1 capital of resident credit institutions. The Portuguese Government approved Law No. 61/2014 of 26 August 2014, as amended from time to time ("**Law 61/2014**"), which implements a similar regime, allowing Corporate Income Taxpayers to convert DTAs arising from loan impairment losses and from post-employment and long-term employment benefits into tax credits. The tax credits obtained with the conversion of DTAs may be offset against any State taxes on income and on assets payable by the taxpayer or by any companies included in the same tax group or in the same group for the purposes of prudential consolidation under the CRR. The amendments to the DTAs conversion regime, enacted by Law No. 23/2016 of 19 August 2016, establish that the DTAs conversion is not applicable to any DTAs arising from the mismatch between the accounting and tax regimes from 1 January 2016 onwards, without precluding its applicability to DTAs generated with respect to the previous fiscal years.

If any DTAs are not recovered due to any further amendment to the DTAs conversion regime, they will have to be derecognised, which will result in a loss in the same magnitude of the non-recoverable amount, with a negative impact on the profitability of CGD and the CGD Group.

The potential impact of recovery and resolution measures, the Non-viability Loss Absorption Measure and public support measures on CGD Group's activity cannot be anticipated

In May 2014, the European Council and the European Parliament approved a directive establishing a framework for the recovery and resolution of credit institutions and investment firms (Directive 2014/59/EU of the European Parliament and of the Council, of 15 May 2014, establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended, the "**BRRD**"). The BRRD aims to equip national authorities with harmonised tools and powers to promptly tackle crises in banks and investment firms and to minimise costs for taxpayers. These tools and powers include:

(a) preparatory and preventive measures (including the requirement for credit institutions to have recovery and resolution plans);

(b) early supervisory intervention (including powers for authorities to take early action to address emerging problems); and

(c) resolution tools, including bail-in, which are intended to ensure the continuity of essential services and manage the failure of a credit institution in an orderly way; these tools may be used when the authorities consider a credit institution's failure has become highly likely and a threat is posed to public interest.

The BRRD was implemented in Portugal by a number of legislative acts, including Law no. 23-A/2022, of 9 December, as amended, which have amended the Portuguese Legal Framework of Credit Institutions and Financial Companies (hereinafter, "**RGICSF**") (enacted by Decree-Law no. 298/92, of 31 December, as amended or superseded), including the requirements for the application of preventive measures, supervisory intervention and resolution tools to credit institutions and investment firms in Portugal.

The implementation of resolution measures must pursue any of the following objectives:

- Ensure the continuity of essential financial services;
- Prevent serious consequences to financial stability;
- Safeguard public treasury and taxpayers' interests by minimising the use of public funds;
- Safeguard depositors and investors' confidence; or
- Protect the funds and assets held for and on behalf of clients and related investment services.

For the purposes of applying resolution measures, an institution is considered to be failing or likely to fail when, in the near future:

- The institution is, or is likely to be, in breach of its requirements for maintaining its licence;
- The institution's assets have or are likely to become lower than its liabilities;
- The institution is, or is likely to be, unable to pay its debt as it falls due; or
- Extraordinary public financial support is required.

Upon the entry into force, on 1 January 2016, of Regulation (EU) no. 806/2014, of 15 July 2014, establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund, amending Regulation (EU) No. 1093/2010 ("**SRM Regulation**"), as amended from time to time, the Bank of Portugal's powers as resolution authority in relation to certain credit institutions, including the Issuer, were transferred to the resolution authority within the Banking Union established by the SRM Regulation - the "**Single Resolution Board**".

The resolution measures that can be implemented by the resolution authority, either individually or in conjunction, are, notably:

- Sale of business tool: transfer to a purchaser, by decision of the resolution authority, of shares or other ownership instruments or of some or all obligations, corresponding to assets, liabilities, off-balance sheet items and assets under management, of the institution under resolution, without the consent of its shareholders or of any third party other than the acquirer;
- Bridge institution tool: establishment of a bridge institution by the resolution authority, to which shares or other ownership instruments or some or all rights and obligations, corresponding to assets, liabilities, off-balance sheet items and assets under management, of the institution under resolution are transferred without the consent of its shareholders or of any third party;
- Asset separation tool (to be used only in conjunction with another resolution measure): transfer, by decision of the resolution authority, of rights and obligations, corresponding to assets, liabilities, off-balance sheet items and assets under management, of an institution under resolution or of a bridge institution to one or more asset management vehicles, without the consent of the shareholders of the institutions under resolution or of any third party other than the bridge institution. The asset management vehicles are legal persons owned in full or in part by the relevant resolution fund; and
- Bail-in tool: write-down or conversion by the resolution authority of certain obligations of an institution under resolution, as defined under the applicable law, (other than for instance, covered deposits and secured obligations, such as covered bonds).

Resolution measures may be applied to institutions if the resolution authority considers that an institution and/or certain other members of the institution's group meet the following conditions ("**Resolution Conditions**"): (a) they are failing or likely to fail, (b) there is no reasonable prospect that such failure will be avoided within a reasonable timeframe by the adoption of measures by the institution and/or certain other members of the its group, the application of early intervention measures or of a Non-viability Loss Absorption Measure (as defined below), (c) a resolution action pursues any of the public interests listed above and (d) such public interests would not be pursued more effectively by the commencement of winding-up proceedings against the relevant institution.

When applying any resolution measure, the resolution authority shall ensure that an institution's first losses are borne by its shareholders, followed by its creditors (except depositors covered by a deposit guarantee scheme), in an equitable manner and in accordance with the order of priority of the various classes of creditors under normal insolvency proceedings.

Resolution measures are not subject to the prior consent of an institution's shareholders or of the contractual parties related to assets, liabilities, off-balance sheet items and assets under management to be sold or transferred. These actions may have a direct impact on shareholders and on CGD Group expected returns and an indirect impact through changes to the institution's business activities.

If an order were to be made under the RGICSF currently in force in respect of an entity (including the Issuer), such action may affect the entity's ability to satisfy its existing contractual obligations (including limiting its capacity to meet repayment obligations). The use of resolution tools could result in the cancellation, modification or conversion of any unsecured portion of the liability in respect of the Covered Bonds and/or in other modifications to the Terms and Conditions of the Covered Bonds and/or the Programme Documents.

The bail-in resolution tool may be used alone or in combination with other resolution tools where the resolution authority considers that an institution meets the Resolution Conditions. This empowers the resolution authority to write down certain claims of unsecured creditors of a failing institution and/or to convert certain unsecured debt claims into equity, potentially subject to any future application of the general bail-in tool. Holders of the Covered Bonds will be subject to bail-in in relation to their unsecured claims over the Issuer in the event the Cover Pool is insufficient to meet all claims of the holders of the Covered Bonds.

Although there are pre-conditions for the exercise of the bail-in power, there remains uncertainty regarding the specific factors which the relevant resolution authority may consider in deciding whether or not to exercise the bail-in power with respect to the relevant financial institution and/or securities issued by that institution.

In addition to the resolution tools described above, the RGICSF further empowers the resolution authorities to permanently write-down or convert relevant capital instruments into equity (common equity tier 1 instruments), capital instruments such as Tier 2 instruments and Additional Tier 1 capital instruments at the point of non-viability of an institution or such institution's group and before any other resolution action has been taken (the "**Non-viability Loss Absorption Measure**"). Under the RGICSF, the point of non-viability is when any of the following conditions are met:

- the resolution authority determines that an institution or its group meets any of the Resolution Conditions and no resolution measure has been applied yet;
- the resolution authority determines that an institution or its group will no longer be viable unless the relevant capital instruments are written-down or converted; or
- extraordinary public support is required and without such support the institution would no longer be viable.

The write-down and conversion tools may be exercised independently of, or in combination with, the resolution tool. The implementation of write-down or conversion tools in relation to any of CGD Group entities could have a material adverse impact on the Issuer's business, financial condition and results of operations. Furthermore, where capital instruments are converted into equity securities under the mandatory conversion tool, those equity securities may be subject to bail-in powers in resolution, resulting in their cancellation, significant dilution or transfer away from their investors.

The exercise of any resolution powers under the RGICSF and/or any write-down or conversion into equity could adversely affect the rights of holders of the Covered Bonds, the price or value of their investment in the Covered Bonds and/or the Issuer's ability to satisfy their obligations under the Covered Bonds. Prospective investors in the Covered Bonds should consider the risk of losing their full investment, including principal and any accrued interest, if resolution measures are applied.

Minimum Requirement for own funds and Eligible Liabilities could have a material effect on the CGD Group

In accordance with Article 138.º-AO of the RGICSF, financial institutions will be required to meet MREL requirements. In March 2023, CGD was notified by the Bank of Portugal of its MREL requirements as decided by the Single Resolution Board, under the following terms: From 1 January 2024, the requirement of own funds and eligible liabilities will be equivalent to:

- 22.94 per cent. of total risk-weighted assets plus the combined buffer requirement of 3.5 per cent., corresponding to a total requirement of 26.44 per cent;
- 6.27 per cent. of the total leverage ratio exposure.

These requirements apply to the sub-consolidated basis for the determined resolution perimeter (the European perimeter and Banco Nacional Ultramarino in Macau). The preferred resolution strategy is the "multiple point of entry" approach. On this date, a minimum subordination requirement was not applied to CGD.

In assessing the MREL requirement, CGD considers that it is in line with its expectations and consistent with its financing plan.

As a consequence of the implementation of such requirements or any new requirements of a similar nature, the CGD Group may be limited in its choice of issuing certain own funds and eligible liability instruments and may therefore be either unable to meet its capital requirements/MREL or required to meet its capital requirements/MREL through more costly instruments.

These requirements could therefore have an adverse effect on the business, reputation, financial condition and operational results or prospects of the CGD Group.

The impact on CGD of the resolution measures occurred in the past in Portugal and funding of possible future resolutions cannot be anticipated

Following the decision of Bank of Portugal on 3 August 2014 to apply a resolution measure to Banco Espírito Santo, S.A. ("**BES**"), most of its business was transferred to a bridge bank, Novo Banco, S.A., specifically set up for that purpose and capitalised by the resolution fund – as created by Decree-Law no. 31-A/2012, of 10 February (the "**Resolution Fund**").

CGD's pro rata share in the Resolution Fund will vary from time to time according to CGD's liabilities and own funds, when compared to the other participating institutions. Contributions to the Resolution Fund are adjusted to reflect the risk profile, systemic relevance and solvency position of each participating institution. Given the relative size and composition of its balance sheet, CGD estimates that its current participation in the Resolution Fund should range between 20 per cent. and 25 per cent. of the Resolution Fund. However, this number varies over time and it is very difficult to determine CGD's exact participation at any given point in time. If only CGD's share of €174.0 million of the €700 million loan granted by the credit institutions to the Resolution Fund to capitalise Novo Banco is considered, CGD's participation would be in the region of 24.9 per cent.

On 20 December 2015, the Bank of Portugal applied a resolution measure to Banif which resulted in the sale of the business of Banif and of most of its assets and liabilities to Banco Santander Totta, S.A. for the amount of €150 million. This transaction involved an estimated public support of €2,255 million to cover future contingencies, of which €489 million was provided by the Resolution Fund (which was financed by a loan in the same amount granted by the Portuguese State) and €1,766 million directly by the Portuguese State, as a result of the determination of the assets and liabilities to be sold as agreed between the Portuguese authorities, European bodies and Banco Santander Totta.

the Resolution Fund is ultimately financed by the banking system and, therefore, the outcome of any disposals to be made by or on behalf of the Resolution Fund will ultimately be borne by the institutions required to fund the Resolution Fund, including CGD. However, given the aforementioned agreement between the State and the Resolution Fund, CGD and the other institutions participating in the Resolution Fund are not expected to be required to make special contributions to the Resolution Fund as a result of any actual or potential liabilities incurred or to be incurred by the Resolution Fund in connection with the resolution measures applied to Banif.

In 2022, and in accordance with Decree-Law no. 24/2013, of 19 February, Issuer's Resolution Fund periodic contribution amount totalled €34 million.

In relation to the contribution on the banking sector, as at 31 December 2022, the Issuer paid €31,396 million.

The periodic contributions to the Portuguese Resolution Fund are determined by the application of a contributory rate to the end of month outstanding balance of liabilities, deducted by own funds and deposits already included in the deposit guarantee scheme. Pursuant to Bank of Portugal's Instruction (*Instrução*) 19/2022 for 2023, the rate has been set at 0.029 per cent. The periodic contribution paid by the Issuer as of 31 December 2022 was €13 million, including contributions collected under the combined terms of the scheme transposing BRRD and the SRM Regulation to the institutions covered by the SRM, which was therefore almost entirely transferred to the SRF under an intergovernmental agreement.

The final impact on the Issuer and the CGD Group of the resolutions of BES and Banif cannot be anticipated.

Furthermore, there is the risk that the resolution measures applied to BES and Banif may prejudice investors' and economic agents' positive perception of the Portuguese financial system and the Issuer as a participant thereto.

Exposure to specialised funds in credit recovery

The CGD Group has entered into a series of transactions through which it sold assets, namely credits to customers, to funds specialised in credit recovery, in exchange for units of those funds.

As a participant in these types of funds, specialised in credit recovery, the CGD Group, as any other participant, does not have the possibility of requesting the reimbursement of its units during the life of the respective fund. On the other hand, there is no secondary market for these units, which makes their sale unlikely. These units are held by several banks in the market, which are the transferors of the credits, in percentages that vary throughout the life of the funds, but which require that no bank individually holds more than 50 per cent. of the fund at any time.

The funds have a specific management structure, entirely independent from the participant banks, the purpose of which is to ensure the implementation of recovery measures of the assets.

The CGD Group had a net exposure to funds specialised in credit recovery in the amount of €158,331 million, as at 31 December 2022. A possible deterioration in the recovery expectations of the disposed credits to funds specialised in credit recovery may result in a devaluation of the Net Asset Value of the units held by the CGD Group, which could require the establishment of additional impairments, with a potentially adverse effect on the profitability of the CGD Group.

CGD is exposed to pension risk

CGD must pay its employees pensions for chronic ill health, disability or retirement, in addition to the survival pensions paid to employees.

As of 30 November 2004, all retirement pension liabilities for CGD employees for their length of service up to 31 December 2000, under Decree-Laws 240-A/2004 of 29 December 2004 and 241-A/2004 of 30 December 2004, were transferred to CGA with reference to 30 November. This transfer included the liability for death grants after the standard retirement age, relative to the length of service. Pensions are calculated based on the number of years worked by employees and their respective contributions at the time of their retirement and are updated based on current retributions per working employee. CGD's pension plan is no longer applicable to current employees hired after 1 January 2006. As such, CGD remains liable for the payment of pensions between November 2004 and January 2006.

On 24 February 2023, Decree-Law 14/2023 was published by the Portuguese Government, transferring all liabilities covered by the Caixa Geral de Depósitos Staff Pension Fund ("**CGDPF**") to Caixa Geral de Aposentações ("**CGA**"), extinguishing and liquidating CGDPF and determining that CGD transfer to CGA a financial compensation for the reassigned responsibilities.

According to Decree-Law 14/2013, effective 1 January 2023, all responsibilities with pensions and benefits, current and future, of all participants and beneficiaries of CGDPF are transferred to CGA, including employees and former employees of the former Banco Nacional Ultramarino who were already participants or beneficiaries of CGDPF. It is also determined the cessation and liquidation of CGDPF, with the respective assets, valued at €3,307 million as of 31 December 2022, being transferred to CGD, which, in turn, is obliged to deliver to CGA a compensation in cash, for a total of €3,018 million, by reference to 31 December 2022. A mechanism for reviewing this compensation is also contemplated, at the end of the first five-year period, taking into account the possible difference between the actual rates of growth in wages and pensions and those considered as assumptions in the actuarial study. CGD will be responsible for any positive difference that may result in calculating the liabilities assumed with instalments in payment and new instalments, deducted from the difference in contributions to the CGA, up to a maximum of €320 million.

This transaction represents, in the 2022 financial statement, a gross impact of €245.8 million in costs, which corresponds to the difference between the liabilities calculated in a continuity scenario of the Pension Fund (going concern) and the reassessment of liabilities in the liquidation scenario (settlement scenario), corresponding to the amount of €3,018 million to be transferred to CGA. It also allows CGD to reduce the levels of risk resulting from the volatility that the size of the Pension Fund, the nature of its assets and liabilities and the accounting and prudential treatment induce in the bank's income statement and balance sheet.

In the event of a shortfall in its pension liabilities, the CGD Group may be required or may choose to make additional payments to the CGD Group's pension schemes which, depending on the amount, could have a material adverse effect on the CGD Group's financial condition, results of operations and prospects.

The CGD Group is exposed to IT, data protection, management of confidential/personal information, cybercrime, infrastructure and operational risks

The CGD Group's ability to remain competitive depends in part on its ability to upgrade the CGD Group's information technology on a timely and cost-effective basis. The CGD Group must continually make significant investments and improvements in its information technology infrastructure to remain competitive. Any failure to effectively improve or upgrade the CGD Group's information technology infrastructure and management information systems in a timely manner could have a material adverse effect on the Group. Losses can result from inadequate personnel, inadequate or failed internal control processes and systems, or from external events that interrupt normal business operations. An interception, misuse or mishandling of personal, confidential or proprietary information sent to or received from a client, vendor, service provider, counterparty or third party could result in legal liability, regulatory action and reputational harm. As a result of the digitalisation process, financial services banks are currently more exposed to cyberattack or technological operating problems. Excessive reliance on end-of-life IT systems, i.e. without security updates and therefore more open to cybercrime, existing concentration in the supply of several IT services, and frequent use of digital media in customer relations during the period of social distancing measures required by the COVID-19 outbreak created potentially systemic repercussions in terms of security failures and may create additional risks for the banking sector. The CGD Group also faces the risk that computer or telecommunications systems could fail, despite its efforts to maintain these systems in good working order. Given the high volume of transactions the CGD Group processes on a daily basis, certain errors may be repeated or compounded before they are discovered and successfully rectified. Shortcomings or failures of the CGD Group's internal processes, employees or systems, including any of the CGD Group's financial, accounting or other data processing systems, could lead to financial loss and damage to the CGD Group's reputation. In addition, despite the contingency plans the CGD Group has in place, the CGD Group's ability to conduct business may be adversely affected by a disruption in the infrastructure that supports its operations and the markets and communities in which it does business. In addition to that, in the course of its activities, the CGD Group may face operational risks including, but not limited to, the risk of losses resulting from inadequacies or procedural failures caused by persons and information systems, or due to external events. Operational risk management within the CGD Group is based on analysis by processes (end-to-end) supported by a set of guidelines, methodologies and regulations recognised as good practice.

CGD's activity is subject to reputational risk

CGD is exposed to reputational risk understood as the probability of negative impacts for CGD resulting from an unfavourable perception of its public image, whether proven or not, among customers, suppliers, analysts, employees, investors, media and any other bodies with which CGD may be related, or even public opinion in general. CGD continually monitors this risk by means of, among other things, policies that govern the procedures that allow CGD: (i) to minimise the probability of reputational risk; (ii) to identify this risk, report it to CGD's Board of Directors and overcome situations that may involve this risk; (iii) to ensure follow up and control of any impacts of this risk; and (iv) to provide evidence, if necessary, that CGD has reputation risk amongst its main concerns and has the organisation and means required to foresee acts and facts that may lead to this risk and, should it be the case, the ability to overcome it. In any event, CGD cannot assure potential investors that it will be able to foresee and mitigate the impacts of this risk if the same occurs and, should that be the case, any failure to execute CGD's reputational risk policies successfully could materially adversely affect CGD's business activities, financial condition and results of operations.

Litigation and Conduct risks

The CGD Group faces various issues that may give rise to the risk of loss from legal and regulatory proceedings.

These issues include appropriately dealing with potential conflicts of interest, legal and regulatory requirements, ethical issues and conduct by companies in which the CGD Group holds strategic investments or joint venture partnerships, which could increase the number of litigation claims and the amount of damages asserted against the CGD Group, or subject the CGD Group to regulatory enforcement actions, fines and penalties.

In September 2019, the Portuguese Competition Authority ("**AdC**") imposed a fine of €82,000,000.00 on CGD. According to the AdC, between May 2002 and March 2013, several banks established in Portugal (including CGD) participated in an exchange of sensitive information, in the context of housing loans, consumer credit and corporate credit, relating to (i) commercial conditions (prices/spread or intentions to change the respective prices/spreads which, according to the AdC, were not in the public domain at the time of the exchange of information or were difficult to access or systematise), and (ii) production data (monthly production figures of each bank: individualised data from each bank on 'marketed' quantities, i.e. broken-down information on the value and volume of loans granted in euros in a given period, usually relating to the previous month). The AdC also considered that the shared information was of a relevant, strategic and non-public nature, and that it was individual and broken-down information, which allows to reduce the risk of competitive pressure and the uncertainty usually associated with the strategic behaviour of a competitor. CGD judicially challenged the decision with the Competition, Regulation and Supervision Court on 22 October 2019. The trial began on 6 October 2021 and the hearing reopened on 8 April 2022, after the final allegations made by the parties. The reopening of the hearing was determined by the presiding judge for the purpose of altering non-substantial facts in relation to those contained in the charge. On 28 April 2022, the court decided to refer a number of questions concerning the interpretation of European Union law to the Court of Justice of the European Union for a preliminary ruling pursuant to which the infringement procedure was suspended until the Court of Justice has issued its decision. Currently, there is no information on when a final decision will be issued.

Any other material legal proceedings, or publicity surrounding such legal or regulatory proceedings, may further adversely impact the CGD Group's business, reputation and results of operations.

RISKS FACTORS SPECIFIC TO THE COVERED BONDS

Legal Risk

Directive (EU) 2019/2162 of the European Parliament and of the Council of 27 November 2019 (the "**CBD**") and Regulation (EU) 2019/2160 of the European Parliament and of the Council of 27 November 2019 were published in 2019 and2022, respectively.

The CBD replaces current Article 52(4) of Directive 2009/65/EC on undertakings for collective investment in transferable securities (as amended) and establishes a revised common baseline for the issue of covered bonds for EU regulatory purposes (subject to various options that Member States may choose to exercise when implementing the new directive into their national legal orders).

The CBD has been transposed into Portuguese national legislation by Decree-Law 31/2022, of 6 May, which entered into force (with some exceptions) on 1 July 2022, approving the Legal Regime of Covered Bonds (as defined herein).

In accordance with the transitional provisions of Decree-Law 31/2022, of 6 May 2022, an issuer of covered bonds under the Covered Bonds Law may apply to the CMVM, as supervisory authority, to convert its existing covered bonds programme, under the Covered Bonds Law, to a covered bonds programme compliant with the Legal Regime of Covered Bonds. The Issuer has submitted the application to the CMVM. The CMVM authorised such conversion, and thus this Base Prospectus is compliant with the Legal Regime of Covered Bonds. The new legislative framework has not yet been tested and thus possible uncertainties of interpretation may arise.

Prospective investors should therefore inform themselves of the above legal changes, including, *inter alia*, the differences between the Legal Regime of Covered Bonds and the Covered Bonds Law, in addition to any other regulatory requirements applicable to their investment in the Covered Bonds.

Ratings of the Covered Bonds are not recommendations and ratings may be lowered, withdrawn or qualified

One or more independent credit rating agencies may assign credit ratings to the Covered Bonds. The Issuer is under no obligation to maintain any rating for the Covered Bonds. Ratings may not reflect the potential impact of all risks discussed in this section and any other factors that may affect the value of the Covered Bonds.

A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency. Each securities rating should be evaluated independently of any other securities rating. In the event that any rating initially assigned to the Covered Bonds is subsequently lowered, withdrawn or qualified for any reason, the Issuer will not be obliged to provide any credit facilities or credit enhancement to restore the original rating. Any such lowering, withdrawal or qualification of a rating may have an adverse effect on the liquidity and market price of the

Covered Bonds.

Ratings assigned to the Covered Bonds assess the likelihood of full and timely payment of the interest due on each Interest Payment Date to holders of the Covered Bonds, and of the ultimate payment of principal in relation to the Covered Bonds either on their Final Maturity Date or on the Extended Maturity Date, as applicable. Ratings only address the credit risks associated with the transaction. Other non-credit risks are not addressed but may have a significant effect on yield for investors. Due to the methodology used by the main rating agencies, the Issuer's credit rating may be affected by the rating of Portugal's sovereign debt. If Portugal's sovereign debt is downgraded, the Issuer's credit rating is likely to be downgraded by an equivalent amount.

In addition, the negative economic impact which may be caused by events such as certain meteorological conditions, natural disasters, fires or widespread health crises or the fear of such crises (such as COVID-19) may result in downgrades to the ratings assigned to the Covered Bonds. If any rating assigned to the Covered Bonds is lowered or withdrawn, the market value of the Covered Bonds may be reduced.

European regulated investors are in general restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant third country rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). The list of registered and certified rating agencies published by ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

If the status of the rating agency rating the Covered Bonds changes for the purposes of the CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EU, which may impact the value of the Covered Bonds and their liquidity in the secondary market.

The Issuer has not requested a rating of the Covered Bonds from any rating agency other than DBRS. However, there can be no assurance as to whether any other rating agency will rate the Covered Bonds and what rating it may assign the Covered Bonds

Absence of a secondary market

The Covered Bonds may have no established trading market when issued. There can be no assurance that a secondary market for the Covered Bonds will develop or, if it does develop, that it will provide holders of the Covered Bonds with liquidity of investment or that it will continue for the entire life of the Covered Bonds. Consequently, any purchaser of the Covered Bonds may not be able to sell them easily or at prices that will provide a yield comparable to similar investments that already have a developed secondary market. Purchasers of Covered Bonds must be prepared to hold the Covered Bonds until their final redemption. The market price of the Covered Bonds could be subject to fluctuation due to variations in the value of the underlying mortgage-backed credits, the market for similar securities, prevailing interest rates, changes in regulation and general market and economic conditions, among other factors. Prospective investors should also be aware of the prevailing and widely reported global credit market conditions and the general lack of liquidity in the secondary market for instruments similar to the Covered Bonds. Additionally, since the withdrawal process of the UK from the European Union, there has been increased volatility in the capital, currency and credit markets, which has recently been further enhanced by the disruption caused by the COVID-19 pandemic and the ongoing turbulent developments involving Russia and Ukraine.

Covered Bonds may be subject to an Extended Maturity feature

An Extended Maturity Date may apply to each Series of Covered Bonds issued under the Programme. If an Extended Maturity Date is specified in the applicable Final Terms as applying to a Series of Covered Bonds, the maturity of the relevant Series of Covered Bonds will be automatically extended (subject to any earlier redemption on an Interest Payment Date, as described in the paragraph below) to the Extended Maturity Date if either (i) the Issuer fails to redeem the relevant Series of Covered Bonds on the applicable Maturity Date and it is foreseeable (as determined by the Issuer) that such failure will continue for 5 Business Days thereafter or (ii) the authorisation of the Issuer as a credit institution is revoked by the competent banking supervisory authority, and in each case notice thereof has been (or, in the case of (ii), is subsequently) given to CMVM, all as further described in Condition 6.7 (*Extension of Maturity up to Extended Maturity Date*) of the Terms and Conditions. If within 10 calendar days of receiving such notice, CMVM objects to such extension of maturity, the extension of maturity will then cease to apply and the relevant Series of Covered Bonds will be redeemed at their Final Redemption Amount together with any accrued interest determined in accordance with Condition 4.4(B) of the Terms and Conditions on the applicable Maturity Date or (if the date such objection is received by the Issuer from CMVM is after the applicable Maturity Date) the Extension Cessation Date.

If an Extended Maturity Date is specified in the applicable Final Terms and in the case of resolution or voluntary liquidation of the Issuer, if some but not all Series of Covered Bonds then outstanding have been subject to extension to their respective Extended Maturity Dates and any such Extended Maturity Date falls later than the relevant maturity date for the Covered Bonds of any other Series then outstanding that has not been extended the maturity of such other Series of Covered Bonds will be automatically extended to its relevant Extended Maturity Date, as required by article 21(1)(d) of the Legal Regime of Covered Bonds.

In the event of any extension of maturity of a Series of Covered Bonds pursuant to Condition 6.7 (Extension of Maturity up to Extended Maturity Date) of the Terms and Conditions, the Issuer may also redeem all or part of the Principal Amount Outstanding of those Covered Bonds on an Interest Payment Date falling in any month after the Maturity Date up to and including the Extended Maturity Date, subject as otherwise provided in the applicable Final Terms. The interest payable on the Principal Amount Outstanding of any Series of Covered Bonds that has had its maturity extended pursuant to Condition 6.7 (Extension of Maturity up to Extended Maturity Date) of the Terms and Conditions (and provided CMVM has not objected to any such extension) may change as provided in the applicable Final Terms and such interest may apply on a fixed or floating basis. Neither (i) the extension of maturity of any Series of Covered Bonds from the applicable

Maturity Date to the applicable Extended Maturity Date nor (ii) any redemption of such Covered Bonds on the applicable Extension Cessation Date pursuant to Condition 6.7 (Extension of Maturity up to Extended Maturity Date) of the Terms and Conditions will entitle the holders of such Covered Bonds to accelerate payments on those Covered Bonds or constitute an event of default for any purpose, and no payment will be due to the holders of Covered Bonds in that event other than as set out in the Terms and Conditions (see Terms and Conditions of the Covered Bonds), as supplemented by the applicable Final Terms. In respect of any Series of Covered Bonds, in case of liquidation or resolution of the Issuer, no extension to an Extended Maturity Date may (i) affect the ranking between any holders of Covered Bonds or (ii) invert the sequencing of the original maturity schedule of Covered Bonds.

Although the CMVM has approved the conversion of the Programme, no assurance can be given by the Issuer that the CMVM will not oppose the extension of any Series of Covered Bonds in the future.

The value of and return on any Covered Bonds linked to a benchmark may be adversely affected by ongoing national and international regulatory reform in relation to benchmarks

Interest rates and indices which are deemed to be "benchmarks" (including EURIBOR) have been the subject of ongoing national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or to have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Covered Bonds referencing such a benchmark.

The EU Benchmarks Regulation applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities (such as the Issuer) of benchmarks provided by administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). Regulation (EU) 2016/1011 as it forms part of UK domestic law by virtue of the EUWA (the "**UK Benchmarks Regulation**") among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the FCA or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable could have a material impact on any Covered Bonds linked to or referencing a benchmark, particularly if the methodology or other terms of the benchmark are changed to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable. Such changes could reduce or increase the rate or level, or affect the volatility of the published rate or level of the relevant benchmark (including EURIBOR).

More broadly, any of the international or national reforms or proposals for reform, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with the associated regulations or requirements. Such factors may (i) discourage market participants from continuing to administer or to contribute to benchmarks; (ii) trigger changes in the rules or methodologies used in benchmarks; (iii) lead to the disappearance of certain benchmarks.

The working group on euro risk-free rates published a set of guiding principles for fallback provisions in new euro denominated cash products (including bonds). The guiding principles indicate, amongst other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system. On 11 May 2021, the euro risk-free rate working group published its recommendations on EURIBOR fallback trigger events and fallback rates.

Furthermore, to address systemic risk, on 2 February 2021 the Council of the European Union approved the final text of Regulation (EU) 2021/168 amending the EU Benchmarks Regulation as regards the exemption of certain third-country spot foreign exchange benchmarks and the designation of replacements for certain benchmarks in cessation, and amending Regulation (EU) No 648/2012. The new framework delegates the Commission to designate a replacement for benchmarks qualified as critical under the EU Benchmarks Regulation, where the cessation or wind-down of such benchmarks might significantly disrupt the functioning of financial markets within the EU. In particular, the designation of a replacement for a benchmark should apply to any contract and financial instrument, as defined in MiFID II, that is subject to the law of a Member State. In addition, with respect to supervised entities, Regulation (EU) 2021/168 extends the transitional period for the use of third-country benchmarks until 2023 and the Commission may further extend this period until 2025 by a delegated act to be passed before 15 June 2023. On 10 February 2021, the Council of the European Union adopted Regulation (EU) 2021/168, which was published in the Official Journal on 12 February 2021 and entered into force the following day.

It is not possible to predict with certainty whether, and to what extent, EURIBOR will continue to be supported going forward. This may cause EURIBOR to perform differently than it has done in the past and may have other consequences which cannot be predicted. The potential elimination of benchmarks, such as EURIBOR, the establishment of alternative reference rates or changes in how a benchmark is administrated could also require adjustments to the terms of benchmark-linked securities and may result in other consequences, such as interest payments that are lower than, or that do not otherwise correlate over time with, the payments that would have been made on those securities if the relevant benchmark was still available in its current form.

Based on the foregoing, prospective investors should be aware that:

(a) any of the reforms or pressures described above or any other changes to a relevant interest rate benchmark (including EURIBOR) could affect the level and volatility of the published rate;

(b) the elimination of EURIBOR or any other benchmark, or changes in the manner of administration of any benchmark, could require an adjustment to the interest calculation provisions of the Terms and Conditions, or result in adverse consequences to holders of any Covered Bonds linked to such benchmark. Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative reference rates and the potential effects of such changes may adversely affect such benchmarks during the term of the relevant Covered Bonds, the return on the Covered Bonds and the trading market for securities (including the Covered Bonds) based on those benchmarks; and

(c) if EURIBOR or any other relevant interest rate benchmark is discontinued or is otherwise unavailable, then the rate of interest on the Covered Bonds will be determined for a period by the relevant fallback provisions, although such provisions, being dependent in part upon the provision by reference banks of offered quotations for leading banks (in the Euro-zone interbank market, in the case of EURIBOR), may not operate as intended (depending on market circumstances and the availability of rates information at the relevant time).

Moreover, any of the above or any other significant change to EURIBOR or any other interest rate benchmark could have a material adverse effect on the value or liquidity of, and the amount payable under, the Covered Bonds linked to, referencing or otherwise dependent (in whole or in part) upon a benchmark. No assurance may be provided that relevant changes will not occur with respect to EURIBOR or any other relevant interest rate benchmark and/or that such benchmarks will continue to exist. Investors should consider these matters, consult their own independent advisers and make their own assessment about the potential risks when making any investment decision with respect to the Covered Bonds. Investors in Floating Rate Covered Bonds which reference EURIBOR or any other relevant interest rate benchmark should be mindful of the interest rate fallback provisions applicable to such Floating Rate Covered Bonds and the adverse effect this may have on the value or liquidity of, and return on, any Floating Rate Covered Bonds linked to EURIBOR or any other relevant interest rate benchmark.

Benefit of special creditor privilege (privilégio creditório)

The holders of Covered Bonds issued by the Issuer under the Programme, whether outstanding at the date hereof or in the future, benefit from a special creditor privilege (*privilégio creditório*) over all assets comprised in the Cover Pool in relation to the payment of principal and interest on the Covered Bonds (see *Characteristics of the Cover Pool*). The Legal Regime of Covered Bonds establishes that any Hedge Counterparties, at the date hereof and in the future, are also preferred creditors of the Issuer and benefit from the abovementioned special creditor privilege. None of the assets comprised in the Cover Pool are or will be exclusively available to meet the claims of the holders of certain Covered Bonds ahead of those of other holders of Covered Bonds or of Other Preferred Creditors of the Issuer at the date hereof or in the future.

The Terms and Conditions provide that the Issuer may vary the Terms and Conditions in respect of a Successor Rate or an Alternative Reference Rate as determined by an Independent Adviser without any requirement for consent or approval by the holders of the Covered Bonds

Any changes to the administration of a benchmark or screen rate, or the emergence of alternatives to such benchmark or screen rate as a result of potential reforms, may cause the benchmark or screen rate to perform differently from in the past, to be discontinued, or there could be other consequences which cannot be predicted. The potential discontinuation of a benchmark or screen rate or changes to its administration could require changes to the way in which the rate of interest is calculated on Covered Bonds referencing such benchmark or screen rate (as applicable). Uncertainty as to the nature of alternative reference rates and as to potential changes to the benchmarks or screen rates referenced by the Covered Bonds may adversely affect the value of and return on the Covered Bonds and the trading market for securities referencing such benchmark or screen rate.

The Terms and Conditions also provide for certain fall-back arrangements in the event that a Benchmark Event occurs in relation to Covered Bonds for which screen rate determination applies. Either (i) the Issuer will appoint an Independent Adviser to determine a Successor Rate or, failing which, an Alternative Reference Rate to be used in place of the Original Reference Rate (and in either case, the applicable Adjustment Spread); or (ii) if the Issuer is unable to appoint an Independent Adviser or the Independent Adviser appointed is unable to determine the relevant rates, the Issuer may (after consulting with the Independent Adviser (if any)) determine a Successor Rate or, failing which, an Alternative Reference Rate to be used in place of the Original Reference Rate (and in either case, the applicable Adjustment Spread). The use of any such Successor Rate or Alternative Reference Rate (including with the application of an Adjustment Spread) to determine the rate of interest may result in the Covered Bonds performing differently (including paying a lower rate of interest for any Interest Period) than they would have performed had the Original Reference Rate continued to apply.

Furthermore, if a Successor Rate or Alternative Reference Rate (and in either case, the applicable Adjustment Spread) is determined by an Independent Adviser or the Issuer, as the case may be, the Terms and Conditions provide that the Issuer may vary the Terms and Conditions and the Agency and Payments Procedures as necessary, to ensure the proper operation of such Successor Rate or Alternative Reference Rate, without any requirement for consent or approval by the holders of the Covered Bonds.

There is no guarantee that any Adjustment Spread will be effective in reducing or eliminating any economic prejudice or benefit to holders of the Covered Bonds or that, due to the particular circumstances of each holder of the Covered Bonds, any such adjustment will be favourable to each holder. Furthermore, there is no guarantee that a Successor Rate or an Alternative Reference Rate will be determined or applied. Any of the foregoing could have an adverse effect on the value or liquidity of, and return on, the Covered Bonds.

If, following the occurrence of a Benchmark Event, no Successor Rate or Alternative Reference Rate is determined, the ultimate fallback for the purposes of calculation of the rate of interest for a particular Interest Period may result in the rate of interest for the last preceding Interest Period being used. This may result in the effective application of a fixed rate for Floating Rate Covered Bonds based on the rate last observed on the Relevant Screen Page.

Investors should consult their own independent advisers and make their own assessment about the potential risks presented by the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, or any of the international or national reforms and the possible application of the benchmark replacement provisions when making any investment decision with respect to Covered Bonds linked to or referencing a benchmark.

Eligibility of the Covered Bonds for Eurosystem Monetary Policy

Covered Bonds may be intended to be held in a manner which will allow for Eurosystem eligibility, if so specified in the applicable Final Terms. However, this does not mean that they will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem ("**Eurosystem Eligible Collateral**"), either upon issue or at any other time during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria as specified by the ECB. If the Covered Bonds do not satisfy these criteria specified by the ECB, there is a risk that they will not be recognised as Eurosystem

Eligible Collateral. The Issuer gives no representation, warranty, confirmation or guarantee to any investor in the Covered Bonds that the Covered Bonds will, either upon issue or at any other time during their life, satisfy any or all requirements for Eurosystem eligibility and be recognised as Eurosystem Eligible Collateral.

The Covered Bonds are intended to be labelled as "European Covered Bond (Premium)"

The Covered Bonds to be issued under this Base Prospectus are able to be labelled as "*European Covered Bond (Premium)*", as set out in Article 42(2) of the Legal Regime of Covered Bonds, provided that the Covered Bonds are in compliance with the Legal Regime of Covered Bonds and the CRR, and the Cover Pool comprises of only assets listed in Article 129(1) of the CRR (and the requirements under paragraphs 1a to 3b of Article 129 of the CRR are met). Given that the labelling of the Covered Bonds as "*European Covered Bond (Premium)*" depends on the fulfilment of legal requirements under the Legal Regime of Covered Bonds and the CRR, investors should consider, amongst other things, any regulatory impacts when deciding whether or not to purchase any Covered Bonds. No assurance or representation is given by the Arranger or any of the Dealers as to the assets that comprise the Cover Pool (including, without limitation, whether such assets comply with Article 129(1) of the CRR) nor as to any label assigned to any Series of Covered Bonds (including, without limitation, where such Covered Bonds are labelled as "*European Covered Bond (Premium)*"). See also the risk factor "*No independent investigation in relation to the assets in the Cover Pool*" below.

RISKS FACTORS SPECIFIC TO THE COVER POOL

Dynamic Nature of the Cover Pool

The Cover Pool is expected to comprise only assets listed in Article 129(1) of the CRR. The Cover Pool shall comprise of Primary Assets, Substitution Assets or Liquidity Assets.

At the date of this Base Prospectus, the Issuer intends to include the Cover Pool mortgage credits which are located in Portugal as Primary Assets.

The Legal Regime of Covered Bonds permits the composition of the Cover Pool to be dynamic. Accordingly, the composition of mortgage credits (and other permitted assets) in the Cover Pool will change from time to time, in accordance with the Legal Regime of Covered Bonds. For further information in respect of the Cover Pool, see *Characteristics of the Cover Pool*.

The Issuer's entitlement to enter into Hedging Contracts

Hedging contracts can be entered into exclusively to hedge risks such as interest rate risk, exchange rate risk and liquidity risk. The Issuer is entitled but not required to enter into hedging contracts under the Legal Regime of Covered Bonds. See Characteristics of the Cover Pool – Hedging Contracts.

Risks relating to the effects of depreciation in the value of the relevant property on the Cover Pool

In the event of insolvency, winding-up and dissolution of the Issuer, the Cover Pool over which the holders of Covered Bonds have a special creditor privilege in relation to payment of the principal and any due and future interest will be segregated from the insolvent estate of the Issuer and will form an autonomous estate not being liable for any of its debts until any outstanding amounts payable to the holders of Covered Bonds and counterparties of derivative contracts are fully paid, even in the event of liquidation of the Issuer. However, if the assets comprised in the Cover Pool are insufficient to meet interest and principal payments, the holders of Covered Bonds will rank *pari passu* with unsecured creditors of the Issuer in relation to the remaining assets of the Issuer.

The security for a mortgage credit included in the Cover Pool consists of, among other things, a mortgage over a property granted in favour of the Issuer. The value of this property and, accordingly, the level of recovery on the enforcement of the mortgage may be affected by, amongst other things, a decline in the value of the relevant property and no assurance can be given in this regard.

A situation where a mortgage must be enforced to pay the holders of Covered Bonds is, however, highly unlikely because the Legal Regime of Covered Bonds establishes that any mortgage credits delinquent for over 90 days must be substituted.

Amortisation of Mortgage Credits

Mortgage credits included in the Cover Pool are subject to the amortisation of principal and payment of interest on a monthly basis, as well as early repayments of principal at any time, in whole or part, by the relevant borrowers. Such early repayments may result in the Issuer being required to include further mortgage credits and/or substitution assets in the Cover Pool in order to comply with the financial matching requirements under the Legal Regime of Covered Bonds.

No independent investigation in relation to the assets in the Cover Pool

Neither the Dealers nor the Arranger have or will undertake any investigations, searches or other actions in respect of any assets contained or to be contained in the Cover Pool, but will instead rely on the representations and warranties provided by the Issuer in the Programme Agreement.

RESPONSIBILITY STATEMENTS

This Base Prospectus comprises a base prospectus for the purposes of Article 8 of the Prospectus Regulation providing information on the Issuer and the Covered Bonds which, according to their respective nature, is necessary to enable investors to make an informed assessment of the Issuer's assets and liabilities, financial position, profit and losses and prospects, as well as of the features and characteristics of the Covered Bonds.

The format and contents of this Base Prospectus comply with the relevant provisions of the Prospectus Regulation, the Prospectus Delegated Regulations, the Portuguese Securities Code and all laws and regulations applicable thereto.

In accordance with Articles 149, 150 (*ex vi* 238(1) and (3)(a)) of the Portuguese Securities Code, the Issuer, the members of its Board of Directors (see *Description of the Issuer – Board of Directors*), and Ernst & Young Audit & Associados, SROC, S.A. as the statutory auditor (*revisor oficial de contas*) are responsible for the information contained in this Base Prospectus and each of them declares that, to the best of its knowledge (having taken all reasonable care to ensure that such is the case), the information contained in this Base Prospectus for which it is responsible pursuant to the aforementioned Articles is in accordance with the facts and contains no omissions likely to affect the import of such information.

The Issuer further confirms that (i) this Base Prospectus is true, accurate and complete in all material respects and is not misleading; (ii) that the opinions and intentions expressed herein are honestly held by it and based on reasonable assumptions; (iii) that there are no other facts in relation to the information contained or incorporated by reference in this Base Prospectus the omission of which would, in the context of the Programme or the issue of Covered Bonds, make any statement, opinion or intention expressed herein misleading in any material respect; and (iv) that all reasonable enquiries have been made to verify the foregoing.

In accordance with Article 149(3) (*ex vi* Article 238(1)) of the Portuguese Securities Code, liability of the abovementioned entities is excluded if any such entity proves that the addressee knew or should have been aware of the inaccuracies in the contents of this Base Prospectus on the date of issue of the contractual declaration or when the respective revocation was still possible.

Pursuant to Article 150 of the Portuguese Securities Code, the Issuer is strictly liable (i.e. independently of fault) if any of the members of its Board of Directors, or Ernst & Young Audit & Associados, SROC, S.A as the statutory auditor (*revisor oficial de contas*) is held responsible for such information. Further to Article 238(3)(b) of the Portuguese Securities Code, the right to compensation based on the aforementioned responsibility statements is to be exercised within 6 months of the party seeking compensation becoming aware of an inaccuracy in the contents of this Base Prospectus or the amendment thereto, and ceases, in any case, 2 years following disclosure of (i) this Base Prospectus for the admission to trading on a regulated market or (ii) the amendment thereto that contains the defective information or forecast.

This Base Prospectus is to be read in conjunction with all documents deemed to be incorporated herein by reference (see *Documents Incorporated by Reference*). This Base Prospectus shall be read and construed, and any decision to invest in the Covered Bonds should be made, on the basis that such documents are so incorporated and form part of this Base Prospectus as a whole.

Other than in relation to the documents deemed to be incorporated by reference (see *Documents Incorporated by Reference*), the information found on the websites to which this Base Prospectus refers does not form part of this Base Prospectus and has not been scrutinised or approved by the CMVM.

Third party information has been included in this Base Prospectus. Where such third party information has been used, the source of such information has been specified. The Issuer confirms that such information has been accurately reproduced and that, as far as it is aware and is able to ascertain from information published by the relevant source, no facts have been omitted which would render the reproduced information inaccurate or misleading.

No person is or has been authorised by the Issuer to give any information or to make any representation not contained in, or not consistent with, this Base Prospectus or any other document entered into or in relation to the Programme or any information supplied in connection with the Programme or the Covered Bonds and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arrangers (as defined in *Definitions*), the Common Representative (as defined in *Overview of the Covered Bonds Programme*) or any of the Dealers.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Covered Bonds shall, in any circumstances, imply that the information contained herein concerning the Issuer is correct at any time after the date hereof or after the date on which this Base Prospectus has been most recently supplemented, or that any other information supplied in connection with the Programme is correct as of or as at any time subsequent to the date indicated in the document containing such information.

If, between the date of this Base Prospectus and the closing date of any offer or the date of any admission to trading made thereunder, any new factor, material mistake or material inaccuracy relating to information included in this Base Prospectus occurs, or if the Issuer becomes aware of a previously existing fact not disclosed in this Base Prospectus, any of which may affect the assessment of any Covered Bonds, the Issuer will prepare a supplement to this Base Prospectus.

The Arrangers, the Common Representative and the Dealers expressly refrain from undertaking any review of the financial condition or affairs of the Issuer during the life of the Programme and from advising any investor in the Covered Bonds of any information coming to their attention. Investors should review, amongst other things, the most recent financial statements, if any, of the Issuer when deciding whether or not to purchase any Covered Bonds.

Important information relating to the use of this Base Prospectus and the sale or offer of the Covered Bonds generally

This Base Prospectus or any Final Terms do not constitute an offer to sell or a solicitation of any offer to buy any Covered Bonds in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Covered Bonds may be restricted by law in certain jurisdictions.

The Issuer, the Arrangers and the Dealers do not represent that this Base Prospectus may be lawfully distributed, or that any Covered Bonds may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, unless specifically indicated to the contrary, no action has been taken by the Issuer, the Arrangers or the Dealers (save for application by the Issuer for the CMVM's approval of this Base Prospectus as a base prospectus for the purposes of the Prospectus Regulation) which would permit a public offering of any Covered Bonds or the distribution of this Base Prospectus or any other offering material relating to the Programme or the Covered Bonds in any country or jurisdiction where action for that purpose is required. Accordingly, no Covered Bonds may be offered or sold, directly or indirectly and neither this Base Prospectus nor any advertisement or other offering material relating to the Programme or the Covered Bonds may be distributed or published in any jurisdiction, except under circumstances that would result in compliance with any applicable laws and regulations. Each Dealer has represented or, as the case may be, will be required to represent that, to the best of its knowledge, all offers and sales made by it will be made on the terms indicated above. Persons into whose possession this Base Prospectus or any Covered Bonds may come must inform themselves about, and observe, any applicable restrictions on the distribution of this Base Prospectus and the offering and sale of the Covered Bonds. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Covered Bonds in the United States, the EEA (including, among other countries, Belgium) and the UK, Switzerland, Singapore and Japan. See *Subscription and Sale and Secondary Market Arrangements*.

None of the Arrangers, the Common Representative and the Dealers or any of their affiliates has separately verified (i) all information contained or incorporated in this Base Prospectus or (ii) any statement, representation or warranty, or compliance with any covenant, of the Issuer contained in any Covered Bonds or any other agreement or document relating to any Covered Bonds or made in connection with the Programme, or any other agreement or document relating to the Programme. Accordingly, none of the Arranger, the Common Representative or the Dealers makes any representation, warranty or undertaking, express or implied, or accepts any responsibility, with respect to (a) the accuracy or completeness of any of the information contained in this Base Prospectus or (b) the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence of any Covered Bonds or any other agreement or document relating to any Covered Bonds or the Programme. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the Covered Bonds is intended to provide the basis for any credit or other evaluation and should not be considered as a recommendation by the Issuer, the Arrangers, the Common Representative or the Dealers that any recipient of this Base Prospectus or any other financial information supplied in connection with the Programme should purchase the Covered Bonds.

No Dealer accepts any liability in relation to the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Issuer in connection with the Programme. The Dealers expressly do not undertake to review the Issuer's financial condition or affairs during the life of the Programme or to advise any investor in Covered Bonds issued under the Programme of any information coming to their attention. Each investor contemplating purchasing any Covered Bonds should: (i) determine for itself the relevance of the information contained or incorporated by reference in this Base Prospectus, (ii) make its own independent investigation of the Issuer's financial condition and affairs, and assessment of the Issuer's creditworthiness, and (iii) make its own determination of the suitability of any such investment in light of its own circumstances, considering its own investment objectives and experience, as well as any other factors relevant to such an investment, in each case, based upon such investigation as it deems necessary.

This Base Prospectus has been prepared on the basis that, other than to the extent sub-paragraph (ii) below may apply, any offer of Covered Bonds in any Member State of the EEA will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of Covered Bonds. Accordingly, any person making or intending to make an offer in that Member State of the EEA of Covered Bonds which are the subject of a placement contemplated in this Base Prospectus, as completed by the Final Terms in relation to the offer of those Covered Bonds, may only do so (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish or supplement a prospectus pursuant to, respectively, Articles 3 and 23 of the Prospectus Regulation, in each case, in relation to such offer, or (ii) if a prospectus for such offer has been approved by the competent authority in that Member State of the EEA or, where appropriate, approved in another Member State of the EEA and notified to the competent authority in that Member State of the EEA and (in either case) published, all in accordance with the Prospectus Regulation, provided that any such prospectus has subsequently been completed by Final Terms which specify that offers may be made other than pursuant to Article 1(4) of the Prospectus Regulation in that Member State of the EEA and such offer is made in the period beginning and ending on the dates specified for such purpose in such prospectus or its final terms, as applicable. Except to the extent sub-paragraph (ii) above may apply, neither the Issuer nor any Dealer have authorised, nor do they authorise, the making of any offer of Covered Bonds in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

Neither the Dealers nor the Issuer make any representation to any investor in the Covered Bonds regarding the legality of its investment under any applicable laws. Any investor in the Covered Bonds should be able to bear the economic risk of its investment for an indefinite period of time.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have previously been published and have been filed with the CMVM, shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

(a) the unaudited condensed consolidated results of the Issuer for the third quarter of 2023, available at https://www.cgd.pt/English/Investor-Relations/Financial-Information/CGD/2023/Documents/Press-Release-EN-3Q-2023.pdf ;

(b) The unaudited condensed consolidated financial statements of the Issuer for the first semester of 2023, available at https://www.cgd.pt/English/Investor-Relations/Financial-Information/CGD/2023/Documents/Board-of-Directors-Report_1Sem2023.pdf;

(c) The audited consolidated financial statements of the Issuer in respect of the financial years ended 31 December 2022 together with the auditor's report prepared in connection therewith, available at https://www.cgd.pt/English/Investor-Relations/Financial-Information/CGD/2022/Documents/Annual-Report-CGD-2022.pdf;

(d) The audited consolidated financial statements of the Issuer in respect of the financial years ended 31 December 2021 together with the auditor's report prepared in connection therewith, available at https://www.cgd.pt/English/Investor-Relations/Financial-Information/CGD/2021/Documents/Annual-Report-CGD-2021.pdf.

It should also be noted that the documents incorporated by reference in the documents incorporated by reference in this Base Prospectus shall not be incorporated by reference in, or form part of, this Base Prospectus. These documents are either not relevant for investors or are covered elsewhere in the Base Prospectus. Unless specifically incorporated by reference in this Base Prospectus, information contained on websites does not form part of this Base Prospectus and has not been scrutinized or approved by the competent authority.

Following the publication of this Base Prospectus, a supplement may be prepared by the Issuer and approved by the CMVM in accordance with Article 23 of the Prospectus Regulation. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

Information incorporated by reference	***Reference***
The third quarter 2023 unaudited results presentation	
Main indicators	3
Consolidated income statement	12
Consolidated balance sheet	13

The first semester 2023 unaudited condensed consolidated results

Consolidated income statement	Page 57
Consolidated balance sheet	Page 56

Information incorporated by reference	*Reference*
The audited consolidated financial statements of the Issuer in respect of the financial year ended 31 December 2022 (Annual report 2022)	
Auditor's report relating to the accounts for the period ended 31 December 2022	Pages 660-668
Consolidated balance sheet	Page 111
Consolidated income statement	Page 112
Consolidated statement of comprehensive income	Page 113
Consolidated cash flows statements	Page 114
Consolidated statements of changes in shareholders' equity	Page 115
Notes to the consolidated financial statements	Pages 118-305
Glossary and Alternative Performance Measures	Pages 311-317

Information incorporated by reference	*Reference*
The audited consolidated financial statements of the Issuer in respect of the financial year ended 31 December 2021 (Annual report 2021)	
Auditor's report relating to the accounts for the period ended 31 December 2021	Pages 309-318
Consolidated balance sheet	Page 110
Consolidated income statement	Page 111
Consolidated statement of comprehensive income	Page 112
Consolidated cash flows statements	Page 113

FORM OF THE COVERED BONDS AND INTERBOLSA

The Covered Bonds will be held through a central securities depository ("**CSD**") which will be the Portuguese domestic CSD, Interbolsa.

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of Interbolsa currently in effect. The information in this section concerning Interbolsa has been obtained from sources that the Issuer believes to be reliable, but none of the Arrangers or any Dealer takes any responsibility for the accuracy thereof. Investors wishing to use the facilities of Interbolsa are advised to confirm the continued applicability of its rules, regulations and procedures. None of the Issuer, the Arrangers or any of the Dealers will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, interests in the Covered Bonds held through the facilities of Interbolsa or for maintaining, supervising or reviewing any records relating to such interests.

Interbolsa registers securities for its participants and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between their respective participants. Interbolsa provides various services including, safekeeping, administration, clearance and settlement of domestically and internationally traded securities and securities lending and borrowing.

The address of Interbolsa is Avenida da Boavista, 3433, 4100-138 Porto, Portugal.

General

Interbolsa manages a centralised system (*sistema centralizado*) composed of interconnected securities accounts, through which such securities (and inherent rights) are held and transferred, and which allows Interbolsa to control at all times the amount of securities so held and transferred. Issuers of securities, financial intermediaries, the Bank of Portugal and Interbolsa, as the controlling entity, all participate in such centralised system.

The centralised securities system of Interbolsa provides for all the procedures required for the exercise of ownership rights inherent to the covered bonds held through Interbolsa.

In relation to each issue of securities, Interbolsa's centralised system comprises, *inter alia*, (i) the *issue account*, opened by the relevant issuer in the centralised system and which reflects the full amount of issued securities; and (ii) the *control accounts* opened by each of the financial intermediaries which participate in Interbolsa's centralised system, and which reflect the securities held by such participant on behalf of its customers in accordance with its individual securities accounts.

Covered Bonds will be attributed an International Securities Identification Number ("**ISIN**") code through the codification system of Interbolsa and will be accepted for clearing through LCH.Clearnet, S.A., the clearing system operated at Interbolsa as well as through the clearing systems operated by Euroclear and Clearstream, Luxembourg, and settled by Interbolsa's settlement system. Under the procedures of Interbolsa's settlement system, settlement of trades executed through Euronext Lisbon takes place on the second Business Day after the trade date and is provisional until the financial settlement that takes place on the settlement date. Covered Bonds may be attributed Financial Instrument Short Name ("**FISN**"), Classification of Financial Instruments ("**CFI**") code and/or other securities identifier, which will be contained in the Final Terms relating thereto.

Form of the Covered Bonds

The Covered Bonds will be in book-entry form (*forma escritural)* and title to the Covered Bonds will be evidenced by book entries in accordance with the provisions of the Portuguese Securities Code and the applicable CMVM regulations. No physical document of title will be issued in respect of Covered Bonds held through Interbolsa. The Covered Bonds will be nominative Covered Bonds (*nominativas*).

The Covered Bonds will be registered in the relevant issue account opened by the Issuer with Interbolsa and will be held in control accounts by each Affiliate Member of Interbolsa on behalf of the holders of the Covered Bonds. Such control accounts reflect at all times the aggregate of Covered Bonds held in the individual securities accounts opened by the holders of the Covered Bonds with each of the Affiliate Members of Interbolsa. The expression "**Affiliate Members of Interbolsa**" means any authorised financial intermediary entitled to hold control accounts with Interbolsa on behalf of their customers and includes any depository banks appointed by Euroclear and Clearstream, Luxembourg for the purpose of holding accounts on behalf of Euroclear and Clearstream, Luxembourg.

Each person shown in the records of an Affiliate Members of Interbolsa as having an interest in Covered Bonds shall be treated as the holder of the principal amount of the Covered Bonds recorded therein.

Registering the Covered Bonds with Interbolsa does not necessarily mean that the Covered Bonds will be recognised as eligible collateral for the Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue, or at any or all times during their life, as such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

Payment of principal and interest in respect of Covered Bonds held through Interbolsa

While the Covered Bonds are held through Interbolsa, payment of principal and interest (i) in Euros will be (a) credited, according to the procedures and regulations of Interbolsa, to the payment current accounts held in the T2 System a by the Affiliate Members of Interbolsa whose control accounts with Interbolsa are credited with such Covered Bonds and thereafter (b) credited by such Affiliate Members of Interbolsa from the aforementioned payment current-accounts to the accounts of the owners of those Covered Bonds or through Euroclear and Clearstream, Luxembourg to the accounts with Euroclear and Clearstream, Luxembourg of the beneficial owners of those Covered Bonds, in accordance with the rules and procedures of Interbolsa, Euroclear or Clearstream, Luxembourg, as the case may be; (ii) in currencies other than Euro will be (a) transferred, on the payment date and according to the procedures and regulations applicable by Interbolsa, from the account held by the relevant Paying Agent in the Foreign Currency Settlement System (*Sistema de Liquidação em Moeda Estrangeira*), managed by CGD, to the relevant accounts of the relevant Affiliate Members of Interbolsa, and thereafter (b) transferred by such Affiliate Members of Interbolsa from such relevant accounts to the accounts of the owners of those Covered Bonds or through Euroclear and Clearstream, Luxembourg to the accounts with Euroclear and Clearstream, Luxembourg of the beneficial owners of those Covered Bonds, in accordance with the rules and procedures of Interbolsa, Euroclear or Clearstream, Luxembourg, as the case may be.

The Issuer must provide Interbolsa with a prior notice of all payments in relation to Covered Bonds and all necessary information for that purpose. In particular, such notice must contain:

(a) the identity of the Paying Agent responsible for the relevant payment; and

(b) a statement of acceptance of such responsibility by the Paying Agent.

The Paying Agent notifies Interbolsa of the amounts to be paid for payments to be processed in accordance with Interbolsa procedures and regulations.

In the case of a partial payment, the amount held in the relevant current account of the Paying Agent must be apportioned pro-rata between the accounts of the Affiliate Members of Interbolsa. After a payment has been processed, such process shall be confirmed to Interbolsa.

Transfer of Covered Bonds

Covered Bonds held through Interbolsa may, subject to compliance with all applicable rules, restrictions and requirements of Interbolsa and Portuguese law, be transferred to a person who wishes to hold such Covered Bonds. No owner of a Covered Bond will be able to transfer such Covered Bond, except in accordance with Portuguese Law and the applicable procedures of Interbolsa.

FINAL TERMS FOR COVERED BONDS

The form of Final Terms that will be issued in respect of each Tranche of Covered Bonds issued under the Programme, subject only to the deletion of non-applicable provisions, is set out below:

Final Terms dated **[●]**

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS

*The Covered Bonds are not intended to be offered, sold or otherwise made available to (and should not be offered, sold or otherwise made available to) any retail investor in the European Economic Area (the "**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (a) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU of the European Parliament and of the Council of 15 May (as amended, "**MiFID II**"), or (b) a customer within the meaning of Directive (EU) 2016/97 of the European Parliament and of the Council of 20 January 2016, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II, or (c) not a qualified investor as defined in Regulation (EU) 2017/1129 of the European Parliament and of the Council, of 14 June 2017 (as amended the "**Prospectus Regulation**"). [The Issuer has prepared a] / [Consequently, no] key information document required by Regulation (EU) no. 1286/2014 of the European Parliament and of the Council, of 26 November 2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA [has been prepared and, therefore, offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA might be unlawful under the PRIIPs Regulation].]*[1]

[PROHIBITION OF SALES TO UK RETAIL INVESTORS

*The Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Commission Delegated Regulation (EU) 2017/565 as it forms part of the UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended, the "**EUWA**"), (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97 of the European Parliament and of the Council of 20 January 2016, as amended, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No. 600/2014 of the European Parliament and of the Council of 15 May 2014, as amended, as it forms part of UK domestic law by virtue of the EUWA, or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 of the European Parliament and of the Council, of 14 June 2017, as amended, as it forms part of UK domestic law by virtue of the EUWA. [The Issuer has prepared a] / [Consequently, no] key information document required by Regulation (EU) No. 1286/2014 of the European Parliament and of the Council, of 26 November 2014, as amended, as it forms part of UK domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Covered Bonds or otherwise making them available to retail investors in the UK [has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to*

1 Legend to be included on front of the Final Terms if the Covered Bonds potentially constitute "packaged" products or the Issuer wishes to prohibit offers to EEA retail investors for any other reason, in which case the selling restriction should be specified to be "Applicable".

any retail investor in the UK may be unlawful under the UK PRIIPs Regulation].] [2]

[MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET

*Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014(as amended, "**MiFID II**"); and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable.]* [3]

[UK MiFIR PRODUCT GOVERNANCE – PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET

*Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the [European Union (Withdrawal) Act 2018/EUWA] ("**UK MiFIR**"); and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a "**UK distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a UK distributor subject to the UK Financial Conduct Authority Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels, subject to the distributor's suitability and appropriateness obligations under UK MiFIR Product Governance Rules, as applicable.]* [4]

*[SINGAPORE SFA PRODUCT CLASSIFICATION – In connection with Section 309B of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Covered Bonds are [prescribed capital markets products] / [capital markets products other than prescribed capital markets products]*

[2] Legend to be included on front of the Final Terms if the Covered Bonds potentially constitute "packaged" products or the Issuer wishes to prohibit offers to UK retail investors for any other reason, in which case the selling restriction should be specified to be "Applicable".

[3] Legend to be included on front of the Final Terms, to outline the product approval process of any applicable EU MiFID manufacturer.

[4] Legend to be included on front of the Final Terms, to outline the product approval process of any applicable UK MiFIR manufacturer.

(as defined in the CMP Regulations 2018) and [are] [Excluded] / [Specified] Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendation on Investment Products.]

Caixa Geral de Depósitos, S.A.

Issue of [***Aggregate Nominal Amount of Tranche of Covered Bonds***] [**[●]** per cent./Floating Rate/Zero Coupon] Covered Bonds due **[●]**

under the €15,000,000,000 Covered Bonds Programme

THE COVERED BONDS (AS DESCRIBED HEREIN) ARE COVERED BONDS ISSUED IN ACCORDANCE WITH DECREE-LAW NO. 31/2022, OF 6 MAY 2022 (THE "LEGAL REGIME OF COVERED BONDS"). THE ISSUER HAS THE CAPACITY TO ISSUE COVERED BONDS IN ACCORDANCE WITH THE LEGAL REGIME OF COVERED BONDS. THE FINANCIAL OBLIGATIONS OF THE ISSUER UNDER THE COVERED BONDS ARE SECURED BY THE COVER POOL MAINTAINED BY THE ISSUER IN ACCORDANCE WITH THE LEGAL REGIME OF COVERED BONDS.

This document constitutes the Final Terms relating to the issue of Covered Bonds described herein.

PART A—CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Covered Bonds (the "**Terms and Conditions**") set forth in the Base Prospectus dated 28 November 2023, [and the supplement [s] dated [●] [and [•]] (the "**Base Prospectus**") which [together] constitute[s] a base prospectus for the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended (the "**Prospectus Regulation**"). This document constitutes the Final Terms of the Covered Bonds described herein for the purposes of Article 8 of the Prospectus Regulations and must be read in conjunction with the Base Prospectus [as supplemented] in order to obtain all relevant information. Full information on the Issuer and the offer of the Covered Bonds is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. A copy of the Base Prospectus [and any supplements thereto] [is] [are] available for viewing at Caixa Geral de Depósitos, S.A., Av. João XXI, no. 63, 1000-300, Lisboa, www.cgd.pt and www.cmvm.pt. A copy of these Final Terms is available for viewing at the same addresses.

[*The following alternative language applies if the first tranche of an issue which is being increased was issued under any previous base prospectus whose terms and conditions are incorporated by reference herein as so supplemented or any other subsequent base prospectus.*]

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Covered Bonds (the "**Terms and Conditions**") set forth in the base prospectus dated [original date], as supplemented which is incorporated by reference in the Base Prospectus dated 28 November 2023 [and the supplement [s] dated [●]] (the "**Base Prospectus**"), which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation . This document constitutes the Final Terms of the Covered Bonds described herein for the purposes of Article 8 of the Prospectus Regulation and must be read in conjunction with the Base Prospectus in order to obtain all the relevant information. Full information on the Issuer and the offer of the Covered Bonds is only available on the basis of the combination of these Final Terms, the Base Prospectus dated

28 November 2023 [as so supplemented] and the Terms and Conditions contained in the Base Prospectus dated [original date]. A copy of the Base Prospectus [and any supplements thereto] [is] [are] available for viewing at www.cmvm.pt and www.cgd.pt. A copy of these Final Terms is available for viewing at www.cmvm.pt and www.cgd.pt]

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms.]

[When completing any final terms, or adding any other final terms or information, consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 23 of the Prospectus Regulation.]

1.	(i)	Series Number:	[●]
	(ii)	Tranche Number:	[●]
	(iii)	Date on which the Covered Bonds will be consolidated and form a single Series:	[•] (*If fungible with an existing Series, details of that Series, including the date on which the Covered Bonds become fungible.*)]
2.		Specified Currency or Currencies:	[●]
3.	(i)	Aggregate Nominal Amount of Covered Bonds:	
		A. Series:	[●]
		[B. Tranche]:	[●]]
	(ii)	Specify whether Covered Bonds to be admitted to trading:	[Yes (if so, specify each Series/Tranche)/No]
4.	(i)	Issue Price:	[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*in the case of fungible issues only, if applicable*)]
	(ii)	[Net Proceeds (Required only for listed issues)]	[●] [an amount equal to: Aggregate Nominal Amount of Covered Bonds minus Estimate of total expenses]

5.	Specified Denominations:	[●] *(N.B. the minimum denomination of each Covered Bond is €100,000, unless the Covered Bonds will not be distributed to the public or admitted to trading on a regulated market, in which case lower denominations per unit may apply)*
6.	(i) Issue Date:	[●]
	(ii) Interest Commencement Date:	[[●]/Issue Date/Not Applicable] *(N.B: An Interest Commencement Date will not be relevant for certain Covered Bonds, for example Zero Coupon Covered Bonds.)*
7.	Maturity Date:	[*specify date (for Fixed Rate Covered Bonds) or (for Floating Rate Covered Bonds) Interest Payment Date falling in or nearest to the relevant month and year*] (*N.B: In case (i) no Extended Maturity Date is specified or (ii) an Extended Maturity Date is specified when a Series of Covered Bonds with no Extended Maturity Date feature is outstanding, the Issuer, when deciding the applicable Maturity Date, shall ensure that such change will not affect the ranking of outstanding Covered Bonds nor invert the sequencing of the original maturity schedule of outstanding Covered Bonds in case of resolution or liquidation*.)
8.	Extended Maturity Date:	[Applicable/Not Applicable] [insert date] (the date *shall be at least one year after the Maturity Date, provided that in any case the Issuer may not specify an Extended Maturity Date that is earlier than the applicable Extended Maturity Date for any other outstanding Series of Covered Bonds with an earlier Maturity Date.)*.

9.	Interest Basis:		
	(i)	Period to (and including) Maturity Date (or the Extension Cessation Date, if applicable):	[Fixed Rate Covered Bonds] [[●] per cent. Fixed Rate] [Floating Rate Covered Bonds] [[EURIBOR +/− Margin Margin = [●] per cent.] [Zero Coupon] (further particulars specified below)
	(ii)	Period from (but excluding) Maturity Date up to (and including) Extended Maturity Date (subject to Condition 6.7(F)):	[[●] per cent. Fixed Rate] [EURIBOR] +/− Margin Margin = [●] per cent.] (further particulars specified below)
10.	[Redemption/Payment Basis:		[Redemption at par] / [Final Redemption Amount] / [Other]
11.	Change of Interest or Redemption/Payment Basis:		[*Specify details of any provision for change of Covered Bonds into another interest or redemption/payment basis*]
12.	Put/Call Options:		[Investor Put] [Issuer Call] [Not Applicable] [(further particulars specified below)]
13.	(i)	Status of the Covered Bonds:	The Covered Bonds will be direct, unconditional and senior obligations of the Issuer and rank equally with all other covered bonds issued or to be issued by the Issuer. The Covered Bonds will qualify as covered bonds for the purposes of the Legal Regime of Covered Bonds.
	(ii)	[Date [Board] approval for issuance of Covered Bonds obtained]:	[●]
14.	Method of distribution:		[Syndicated/Non-syndicated]
15.	Listing/Admission to Regulated Market		[Euronext Lisbon/*specify other*/None]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. Fixed Rate Covered Bonds Provisions

• To Maturity Date (or the Extension Cessation Date, if applicable):	[Applicable/Not Applicable] (If not applicable, delete the remaining subparagraphs of this paragraph)
• From Maturity Date up to Extended Maturity Date (subject to Condition 6.7(F)):	[Applicable/Not Applicable] (If subparagraphs (i) and (ii) not applicable, delete the remaining subparagraphs of this paragraph) (*State "Not Applicable" unless Extended Maturity Date applies and the Covered Bonds are Fixed Rate Covered Bonds after the Maturity Date, subject to Condition 6.7(F)*)
(i) Rate [(s)] of Interest:	
• To Maturity Date (or the Extension Cessation Date, if applicable):	[●] per cent. per annum [payable [annually/semi-annually/quarterly/other (specifiy)] in arrear]
• From Maturity Date up to Extended Maturity Date (subject to Condition 6.7(F)):	[Not Applicable]/ [●] per cent. per annum. [payable[annually/semi-annually/quarterly/other (specifiy)] in arrear] (*State "Not Applicable" unless Extended Maturity Date applies and the Covered Bonds are Fixed Rate Covered Bonds after the Maturity Date (subject to Condition 6.7(F)*)
(ii) Interest Payment Date(s):	
• To Maturity Date:	[[●] in each year up to and including the Maturity Date/[specifiy other]]
• From Maturity Date up to Extended Maturity Date:	[Not Applicable] [[●] in each month up to and including the Extended Maturity Date]/[specifiy other] (*State "Not Applicable" unless Extended Maturity Date applies and the Covered Bonds are Fixed Rate Covered Bonds after the Maturity Date, subject to Condition 6.7(F)*.)
(iii) Fixed Coupon Amount [(s)]:	
• To Maturity Date:	[[●] per [●] in nominal amount]

• From Maturity Date up to Extended Maturity Date:	[Not Applicable] [[●] per [●] in nominal amount] [*State "Not Applicable" unless Extended Maturity Date applies and the Covered Bonds are Fixed Rate Covered Bonds after the Maturity Date (subject to Condition 6.7(F))*.]
(iv) Broken Amount:	
• To Maturity Date:	[Insert *particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount [(s)] and the Interest Payment Date(s) to which they relate.*]
• From Maturity Date up to Extended Maturity Date:	[Not *Applicable*] [*Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount [(s)] and the Interest Payment Date(s) to which they relate.*] (*State "Not Applicable" unless Extended Maturity Date applies and the Covered Bonds are Fixed Rate Covered Bonds after the Maturity Date (subject to Condition 6.7(F)*.)
(v) Day Count Fraction:	
• To Maturity Date (or the Extension Cessation Date, if applicable):	[30/360 or Actual/Actual (ICMA)]
• From Maturity Date up to Extended Maturity Date (subject to Condition 6.7(F)):	[Not *Applicable*] [30/360 or Actual/Actual (ICMA) [*State "Not Applicable" unless Extended Maturity Date applies and the Covered Bonds are Fixed Rate Covered Bonds after the Maturity Date (subject to Condition 6.7(F)*.]
(vi) Determination Date(s):	
• To Maturity Date:	[*Insert day(s) and month(s) on which interest is normally paid (if more than one, then insert such dates in the alternative)*] in each year.]

• From Maturity Date up to Extended Maturity Date:	[Not *Applicable*] [*Insert day(s) and month(s) on which interest is normally paid (if more than one, then insert such dates in the alternative)*] in each year [*State "Not Applicable" unless Extended Maturity Date applies and the Covered Bonds are Fixed Rate Covered Bonds after the Maturity Date (subject to Condition 6.7(F)*.]
(vii) Other terms relating to the method of calculating interest for Fixed Rate Covered Bonds:	[None/*give details*]

17. Floating Rate Covered Bonds Provisions

• To Maturity Date (or the Extension Cessation Date, if applicable):	[*Applicable*/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph.*)
• From Maturity Date up to Extended Maturity Date (subject to Condition 6.7(F)):	[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph.*) [*State "Not Applicable" unless Extended Maturity Date applies and the Covered Bonds are Floating Rate Covered Bonds after the Maturity Date (subject to Condition 6.7(F).*]
(i) Specified Period(s)/Specified Interest Payment Dates:	
• To Maturity Date:	[●]
• From Maturity Date up to Extended Maturity Date:	[Not Applicable]/[●] [*State "Not Applicable" unless Extended Maturity Date applies and the Covered Bonds are Floating Rate Covered Bonds after the Maturity Date.*]
(ii) Business Day Convention:	
• To Maturity Date (or the Extension Cessation Date, if applicable]:	[Floating Rate Convention/Following Business Day Convention/ Modified Following (Adjusted) Business Day Convention/Preceding Business Day Convention]

• From Maturity Date up to Extended Maturity Date (subject to Condition 6.7(F)):	[Not Applicable]/[Floating Rate Convention/Following Business Day Convention/Modified Following (Adjusted) Business Day Convention/Preceding Business Day Convention] (*State "Not Applicable" unless Extended Maturity Date applies and the Covered Bonds are Floating Rate Covered Bonds after the Maturity Date.*)
(iii) Additional Business Centre(s):	
• To Maturity Date (or the Extension Cessation Date, if applicable):	[●]
• From Maturity Date up to Extended Maturity Date (subject to Condition 6.7(F)):	[Not Applicable]/ [●] (*State "Not Applicable" unless Extended Maturity Date applies and the Covered Bonds are Floating Rate Covered Bonds after the Maturity Date.*)
(iv) Manner in which the rate of interest and Interest Amount is to be determined:	
• To Maturity Date (or the Extension Cessation Date, if applicable):	[Screen Rate Determination/ISDA Determination]
• From Maturity Date up to Extended Maturity Date (subject to Condition 6.7(F)):	[Not Applicable]/ [Screen Rate Determination/ISDA Determination] (*State "Not Applicable" unless Extended Maturity Date applies and the Covered Bonds are Floating Rate Covered Bonds after the Maturity Date.*)
(v) Party responsible for calculating the rate of interest and Interest Amount (if not the Agent):	[●] (the "**Calculation Agent**")
• To Maturity Date (or the Extension Cessation Date, if applicable):	[●]

• From Maturity Date up to Extended Maturity Date (subject to Condition 6.7(F)):	[Not Applicable]/[●] [*State "Not Applicable" unless Extended Maturity Date applies and the Covered Bonds are Floating Rate Covered Bonds after the Maturity Date*]
(vi) Screen Rate Determination:	[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
A. To Maturity Date (or the Extension Cessation Date, if applicable):	
• Reference Rate:	[EURIBOR]
• Interest Determination Date:	[●] (*Second day of on which the T2 System is open prior to the start of each Interest Period if EURIBOR*)
• Relevant Screen Page:	[●] (*in the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions accordingly*)
• Relevant Financial Centre:	[●] [*specify the Relevant Financial Centre i.e. Brussels for EURIBOR*]
B. From Maturity Date up to Extended Maturity Date (subject to Condition 6.7(F)):	[Not Applicable] (*State "Not Applicable" unless Extended Maturity Date applies and the Covered Bonds are Floating Rate Covered Bonds after the Maturity Date.*)
• Reference Rate:	[●]
• Interest Determination Date:	[●] (*Second day on which the T2 System is open prior to the start of each Interest Period if EURIBOR*)
• Relevant Screen Page:	[●] (*in the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions accordingly*)
(vii) ISDA Determination:	[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)

A. To Maturity Date (or the Extension Cessation Date, if applicable):	
ISDA Definitions:	[2006 ISDA Definitions/2021 ISDA Definitions]
• Floating Rate Option:	[●] (if "2021 ISDA Definitions" is selected, ensure this is a Floating Rate Option included in the Floating Rate Matrix (as defined in the 2021 ISDA Definitions).)
• Designated Maturity:	[●]/Not Applicable] (*A Designated Maturity period is not relevant where the relevant Floating Rate Option is a risk-free rate.*)
• Reset Date:	[●] (*In the case of a EURIBOR based option, the first day of the Interest Period.*)
• Compounding:	[Applicable/Not Applicable] (*If not applicable delete the remaining sub-paragraphs of this paragraph*)
• Compounding Method:	[Compounding with Lookback Lookback: [●] Applicable Business Days] [Compounding with Observation Period Shift Observation Period Shift: [●] Observation Period Shift Business Days Observation Period Shift Additional Business Days: [●]/ [Not Applicable]] [Compounding with Lockout Lockout: [●] Lockout Period Business Days Lockout Period Business Days: [●]/[Applicable Business Days]]
B. From Maturity Date up to Extended Maturity Date (subject to Condition 6.7 (F)):	[Not Applicable] [*State "Not Applicable" unless Extended Maturity Date applies and the Covered Bonds are Floating Rate Covered Bonds after the Maturity Date.*]

ISDA Definitions:	[2006 ISDA Definitions/2021 ISDA Definitions]
• Floating Rate Option:	[●]
• Designated Maturity:	[●]/Not Applicable] (*A Designated Maturity period is not relevant where the relevant Floating Rate Option is a risk-free rate.*)
• Reset Date:	[●] (*In the case of a EURIBOR based option, the first day of the Interest Period.*)
(viii) Margin(s):	
• To Maturity Date (or the Extension Cessation Date, if applicable):	[+/−] [●] per cent. per annum
• From Maturity Date up to Extended Maturity Date (subject to Condition 6.7(F)):	[Not Applicable]/ [+/−] [●] per cent. per annum (*State "Not Applicable" unless Extended Maturity Date applies and the Covered Bonds are Floating Rate Covered Bonds after the Maturity Date.*)
(ix) Minimum rate of interest:	
• To Maturity Date (or the Extension Cessation Date, if applicable):	[●] per cent. per annum
• From Maturity Date up to Extended Maturity Date (subject to Condition 6.7(F)):	[Not Applicable]/ [●] per cent. per annum (*State "Not Applicable" unless Extended Maturity Date applies and the Covered Bonds are Floating Rate Covered Bonds after the Maturity Date.*)
(x) Maximum rate of interest:	
• To Maturity Date (or the Extension Cessation Date, if applicable):	[●] per cent. per annum

• From Maturity Date up to Extended Maturity Date (subject to Condition 6.7(F)):	[Not Applicable]/ [●] per cent. per annum (*State "Not Applicable" unless Extended Maturity Date applies and the Covered Bonds are Floating Rate Covered Bonds after the Maturity Date.*)
(xi) Day Count Fraction:	
• To Maturity Date (or the Extension Cessation Date, if applicable):	[Actual/Actual (ISDA) Actual/365 (Fixed) Actual/365 (Sterling) Actual/360 30/360 30E/360 30E/360 (ISDA)] (see Condition 4 (*Interest*) for alternatives)
• From Maturity Date up to Extended Maturity Date (subject to Condition 6.7(F)):	[Not Applicable]/ [Actual/Actual (ISDA) Actual/365 (Fixed) Actual/365 (Sterling) Actual/360 30/360 30E/360 30E/360 (ISDA)] (see Condition 4 (*Interest*) for alternatives) (*State "Not Applicable" unless Extended Maturity Date applies and the Covered Bonds are Floating Rate Covered Bonds after the Maturity Date*.)
18. Zero Coupon Covered Bonds Provisions	[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
1. Accrual Yield:	[●] per cent. per annum
2. Reference Price:	[●]
3. Any other formula/basis of determining amount payable:	[●]

4.	Day Count Fraction in relation to late payment:	[Condition 6.6 applies] (*consider applicable day count fraction if not U.S. dollar denominated*)
	Interest rate applicable in case of Extended Maturity Date	As provided above.

PROVISIONS RELATING TO REDEMPTION

19.	**Call Option**	[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(i) Optional Redemption Date(s):	[●]
	(ii) Optional Redemption Amount(s) of each Covered Bond and method, if any, of calculation of such amount(s):	[●] per Covered Bond of [●] Specified Denomination
	(iii) If redeemable in part:	
	(a) Minimum Redemption Amount:	[●]
	(b) Maximum Redemption Amount:	[●]
	(iv) Notice period (if other than as set out in the Terms and Conditions):	[●] (*N.B: If setting notice periods which are different to those provided in the Terms and Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent*)
20.	Put Option	[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(i) Optional Redemption Date(s):	[●]
	(ii) Optional Redemption Amount(s) of each Covered Bond and method, if any, of calculation of such amount(s):	[●] per Covered Bond of [●] Specified Denomination

	(iii) Notice period:	[●] (*N.B: If setting notice periods which are different to those provided in the Terms and Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent*)
21.	Final Redemption Amount of each Covered Bond:	[[●] per Covered Bond of [●] Specified Denomination/Other/See Appendix] (*N.B: Final Redemption Amount shall correspond at least to the nominal amount)*
22.	[Early Redemption Amount of each Covered Bond payable on an event of default and/or the method of calculating the same (if required or if different from that set out in Condition 6 (*Redemption and Purchase*))]	[Applicable/Not Applicable]

GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

23.	Form of Covered Bonds:	Nominative Covered Bonds (*nominativas*) in book entry form (*escriturais*)
24.	Additional Financial Centre(s) or other special provisions relating to Payment Dates:	[Not Applicable/*give details*] (*Note that this item relates to the place of payment and not Interest Period end dates to which item 17 (iii) relates*)
25.	Other final terms:	[Not Applicable/*give details*] (*When adding on any other final terms consideration should be given as to whether such terms constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 23 of the Prospectus Regulation*.)

DISTRIBUTION

26.	1. If syndicated, names of Dealers:	[Not Applicable/*give names and date of relevant agreement*]
	2. Date of [Subscription] Agreement	[•]
	3. Stabilisation Manager (if any):	[Not Applicable/*if applicable, please include names, period and other relevant information*]
27.	If non-syndicated, name of relevant Dealer:	[Not Applicable/*give name and date of relevant agreement*]
28.	Additional selling restrictions:	[Not Applicable/*give details*]
29.	Prohibition of Sales to EEA Retail Investors	[Applicable/Not Applicable] (*If the Covered Bonds clearly do not constitute "packaged" products or the Covered Bonds do constitute "packaged" products and a key information document will be prepared in the EEA, "Not Applicable" should be specified. If the Covered Bonds may constitute "packaged" products and no KIID will be prepared in the EEA, "Applicable" should be specified*)
30.	Prohibition of Sales to UK Retail Investors	[Applicable/Not Applicable] (*If the Covered Bonds clearly do not constitute "packaged" products or the Covered Bonds do constitute "packaged" products and a key information document will be prepared in the UK, "Not Applicable" should be specified. If the Covered Bonds may constitute "packaged" products and no KID will be prepared in the UK, "Applicable" should be specified*)

31.	Relevant Benchmark[s]	*[Not applicable]* *[Applicable: Amounts payable under the Covered Bonds are calculated by reference to [specify benchmark], which is provided by administrator legal name – if more than one specify in relation to each relevant benchmark].* *[As at the date of these Final Terms, [[administrator legal name] [appears]/[does not appear]][repeat as necessary] in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the of the Benchmarks Regulation (Regulation (EU) 2016/1011)].* *[As far as the Issuer is aware, [[insert benchmark(s)] [does/do] not fall within the scope of the Benchmarks Regulation (Regulation (EU) 2016/1011)by virtue of Article 2 of that regulation] OR [the transitional provisions in Article 51 of the Benchmarks Regulation (Regulation (EU) 2016/1011)apply], such that [insert names(s) of administrator(s)] [is/are] not currently required to obtain authorisation or registration.]*.

LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required to list the issue of the Covered Bonds described herein pursuant to the €15,000,000,000 Covered Bonds Programme of Caixa Geral de Depósitos, S.A.

RESPONSIBILITY

The Issuer is responsible for the information contained in these Final Terms. [*Relevant third party information*] has been extracted from [*specifiy source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [*specifiy source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of the Issuer:

By:

Duly authorised

PART B – OTHER INFORMATION

1. Listing	[Applicable/None]
(i) Listing and admission to trading:	[Application has been made for the Covered Bonds to be admitted to trading on [Euronext Lisbon/other (specify)/None] with effect from [●].] [Not Applicable.] (*Where documenting a fungible issue need to indicate that original securities are already admitted to trading*.)
(ii) Estimate of total expenses related to admission to trading:	[●]

2. Ratings

Ratings:	The Covered Bonds to be issued [have been]/[are expected to be] rated [*insert details*] by [*insert the legal name of the relevant credit rating agency entity(ies) and associated defined terms*]. Each of [*defined terms*] is established in the [European Economic Area ("**EEA**") and is registered under [Regulation (EC) no. 1060/2009, as amended (the "**CRA Regulation**")]: [Moody's: [●]] [Fitch: [●]] [DBRS: [●]] [/[●]:[●]] *(The above disclosure should reflect the rating allocated to the Covered Bonds being issued.)* *[Need to include a brief explanation of the meaning of the ratings attributed to the Covered Bonds if this has previously been published by the rating provider.]*

3. [Interests of Natural and Legal Persons Involved in the [Issue/Offer]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

"Save as discussed in ["**Subscription and Sale**"], so far as the Issuer is aware, no person involved in the offer of the Covered Bonds has an interest material to the offer."—*amend as appropriate if there are other interests*]

4. [**Reasons for the Offer, Estimated Net Proceeds (Issue Price minus the fees payable to the Dealers) and Estimated Total Expenses (the total expenses relating to admission to trading and the fees payable to the Dealers)**

[(i) Reasons for the offer:	[●] *(See "Use of Proceeds" wording in the Base Prospectus if reasons for the offer differ from what is disclosed in the Base Prospectus, will need to include those reasons here.)*
[(ii)] Estimated net proceeds:	[●] *(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*
[(iii)] Estimated total expenses:	[●]]

5. YIELD

Indication of yield:	[●]

[The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

[The yield for Floating Rate Covered Bonds is an estimation only and calculated with reference to the rate of interest that would be payable if the Issue Date would be an Interest Payment Date and on the assumption that such rate of interest (comprising the relevant rate plus margin) would not change in the future. Investors should be aware that the rate of interest payable on each Interest Payment Date will be subject to the variation of the relevant Reference Rate. The index used to calculate the yield was [•]]

6. Operational Information

ISIN Code:	[●]
Common Code:	[●]
CFI:	[[•], as updated as set out on the website of the Association of National Number Agencies (ANNA)/Not Applicable]
FISN:	[•]/Not Applicable]
Delivery:	Delivery [against/free of] payment
Names and addresses of additional Paying Agent(s) (if any):	[●]

Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes] [No] [Note that the designation "yes" simply means that the Covered Bonds are intended upon issue to be registered with Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A. in its capacity as a securities settlement system, and does not necessarily mean that the Covered Bonds will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.][include this text if "yes" is selected above]
Stabilisation Operation	[Not Applicable/Applicable] [If applicable, name of the Stabilisation Manager and Period; Other information]
Intended to be labelled as "European Covered Bond (Premium)":	[Yes] [No]

TERMS AND CONDITIONS OF THE COVERED BONDS

The following are the Terms and Conditions of the Covered Bonds. The applicable Final Terms in relation to any Tranche of Covered Bonds shall complete the following Terms and Conditions for the purpose of such Covered Bonds. Reference should be made to "Final Terms for Covered Bonds" for a description of the content of Final Terms which will specify which of such terms are to apply in relation to the relevant Covered Bonds.

THE COVERED BONDS (AS DEFINED IN THESE TERMS AND CONDITIONS) ARE COVERED BONDS ("*OBRIGAÇÕES COBERTAS*") ISSUED IN ACCORDANCE WITH THE LEGAL REGIME OF COVERED BONDS (AS DEFINED IN THESE TERMS AND CONDITIONS). THE ISSUER (AS DEFINED IN THESE TERMS AND CONDITIONS) IS A CREDIT INSTITUTION WITH THE CAPACITY TO ISSUE COVERED BONDS PURSUANT TO THE LEGAL REGIME OF COVERED BONDS. THE FINANCIAL OBLIGATIONS OF THE ISSUER UNDER THE LEGAL REGIME OF COVERED BONDS ARE SECURED BY THE ASSETS THAT COMPRISE THE COVER POOL (AS DEFINED BELOW) MAINTAINED BY THE ISSUER IN ACCORDANCE WITH THE LEGAL REGIME OF COVERED BONDS.

It is the intention of the Issuer, but not its contractual undertaking, that any Covered Bonds to be issued are able to bear the label "European Covered Bond (Premium)", as foreseen in article 42(2) of the Legal Regime of Covered Bonds. The actual ability for such label to be used will depend on the compliance over time with the relevant requirements of the Legal Regime of Covered Bonds and of article 129 of the CRR.

This Covered Bond is one of a Series (as defined below) of covered bonds issued by Caixa Geral de Depósitos, S.A. (the "**Issuer**") in accordance with the procedures set out in the Agency and Payments Procedures (as defined below).

References herein to the Covered Bonds shall be references to the Covered Bonds of this Series and shall mean the book-entries corresponding to the Specified Denomination in the Specified Currency (as specified in the applicable Final Terms).

The Covered Bonds have the benefit of a set of agency and payments procedures (such agency and payments procedures as amended and/or supplemented and/or restated from time to time, the "**Agency and Payments Procedures**") dated 23 November 2006 and made and agreed by Caixa Geral de Depósitos, S.A. (acting in its capacity as Agent, which expressions shall include any successors) and by any subsequent agent, and/or paying agent appointed by the Issuer.

Any reference to "**holders of Covered Bonds**" shall mean the person or entity registered as such in the individual securities' account held with the relevant Affiliate Member of Interbolsa.

As used herein, Tranche means Covered Bonds which are identical in all respects (including as to listing) and Series means a Tranche of Covered Bonds together with any further Tranche or Tranches of Covered Bonds which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates, interest rates and/or Issue Prices.

Copies of the Agency and Payments Procedures are available for inspection during normal business hours at the specified office of the Paying Agents or may be provided by email to holders of Covered Bonds following their prior written request to the Paying Agents and provision of proof of holding and identity (in a form satisfactory to the relevant Paying Agent). Copies of the applicable Final Terms are obtainable at the website of the Issuer (www.cgd.pt) and during normal business hours at the specified office of the Paying

Agent save that, if these Covered Bonds are unlisted, the applicable Final Terms will only be obtainable at the specified office of the Paying Agent by a holder holding one or more unlisted Covered Bonds, such holder must produce evidence satisfactory to the Issuer and the Paying Agent as to its holding of such Covered Bonds and identity. The Covered Bonds holders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency and Payments Procedures and the applicable Final Terms which are applicable to them. The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Agency and Payments Procedures.

Words and expressions defined in the Agency and Payments Procedures or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency and Payments Procedures and the applicable Final Terms, the applicable Final Terms will prevail.

As used herein, outstanding means in relation to the Covered Bonds all the Covered Bonds issued other than:

(a) those Covered Bonds which have been redeemed and cancelled pursuant to these Terms and Conditions;

(b) those Covered Bonds in respect of which the date for redemption under these Terms and Conditions has occurred and the redemption moneys (including all interest (if any) accrued to the date for redemption and any interest (if any) payable under these Terms and Conditions after that date) have been duly paid to or to the order of the Agent in the manner provided in the Agency and Payments Procedures (and, where appropriate, notice to that effect has been given to the Covered Bonds holders in accordance with these Terms and Conditions) and remain available for payment against presentation of the relevant Covered Bonds;

(c) those Covered Bonds which have been purchased and cancelled under these Terms and Conditions;

(d) those Covered Bonds which have become prescribed under these Terms and Conditions.

1. FORM, DENOMINATION AND TITLE

The Covered Bonds are in nominative form (*nominativas*) and in the Specified Currency and the Specified Denomination(s), as specified in the applicable Final Terms. Covered Bonds of one Specified Denomination may not be exchanged for Covered Bonds of another Specified Denomination.

The Covered Bonds will be held through Interbolsa and will be held in book-entry form (*forma escritural*) and title to the Covered Bonds will be evidenced by book entries in accordance with the provisions of Portuguese Securities Code and the applicable CMVM regulations. No physical document of title will be issued in respect of the Covered Bonds. Each person shown in the records of an Affiliate Member of Interbolsa as having an interest in Covered Bonds shall be treated as the holder of the principal amount of the Covered Bonds recorded therein.

This Covered Bond may be a Fixed Rate Covered Bond, a Floating Rate Covered Bond or a Zero Coupon Covered Bond, depending upon the Interest Basis shown in the applicable Final Terms.

Where the applicable Final Terms specify that an Extended Maturity Date applies to a Series of Covered

Bonds, those Covered Bonds may be Fixed Rate Covered Bonds or Floating Rate Covered Bonds or Zero Coupon Covered Bonds in respect of the period from the Issue Date to and including the Maturity Date and Fixed Rate Covered Bonds or Floating Rate Covered Bonds in respect of the period from the Maturity Date up to and including the Extended Maturity Date, subject as specified in the applicable Final Terms.

The Covered Bonds to be issued on or after the date hereof will be issued in a denomination per unit not lower than €100,000 (or its equivalent in another currency), as specified in the relevant Final Terms, unless the Covered Bonds will not be distributed to the public or admitted to trading on a regulated market, in which case lower denominations per unit may apply.

2. TRANSFERS OF COVERED BONDS

The transferability of the Covered Bonds is not restricted.

Covered Bonds may, subject to compliance with all applicable rules, restrictions and requirements of Interbolsa and Portuguese law, be transferred to a person who wishes to hold such Covered Bond. No owner of a Covered Bond will be able to transfer such Covered Bond, except in accordance with Portuguese Law and with the applicable procedures of Interbolsa.

The holders of Covered Bonds will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

3. STATUS OF THE COVERED BONDS

The Covered Bonds and any interest thereon constitute direct, unconditional, unsubordinated and secured obligations of the Issuer and rank *pari passu* without any preference among themselves. The Covered Bonds are covered securities issued in accordance with the Legal Regime of Covered Bonds, which are secured by the Cover Pool maintained by the Issuer in accordance with the terms of the Legal Regime of Covered Bonds, and rank *pari passu* with all other obligations of the Issuer under covered bonds issued or to be issued by the Issuer pursuant to the Legal Regime of Covered Bonds (or which have been originally issued pursuant to the Covered Bonds Law and to which the Legal Regime of Covered Bonds became applicable following the approval of the Programme by CMVM under the Legal Regime of Covered Bonds).

4. INTEREST

4.1 Interest on Fixed Rate Covered Bonds

Each Fixed Rate Covered Bond bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date at the rate(s) per annum equal to the rate(s) of interest. Subject as provided in Condition 4.4 (*Interest Rate and Payments from the Maturity Date in the event of extension of maturity of the Covered Bonds up to the Extended Maturity Date*), interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date (as specified in the relevant Final Terms).

Except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed

Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in these Terms and Conditions, "**Fixed Interest Period**" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

If interest is required to be calculated for a period other than a Fixed Interest Period, such interest shall be calculated by applying the rate of interest to the Principal Amount Outstanding of each Covered Bond, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest in accordance with this Condition 4.1 (Interest on Fixed Rate Covered Bonds):

(i) if "**Actual/Actual (ICMA)**" is specified in the applicable Final Terms:

(a) in the case of Covered Bonds where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or

(b) in the case of Covered Bonds where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

1. the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

2. the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(ii) if "**30/360**" is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

4.1.6 In these Terms and Conditions:

(i) "**Determination Period**" means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

(ii) "**Principal Amount Outstanding**" means in respect of a Covered Bond the principal amount of that Covered Bond on the relevant Issue Date thereof less principal amounts received by the relevant holder of the Covered Bond in respect thereof; and

(iii) "**sub-unit**" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent.

4.2 Interest on Floating Rate Covered Bonds

(A) Interest Payment Dates

Each Floating Rate Covered Bond bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

(i) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or

(ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment Date, an "**Interest Payment Date**") which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each "**Interest Period**" (which expression shall, in these Terms and Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date or the relevant payment date if the Covered Bonds become payable on a date other than an Interest Payment Date).

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

(i) in any case where Specified Periods are specified in accordance with Condition 4.2.(A)(ii) above, the Floating Rate Convention (as specified in the applicable Final Terms), such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or

(ii) the Following Business Day Convention (as specified in the applicable Final Terms), such Interest Payment Date shall be postponed to the next day which is a Business Day; or

(iii) the Modified Following (Adjusted) Business Day Convention (as specified in the applicable Final Terms), such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

(iv) the Preceding Business Day Convention (as specified in the applicable Final Terms), such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Terms and Conditions, "**Business Day**" means a day which is both:

(i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and Lisbon and any Additional Business Centre(s) specified in the applicable Final Terms; and

(ii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than London and Lisbon and any Additional Business Centre(s)) and which if the Specified Currency is Australian dollars shall be Sydney or (2) in relation to any sum payable in euro, a day on which the T2 System is open.

(B) rate of interest

Floating Rate Covered Bonds

The rate of interest payable from time to time in respect of Floating Rate Covered Bonds will be determined in the manner specified in the applicable Final Terms, provided that (as set out below and detailed in the relevant Final Terms) the relevant rate of interest will be equal to the relevant reference rate plus or minus (as the case may be) the relevant Margin, provided that the Rate of Interest for a given Interest Period will be deemed to be zero per cent. if the relevant reference rate plus or minus Margin calculated for such Interest Period corresponds to a negative rate.

(i) *ISDA Determination for Floating Rate Covered Bonds:* Where ISDA Determination is specified in the applicable Final Terms as the manner in which the rate of interest is to be determined, the rate of interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this subparagraph, "**ISDA Rate**" for an Interest Period means a rate equal to the Floating Rate that would be determined by the Agent or the Calculation Agent as specified in the applicable Final Terms under an interest rate swap transaction if the Agent or that other person were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating (i) if "2006 ISDA Definitions" is specified in the applicable Final Terms, the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. ("**ISDA**") and as amended and updated as at the Issue Date of the first Tranche of the Covered Bonds of the relevant Series; or (ii) if "2021 ISDA Definitions" is specified in the applicable Final Terms, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions as published by ISDA as at the Issue Date of the first Tranche of the Covered Bonds of the relevant Series (each, the "**ISDA Definitions**") and under which:

1. the Floating Rate Option is as specified in the applicable Final Terms;
2. the Designated Maturity, if applicable, is the period specified in the applicable Final Terms; and
3. the relevant Reset Date, if applicable, is as specified in the applicable Final Terms;
4. if the specified Floating Rate Option is an Overnight Floating Rate Option, Compounding is specified to be applicable in the applicable Final Terms and:

(a) Compounding with Lookback is specified as the Compounding Method in the applicable Final Terms, (a) Compounding with Lookback is the Overnight Rate Compounding Method and (b) Lookback is the number of Applicable Business Days specified in the relevant Final Terms;

(b) Compounding with Observation Period Shift is specified as the Compounding Method in the applicable Final Terms, (a) Observation Period Shift is the number of Observation Period Shift Business Days specified in the applicable Final Terms and (b) Observation Period Shift Additional Business Days, if applicable, are the days specified in the relevant Final Terms; or

(c) Compounding with Lockout is specified as the Compounding Method in the applicable Final Terms, (a) Compounding with Lockout is the Overnight Rate Compounding Method, (b) Lockout is the number of Lockout Period Business Days specified in the applicable Final Terms and (c) Lockout Period Business Days, if applicable, are the days specified in the applicable Final Terms;

5. if the specified Floating Rate Option is an Index Floating Rate Option and Index Provisions are specified to be applicable in the applicable Final Terms, the Compounded Index Method with Observation Period Shift shall be applicable and, (a) Observation Period Shift is the number of Observation Period Shift Business Days specified in the applicable Final Terms and (b) Observation Period Shift Additional Business Days are the days, if applicable, specified in the applicable Final Terms; and
6. References in the relevant ISDA Definitions to:

(a) "**Confirmation**" shall be deemed to be references to the relevant Final Terms;

(b) "**Calculation Period**" shall be deemed to be references to the relevant Interest Period;

(c) "**Termination Date**" shall be deemed to be references to the Maturity Date (or, as applicable, an Extension Cessation Date or Extended Maturity Date); and

(d) "**Effective Date**" shall be deemed to be references to the Interest Commencement Date.

For the purposes of this sub-paragraph 4.2.(B), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**" "**Reset Date**", "**Overnight Floating Rate Option**", "**Overnight Rate Compounding Method**", "**Compounding with Lookback**", "Lookback", "Applicable Business Days", "**Compounding with Observation Period Shift**", "Observation Period Shift", "Observation Period Shift Business Days", "Observation Period Shift Additional Business Days", "**Compounding with Lockout**", "Lockout", "Lockout Period Business Days", "**Index Floating Rate Option**", "**Compounded Index Method with Observation Period Shift**", "Observation Period Shift", "Observation Period Shift

Business Days" and "Observation Period Shift Additional Business Days" have the meanings given to those terms in the relevant ISDA Definitions.

(ii) *Screen rate determination for Floating Rate Covered Bonds:* Where screen rate determination is specified in the applicable Final Terms as the manner in which the rate of interest is to be determined, the rate of interest for each Interest Period will, subject to Condition 4.5 (Benchmark Replacement), be either:

(A) the offered quotation (if there is only one quotation on the Relevant Screen Page); or

(B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (Relevant Financial Centre time) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Agent or, where the applicable Final Terms specifies a Calculation Agent, the Calculation Agent so specified. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Agent for the purpose of determining the arithmetic mean (rounded as provided above) or, as applicable, the relevant Calculation Agent, of such offered quotations.

If, for the purposes of the calculations described above, the Relevant Screen Page is not available or if, in the case of (A) above, no offered quotations appear thereon or, in the case of (B) above, fewer than three offered quotations appear, in each case as at 11.00 a.m. (Relevant Financial Centre time), the Agent or, where the applicable Final Terms specifies a Calculation Agent, the Calculation Agent so specified shall request each of the Reference Banks to provide it with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at 11.00 a.m. (Relevant Financial Centre time) on the Interest Determination Date) in question. If two or more of the Reference Banks provide it with such offered quotations, the rate of interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Agent or, where the applicable Final Terms specifies a Calculation Agent, the Calculation Agent.

If on any Interest Determination Date, one only or none of the Reference Banks provides the Agent or, where the applicable Final Terms specifies a Calculation Agent, the Calculation Agent with such offered quotations as provided in the preceding paragraph, the rate of interest for the relevant Interest Period shall be the rate per annum which the Agent or, where the applicable Final Terms specifies a Calculation Agent, the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Agent or, where the applicable Final Terms specifies a Calculation Agent, the Calculation Agent by two or more Reference Banks, at which such banks were offered, at approximately the above specified time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the Eurozone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Agent or, where the applicable Final Terms specifies a Calculation Agent, the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the above specified time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Agent or, where the applicable Final Terms specifies a Calculation Agent, the Calculation Agent it is quoting to leading banks in the Eurozone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any), provided that, if the rate of interest cannot be determined in accordance with the foregoing provisions of this paragraph, the rate of interest shall be determined on the Interest Determination Date for the last preceding Interest Period (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period).

For the purposes of the two preceding paragraphs, "**Reference Banks**" means those banks whose offered rates were used to determine such quotation when such quotation last appeared on the Relevant Screen Page or, if applicable, those banks whose offered quotations last appeared on the Relevant Screen Page when no fewer than three such offered quotations appeared.

(C) Minimum rate of interest and/or maximum rate of interest

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the rate of interest in respect of such Interest Period determined in accordance with the provisions of paragraph 4.2 above is less than such minimum rate of interest, the rate of interest for such Interest Period shall be such minimum rate of interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the rate of interest in respect of such Interest Period determined in accordance with the provisions of paragraph 4.2 above is greater than such maximum rate of interest, the rate of interest for such Interest Period shall be such maximum rate of interest.

(D) Determination of rate of interest and calculation of Interest Amounts

The Agent or, where the applicable Final Terms specifies a Calculation Agent, the Calculation Agent so specified, will at or as soon as practicable after each time at which the rate of interest is to be determined, determine the rate of interest for the relevant Interest Period.

The Agent or, where the applicable Final Terms specifies a Calculation Agent, the Calculation Agent so specified, will calculate the amount of interest payable on the Floating Rate Covered Bonds (each an

"**Interest Amount**") for the relevant Interest Period. Each Interest Amount shall be calculated by applying the rate of interest to the Principal Amount Outstanding of each Covered Bond, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest for any Interest Period:

(i) if "**Actual/Actual (ISDA)**" or "**Actual/Actual**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

(ii) if "**Actual/365 (Fixed**)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;

(iii) if "**Actual/365 (Sterling**)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

(iv) if "**Actual/360**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;

(v) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D1" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

(vi) if "**30E/360**" or "**Eurobond Basis**" is specified in the applicable Final Terms, the number of days in the

Interest Period divided by 360, calculated on a formula basis as follows:.

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D1" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D2 will be 30;

(vii) if "**30E/360 (ISDA)**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D1" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30.

(E) Notification of rate of interest and Interest Amounts

The Agent, or where the applicable Final Terms specifies a Calculation Agent for this purpose, the Calculation Agent so specified, will cause the rate of interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and to Euronext Lisbon or other relevant competent listing authority or quotation system on which the relevant Floating Rate Covered Bonds are for the time being listed, quoted and/or traded and notice thereof to be published in accordance with Condition 11 (*Notices*) as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. Any such amendment or alternative arrangements will be promptly notified to the Common Representative and each Stock Exchange or other relevant authority on which the relevant Floating Rate Covered Bonds are for the time being listed or by which they have been admitted to listing and to the holders of Covered Bonds in accordance with Condition 11 (*Notices*). For the purposes of this paragraph, the expression "**London Business Day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(F) Certificates to be final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4.2 (*Interest on Floating Rate Covered Bonds*), whether by the Agent or the Calculation Agent (if applicable) shall (in the absence of negligence, wilful default, bad faith or manifest error) be binding on the Issuer, the Agent, any other Paying Agents, any Calculation Agent, the Common Representative and all holders of Covered Bonds and (in the absence of wilful default or bad faith) no liability to the Issuer, any Calculation Agent, the holders of Covered Bonds shall attach to the Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

4.3 Accrual of interest

Subject as provided in Condition 4.4 (*Interest Rate and Payments from the Maturity Date in the event of extension of maturity of the Covered Bonds up to the Extended Maturity Date*), interest (if any) will cease to accrue on each Covered Bond (or in the case of the redemption of part only of a Covered Bond, that part only of such Covered Bond) on the due date for redemption thereof (which, in any case where an extension of maturity ceases to apply after the Maturity Date pursuant to Condition 6.7(F), shall be the Extension Cessation Date) unless, upon due presentation, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until the earlier of (i) the date on which all amounts due in respect of such Covered Bond have been paid; and (ii) 5 days after the date on which the full amount of the moneys payable in respect of such Covered Bond has been received by the Agent and notice to that effect has been given to the holders of Covered Bonds in accordance with Condition 11 (*Notices*).

4.4 Interest Rate and Payments from the Maturity Date in the event of extension of maturity of the Covered Bonds up to the Extended Maturity Date

(A) If an Extended Maturity Date is specified in the applicable Final Terms as applying to a Series of Covered Bonds and the maturity of the Covered Bonds is extended beyond the Maturity Date in accordance with Condition 6.7 (*Extension of Maturity up to Extended Maturity Date*), the Covered Bonds shall bear interest from (and including) the Maturity Date to (but excluding) the earlier of the relevant Interest Payment Date after the Maturity Date on which the Covered Bonds are redeemed in full or the Extended Maturity Date, subject to Conditions 4.3, 4.4(B) and 6.7(F). In that event, interest shall be payable on those Covered Bonds at the rate determined in accordance with Condition 4.4(B) on the Principal Amount Outstanding of the Covered Bonds in arrear on the Interest Payment Date in each month after the Maturity Date in respect of the Interest Period ending immediately prior to the relevant Interest Payment Date, subject as otherwise provided in the applicable Final Terms. The final Interest Payment Date shall fall no later than the Extended Maturity Date.

(B) If an Extended Maturity Date is specified in the applicable Final Terms as applying to a Series of Covered Bonds and the maturity of the Covered Bonds is extended beyond the Maturity Date in accordance with Condition 6.7 (Extension of Maturity up to Extended Maturity Date), and subject to Condition 6.7(F), the rate of interest payable from time to time in respect of the Principal Amount Outstanding of the Covered Bonds on each Interest Payment Date after the Maturity Date in respect of the Interest Period ending immediately prior to the relevant Interest Payment Date will be as specified in the applicable Final Terms and, where applicable, determined by the Agent or, where the applicable Final Terms specifies a Calculation Agent, the Calculation Agent so specified, 2 Business Days after the Maturity Date in respect of the first such Interest Period and thereafter as specified in the applicable Final Terms (or, in connection with any redemption of the Covered Bonds (other than Zero Coupon Covered Bonds) where an extension of maturity ceases to apply after the Maturity Date pursuant to Condition 6.7(F), interest will continue to accrue from (and including) the Maturity Date to (but excluding) the Extension Cessation Date at the same rate of interest that was applicable in respect of the interest period ending on (but excluding) the Maturity Date).

(C) In the case of Covered Bonds which are Zero Coupon Covered Bonds up to (and including) the Maturity Date, and in addition to paragraph (B) above, for the purposes of this Condition 4.4 (*Interest Rate and Payments from the Maturity Date in the event of extension of maturity of the Covered Bonds up to the Extended Maturity Date*) the Principal Amount Outstanding shall be the total amount otherwise payable by the Issuer on the Maturity Date less any payments made by the Issuer in respect of such amount in accordance with these Conditions.

(D) This Condition 4.4 (*Interest Rate and Payments from the Maturity Date in the event of extension of maturity of the Covered Bonds up to the Extended Maturity Date*) shall only apply if the maturity of the Covered Bonds is extended up to the Extended Maturity Date in accordance with Condition 6.7 (*Extension of Maturity up to Extended Maturity Date*).

4.5 Benchmark Replacement

This Condition 4.5 applies only where Screen Rate Determination is specified in the applicable Final Terms as the manner in which any rate of interest is to be determined. If the Issuer determines that a Benchmark Event has occurred in relation to an Original Reference Rate when any rate of interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the following provisions shall apply to the Covered Bonds:

(A) the Issuer shall use reasonable endeavours, as soon as reasonably practicable, to appoint at its own expense an Independent Adviser to determine (without any requirement for the consent or approval of the holders of the Covered Bonds), no later than 10 days prior to the Interest Determination Date relating to the next Interest Period for which the rate of interest (or the relevant component part thereof) is otherwise to be determined by reference to the Original Reference Rate (the "**IA Determination Cut-Off Date**"), (A) a Successor Rate or, failing which, an Alternative Reference Rate, for the purposes of determining each relevant rate of interest (or the relevant component part thereof) applicable to the Covered Bonds and (B) in either case, an Adjustment Spread and any Benchmark Amendment (in accordance with sub-paragraph (E) of this Condition 4.5). Without prejudice to the definitions thereof, for the purposes of determining any Successor Rate, Alternative Reference Rate and/or the applicable Adjustment Spread, the Independent Adviser will take into account any relevant and applicable market precedents as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets;

(B) if the Issuer (i) is unable to appoint an Independent Adviser; or (ii) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Reference Rate in accordance with this Condition 4.5, in either case prior to the relevant IA Determination Cut-Off Date, the Issuer (acting in good faith and in a commercially reasonable manner and following consultation with the Independent Adviser in the event one has been appointed) may determine (without any requirement for the consent or approval of the holders of the Covered Bonds), no later than the Interest Determination Date relating to the next Interest Period for which the rate of interest (or the relevant component part thereof) is otherwise to be determined by reference to the Original Reference Rate, (A) a Successor Rate or, failing which, an Alternative Reference Rate and (B) in either case, an Adjustment Spread in accordance with this Condition 4.5. Without prejudice to the definitions thereof, for the purposes of determining any Successor Rate, Alternative Reference Rate and/or the applicable Adjustment Spread, the Issuer will take into account any relevant and applicable market precedents as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets;

(C) if a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) is determined by an Independent Adviser or the Issuer, as applicable, in accordance with paragraphs (A) or (B) above, such Successor Rate or, failing which, Alternative Reference Rate (as applicable) shall (subject to adjustment as provided in paragraph (D) below) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Covered Bonds (subject to the subsequent operation of, and to further adjustment as provided in, this Condition 4.5);

(D) the Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Reference Rate (as the case may be);

(E) if the Independent Adviser or, as the case may be, the Issuer (following consultation with the Independent Adviser (if any)) in each case acting in good faith and in a commercially reasonable manner, determines (in accordance with paragraphs (A) or (B) above) a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) and/or the applicable Adjustment Spread in accordance with the above provisions, the Independent Adviser or, as the case may be, the Issuer may (without any requirement for the consent or approval of the holders of the Covered Bonds) also specify changes to these Conditions and/or the Agency and Payments Procedures which are necessary to ensure the proper operation of such Successor Rate or Alternative Reference Rate and/or the Adjustment Spread (as applicable), including, but not limited to, the Day Count Fraction, Relevant Screen Page, Business Day Convention, Interest Determination Date, time at which the Relevant Screen Page is observed and/or the definition of Reference Rate (such amendments, together, the "**Benchmark Amendments**"). For the avoidance of doubt, the Issuer shall effect such consequential amendments to the Agency and Payments Procedures and/or these Conditions as may be required in order to give effect to the application of this Condition 4.5. No consent shall be required from the holders of the Covered Bonds in connection with determining or giving effect to the Successor Rate, Alternative Reference Rate or the Adjustment Spread (as applicable) or any Benchmark Amendments, including for the execution of any documents or other steps to be taken by the Issuer or the Agent (if required or useful);

(F) the Issuer shall promptly but not later than the IA Determination Cut-Off Date, following the determination of any Successor Rate, Alternative Reference Rate, Adjustment Spread and/or Benchmark Amendments (as applicable), give notice thereof to the holders of the Covered Bonds in accordance with Condition 11 (*Notices*) and the Agent. Such notice shall be irrevocable and shall specify the relevant Successor Rate or Alternative Reference Rate (as applicable), the applicable Adjustment Spread and the specific terms of any other Benchmark Amendments, and their effective date;

(G) an Independent Adviser appointed pursuant to this Condition 4.5 shall act in good faith and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Agent or the holders of the Covered Bonds for any advice given to the Issuer or in connection with any determination made by the Independent Adviser or the Issuer, as applicable, pursuant to this Condition 4.5; and

(H) without prejudice to the obligations of the Issuer under this Condition 4.5, the Original Reference Rate and the other provisions in this Condition 4 will continue to apply for the purpose of determining the rate of interest (or the relevant component part thereof) on the relevant Interest Determination Date (i) unless and until a Benchmark Event has occurred, (ii) if the Independent Adviser or, as the case may be, the Issuer (following consultation with the Independent Adviser (if any)) is unable to or does not determine a Successor Rate or an Alternative Reference Rate in accordance with this Condition 4.5, and (ii) if the Independent Adviser or, as the case may be, the Issuer does determine a Successor

Rate or Alternative Reference Rate in accordance with this Condition 4.5, but the Agent and the holders of the Covered Bonds have not been notified of the Successor Rate or Alternative Reference Rate (as applicable), the applicable Adjustment Spread and any Benchmark Amendments in accordance with Condition 4.5(F) prior to the relevant Interest Determination Date. For the avoidance of doubt, this Condition 4.5(H) shall apply to the determination of the rate of interest on the relevant Interest Determination Date only, and the rate of interest applicable to any subsequent Interest Period(s) is subject to the subsequent operation of, and to adjustment as provided in, this Condition 4.5.

5. PAYMENTS

5.1 Method of payment

Subject as provided below:

(i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollar shall be Sydney); and

(ii) payments will be in euro made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

Payments will be subject in all cases to Interbolsa regulations, fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 7 (*Taxation*).

5.2 Payments in relation to Covered Bonds

Payments of principal and interest in respect of Covered Bonds held through Interbolsa may only be made in euro or in such other currencies accepted by Interbolsa for registration and clearing.

Payment in respect of the Covered Bonds of principal and interest (i) in Euros will be (a) credited, according to the procedures and regulations of Interbolsa, to the payment current accounts held in the T2 System by the Affiliate Members of Interbolsa whose control accounts with Interbolsa are credited with such Covered Bonds and thereafter (b) credited by such Affiliate Members of Interbolsa from the aforementioned payment current-accounts to the accounts of the owners of those Covered Bonds or through Euroclear and Clearstream, Luxembourg to the accounts with Euroclear and Clearstream, Luxembourg of the beneficial owners of those Covered Bonds, in accordance with the rules and procedures of Interbolsa, Euroclear or Clearstream, Luxembourg, as the case may be; (ii) in currencies other than Euro will be (a) transferred, on the payment date and according to the procedures and regulations applicable by Interbolsa, from the account held by the relevant Paying Agent in the Foreign Currency Settlement System (*Sistema de Liquidação em Moeda Estrangeira*), managed by CGD, to the relevant accounts of the relevant Affiliate Members of Interbolsa, and thereafter (b) transferred by such Affiliate Members of Interbolsa from such relevant accounts to the accounts of the owners of those Covered Bonds or through Euroclear and Clearstream, Luxembourg to the accounts with Euroclear and Clearstream, Luxembourg of the beneficial owners of those Covered Bonds, in accordance with the rules and procedures of Interbolsa, Euroclear or

Clearstream, Luxembourg, as the case may be.

5.3 Payment Day

If the date for payment of any amount in respect of any Covered Bond is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, Payment Day means any day which (subject to Condition 8 (*Prescription*)) is a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:

(A) the relevant place of presentation; or

(B) (i) any Additional Financial Centre specified in the applicable Final Terms; and (ii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation and any Additional Financial Centre and which if the Specified Currency is Australian dollars shall be Sydney) or (2) in relation to any sum payable in euro, a day on which the T2 System is open,

provided that such a day is a business day for the purposes of the centralised system operated by Interbolsa (as defined by a notice of Interbolsa, according to which such a business day corresponds to a day on which the T2 system is open).

5.4 Interpretation of principal

Any reference in these Terms and Conditions to principal in respect of the Covered Bonds shall be deemed to include, as applicable:

(i) the Final Redemption Amount of the Covered Bonds;

(ii) the Optional Redemption Amount(s) (if any) of the Covered Bonds; and

(iii) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Covered Bonds.

6. REDEMPTION AND PURCHASE

6.1 Final redemption

Subject to Condition 6.7 (*Extension of Maturity up to Extended Maturity Date*), unless previously redeemed or purchased and cancelled or extended as specified below, each Covered Bond will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms, in the relevant Specified Currency on the Maturity Date.

6.2 Redemption at the option of the Issuer (Call Option)

If Issuer Call Option is specified in the applicable Final Terms, the Issuer may, having given (unless otherwise specified, in the applicable Final Terms) not less than 30 nor more than 60 days' notice to the Common

Representative, the Agent and, in accordance with Condition 11 (*Notices*), the holders of Covered Bonds (which notice shall be irrevocable) redeem all or some only (as specified in the applicable Final Terms) of the Covered Bonds then outstanding on any Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Final Terms together, if applicable, with interest accrued to (but excluding) the relevant Optional Redemption Date(s). Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount in each case as may be specified in the applicable Final Terms. In the case of a partial redemption of Covered Bonds, the nominal amount of all outstanding Covered Bonds will be redeemed proportionally.

6.3 Redemption at the option of the holders of Covered Bonds (Put Option)

If Investor Put Option is specified in the applicable Final Terms, upon the holder of any Covered Bond giving to the Issuer in accordance with Condition 11 (*Notices*) not less than 30 nor more than 60 days' notice the Issuer will redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, such Covered Bond on the Optional Redemption Date and at the Optional Redemption Amount as specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. To exercise the Investor Put Option the holder of Covered Bonds must deliver, at the specified office of the Paying Agent, at any time during normal business hours of the Paying Agent, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from the specified office of the Paying Agent and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition. Any notice of exercise of the Investor Put Option given by a holder of any Covered Bond pursuant to this paragraph shall be irrevocable.

6.4 Purchases

The Issuer or any of its subsidiaries may at any time purchase or otherwise acquire Covered Bonds at any price in the open market or otherwise. Such Covered Bonds may be held, resold or, at the option of the Issuer, cancelled.

6.5 Cancellation

All Covered Bonds which are redeemed will forthwith be cancelled. All Covered Bonds so cancelled and any Covered Bonds purchased pursuant to Condition 6.4 (*Purchases*) above which are not to be held or resold as mentioned therein shall be cancelled by Interbolsa.

6.6 Late payment on Zero Coupon Covered Bonds

(A) If the amount payable in respect of any Zero Coupon Covered Bond to which Condition 6.7 (*Extension of Maturity up to Extended Maturity Date*) does not apply (or, where an extension of maturity ceases to apply pursuant to Condition 6.7(F)), upon redemption of such Zero Coupon Covered Bond pursuant to Conditions 6.1 (Final redemption), 6.2 (Redemption at the option of the Issuer (Call Option)) or 6.3 (Redemption at the option of the holders of Covered Bonds (Put Option)) or upon its becoming due and repayable as provided in Condition 9 (Insolvency Event and Enforcement) is improperly withheld or refused or where an extension of maturity ceases to apply after the Maturity Date pursuant to

Condition 6.7(F), the amount due and repayable in respect of such Zero Coupon Covered Bond shall be the amount calculated according to the following formula: RP x (1 + AY) y

where:

RP means the Reference Price; and

AY means the Accrual Yield expressed as a decimal; and

y is a fraction, the denominator of which is 360 and the numerator of which is equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Covered Bonds to (but excluding) the date which is the earlier of:

(i) the date on which all amounts due in respect of such Zero Coupon Covered Bond have been paid; and

(ii) the date on which the full amount of the moneys payable in respect of such Zero Coupon Covered Bonds has been received by the Agent and notice to that effect has been given to the holders of Covered Bonds either in accordance with Condition 11 (*Notices*) or individually.

(B) If the amount payable in respect of any Zero Coupon Covered Bond to which Condition 6.7 (*Extension of Maturity up to Extended Maturity Date*) is applicable, is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Covered Bond shall be the amount as so specified in the Final Terms.

6.7 Extension of Maturity up to Extended Maturity Date

(A) Any Extended Maturity Date specified in the applicable Final Terms as applying to a Series of Covered Bonds shall be at least one year after the applicable Maturity Date, provided that in any case the Issuer may not specify an Extended Maturity Date that is earlier than the applicable Extended Maturity Date for any other outstanding Series of Covered Bonds with an earlier Maturity Date.

The Issuer may decide not to apply an Extended Maturity Date to a Series of Covered Bonds provided that the rating assigned to the outstanding Covered Bonds by the Rating Agencies at the time of issue of such Series is not adversely affected.

(B) In the case of liquidation or resolution of the Issuer, no extension of maturity for a Series of Covered Bonds to the applicable Extended Maturity Date will (i) affect the ranking of covered bonds issued by the Issuer and subject to the Legal Regime of Covered Bonds or (ii) invert the sequencing of the original maturity schedule for such covered bonds referred to in (i) above.

(C) If an Extended Maturity Date is specified in the applicable Final Terms and the Issuer fails to redeem all of the Covered Bonds of a Series in full on the Maturity Date and it is foreseeable (as determined by the Issuer) that such failure will continue for 5 Business Days thereafter and, the maturity of such Covered Bonds and the date on which such Covered Bonds will be due and repayable for the purposes of these Terms and Conditions will be automatically extended up to but no later than the Extended Maturity Date, subject to paragraph (F) below.

(D) If an Extended Maturity Date is specified in the applicable Final Terms and in the case of resolution or voluntary liquidation of the Issuer, if some but not all Series of Covered Bonds then outstanding have been subject to extension to their respective Extended Maturity Dates and any such Extended Maturity Date falls later than the relevant maturity date for the Covered Bonds of any other Series then outstanding that has not been extended the maturity of such other Series of Covered Bonds will be automatically extended to its relevant Extended Maturity Date, as required by article 21(1)(d) of the Legal Regime of Covered Bonds.

(E) If an Extended Maturity Date is specified in the applicable Final Terms and if the authorisation of the Issuer as a credit institution is revoked by the competent banking supervisory authority (being the European Central Bank and the Bank of Portugal, acting individually or jointly, and including any successor) and leading to mandatory liquidation of the Issuer, the maturity of all Series of Covered Bonds will, subject to the right of CMVM to oppose such extension in the manner described in paragraph (F) below), be automatically extended up to but no later than the Extended Maturity Date.

(F) If an Extended Maturity Date is specified in the applicable Final Terms, the Issuer shall, at least 10 calendar days in advance of a possible extension of maturity (or, if that is not possible, in light of the occurrence or knowledge of the event, as soon as possible), give notice to CMVM of such extension and the respective grounds for such extension, in particular that it is foreseeable (as determined by the Issuer) that (i) (in the case of any extension of maturity in the circumstances described in paragraph (C) above) the Covered Bonds will not be redeemed on the Maturity Date and such failure will continue for 5 Business Days thereafter or (ii) (in the case of any extension of maturity in the circumstances described in paragraph (E) above) the Issuer's authorisation as credit institution will be (or has been) revoked. CMVM may oppose any such extension within 10 calendar days of the Issuer giving notice to CMVM if it considers that the Extension Legal Requirements are not met.

If CMVM decides on the basis of the Extension Legal Requirements to oppose such extension of maturity, the extension to the relevant Extended Maturity Date will not apply. In the absence of any decision by CMVM to oppose such extension within 10 calendar days from the date the Issuer gives the relevant notice to CMVM, such extension to the relevant Extended Maturity Date will continue to apply.

For the avoidance of doubt, if CMVM has received less than 10 calendar days' notice from the Issuer of any possible extension and at the date on which the maturity for the Covered Bonds is scheduled to be automatically extended to the Extended Maturity Date CMVM has not yet decided whether or not it opposes such extension, the maturity for the Covered Bonds will extend to the Extended Maturity Date. If subsequently (but within 10 calendar days from the date the Issuer gives the relevant notice to CMVM) CMVM then decides on the basis of the Extension Legal Requirements to oppose such extension, the extension to the Extended Maturity Date will cease to apply and each Covered Bond shall, as at the date of such cessation (the "**Extension Cessation Date**") then become immediately due and payable at its Final Redemption Amount together with any accrued interest determined pursuant to Condition

4.4(B) (or, in the case of Zero Coupon Covered Bonds, an amount determined in accordance with Condition 6.6 (*Late payment on Zero Coupon Covered Bonds*)).

(G) If an Extended Maturity Date is specified in the applicable Final Terms, the Issuer shall give to the holders of the Covered Bonds (in accordance with Condition 11 (*Notices*)), the Rating Agencies, the Agent and the other Paying Agents, notice that it has notified CMVM of any potential extension to the maturity of the Covered Bonds and of any decision CMVM notifies to the Issuer in respect of such potential extension. Any failure by the Issuer to notify any such persons shall not affect the validity or effectiveness of any extension or give rise to rights for any such person, under this Condition 6.7 (*Extension of Maturity up to Extended Maturity Date*).

(H) In the event of an extension of the maturity for the Covered Bonds to the Extended Maturity Date, the Issuer may redeem all or any part of the Principal Amount Outstanding of the Covered Bonds on an Interest Payment Date falling in any month after the Maturity Date up to and including the Extended Maturity Date. The Issuer shall give to the holders of Covered Bonds (in accordance with Condition 11 (*Notices*)), the Agent and the other Paying Agents, notice of its intention to redeem all or any of the Principal Amount Outstanding of the Covered Bonds in full at least 5 Business Days prior to the relevant Interest Payment Date or, as applicable, the Extended Maturity Date. Any failure by the Issuer to notify such persons shall not affect the validity or effectiveness of any redemption by the Issuer on the relevant Interest Payment Date or as applicable, the Extended Maturity Date or give rise to rights in any such person.

(I) In the case of Covered Bonds which are Zero Coupon Covered Bonds up to (and including) the Maturity Date, for the purposes of this Condition 6.7 (*Extension of Maturity up to Extended Maturity Date*) the Principal Amount Outstanding shall be the total amount otherwise payable by the Issuer on the Maturity Date less any payments made by the Issuer in respect of such amount in accordance with these Terms and Conditions.

(J) Any extension of the maturity of Covered Bonds under this Condition 6.7 (*Extension of Maturity up to Extended Maturity Date*) shall be irrevocable unless CMVM opposes such extension, as described within paragraph (F) above. Where this Condition 6.7 (*Extension of Maturity up to Extended Maturity Date*) applies, any failure to redeem the Covered Bonds on the Maturity Date or any extension of the maturity of Covered Bonds under this Condition 6.7 (*Extension of Maturity up to Extended Maturity Date*) shall not constitute an event of default for any purpose or give any holder of Covered Bonds any right to receive any payment of interest, principal or otherwise on the relevant Covered Bonds other than as expressly set out in these Terms and Conditions.

(K) In the event of the extension of the maturity of Covered Bonds under this Condition 6.7 (*Extension* of *Maturity up to Extended Maturity Date*), interest rates, interest periods and interest payment dates on the Covered Bonds from (and including) the Maturity Date to (but excluding) the Extended Maturity Date shall be determined and made in accordance with the applicable Final Terms and Condition 4.4 (*Interest Rate and Payments from the Maturity Date* *in the event of extension of maturity of the Covered Bonds up to the Extended Maturity Date*).

(L) If the Issuer redeems part and not all of the Principal Amount Outstanding of Covered Bonds on an Interest Payment Date falling in any month after the Maturity Date, the redemption proceeds shall be applied rateably across the Covered Bonds and the Principal Amount Outstanding of the Covered Bonds shall be reduced by the level of that redemption.

If the maturity of any Covered Bonds is extended up to the Extended Maturity Date in accordance with this Condition 6.7 (*Extension of Maturity up to Extended Maturity Date*), for so long as any of those Covered Bonds remains in issue, the Issuer shall not issue any further covered bonds, unless the proceeds of issue of such further covered bonds are applied by the Issuer on issue in redeeming in whole or in part the relevant Covered Bonds in accordance with the terms hereof.

7. TAXATION

7.1. Payments free of taxes

All payments of principal and interest in respect of the Covered Bonds will be made subject to any legally applicable Tax withholding or deductions (notably in relation to residents for tax purposes in Portugal), except if any Tax withholding exemption or waiver applies, in which case such payments of principal and interest in respect of the Covered Bonds shall be made free and clear of, and without withholding or deduction for, Taxes (investors being in any case required to comply with the applicable obligations). The Issuer will not be obliged to make any additional payments in respect of any such withholding or deduction imposed. In order for withholding tax not to apply the holders of the Covered Bonds must, *inter alia*, deliver certain tax certifications.

7.2. No payment of additional amounts

Neither the Issuer nor the Paying Agent will be obliged to pay any additional amounts to the holders of Covered Bonds in respect of any Tax Deduction made in accordance with Condition 7.1 (*Payments free of taxes*) above.

7.3. Taxing Jurisdiction

If the Issuer becomes subject at any time to any taxing jurisdiction other than the Portuguese Republic, references in these Terms and Conditions to the Portuguese Republic shall be construed as references to the Portuguese Republic and/or such other jurisdiction.

7.4. Tax Deduction not event of default

Notwithstanding that the Issuer or the Paying Agent is required to make a Tax Deduction in accordance with Condition 7.1 (Payments free of taxes), this shall not constitute an event of default by the Issuer.

8. PRESCRIPTION

The Covered Bonds will become void unless presented for payment within 20 years (in the case of principal) and 5 years (in the case of interest) in each case from the Relevant Date thereof, subject in each case to the provisions of Condition 5 (*Payments*). As used in these Terms and Conditions, "**Relevant Date**" means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the holders of Covered Bonds in accordance with Condition 11 (*Notices*).

9. INSOLVENCY EVENT AND ENFORCEMENT

9.1 Insolvency Event

Pursuant to the Legal Regime of Covered Bonds, if an Insolvency Event in respect of the Issuer occurs, the holders of Covered Bonds may approve a Resolution, by a majority of 2/3 of the Principal Amount Outstanding of the Covered Bonds of all Series then outstanding, to determine the serving of an Acceleration Notice, in which case all outstanding Covered Bonds shall immediately become due and payable each at their Early Redemption Amount together with interest accrued until such date.

For the purposes of these Terms and Conditions: "**Insolvency Event**" means the winding-up and dissolution of the Issuer under any applicable laws and regulations (including under Decree-Law no. 199/2006 of 25 October, as amended, the RGICSF and/or (if applicable) under the Code for the Insolvency and Recovery of Companies introduced by Decree-law no. 53/2004 of 18 March 2004, as amended).

9.2 Enforcement

(A) Following the approval of a Resolution as described in Condition 9.1 (*Insolvency Event*), the holders of the Covered Bonds (or the Common Representative on their behalf, provided it has been indemnified and/or secured to its satisfaction) may at any time after service of an Acceleration Notice, at its discretion and without further notice, take such proceedings against the Issuer, and/or any other person as it may deem fit to enforce the provisions of the Covered Bonds.

(B) In exercising any of its powers and discretions the Common Representative shall only have regard to the interests of the holders of Covered Bonds of all Series.

(C) No holder of Covered Bonds shall be entitled to proceed directly against the Issuer or to take any action with respect to the Common Representative Appointment Agreement, the Covered Bonds or any other Programme Document unless the Common Representative, having become bound so to proceed, fails so to do within a reasonable time and such failure shall be continuing.

10. AGENT AND PAYING AGENT

(A) The names of the Agent and the Paying Agent and their initial specified offices are set out below. In the event of the appointed office of any such bank being unable or unwilling to continue to act as the Agent, or failing duly to determine the rate of interest, if applicable, or to calculate the Interest Amounts for any Interest Period, the Issuer shall appoint such other bank to act as such in its place.

(B) The Agent may not resign its duties or be removed from office without a successor having been appointed as aforesaid. The Issuer is entitled to vary or terminate the appointment of the Paying Agent and/or appoint additional or any other Paying Agents and/or approve any change in the specified office through which the Paying Agent acts, provided that:

    (i) there will at all times be a Paying Agent;

(ii) the Issuer will, so long as any of the Covered Bonds is outstanding, maintain a Paying Agent (which may be the Agent) having a specified office in a city approved by the Common Representative in continental Europe; and

(iii) so long as any of the Covered Bonds are listed on Euronext Lisbon or admitted to trading by any other relevant authority, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant Stock Exchange or as the case may be, other relevant authority.

11. NOTICES

Notices to the holders of Covered Bonds shall be published on the CMVM's information system (www.cmvm.pt) or in the website of the Issuer. Furthermore, any such notice may be disclosed by any further means required to allow a fast access by all holders of Covered Bonds throughout the European Union and shall be deemed to have been given on the date of such publication or, if published more than once or on different dates or venue, on the first date or venue on which publication is made, as provided above.

All notices regarding the Covered Bonds shall comply with the applicable Portuguese law requirements, namely pursuant to the Portuguese Companies Code and CMVM Regulation no. 5/2008, as amended.

12. MEETINGS OF HOLDERS OF COVERED BONDS

(A) The Portuguese Companies Code which applies to Covered Bonds in accordance with Article 28 of the Legal Regime of Covered Bonds, contains provisions for convening meetings of the holders of Covered Bonds to consider any matter attributed to them by law and in their common interest (which provisions are described and supplemented in the Common Representative Appointment Agreement), including the modification by Resolution of these Terms and Conditions or the provisions of the Common Representative Appointment Agreement.

(B) The quorum at any meeting convened to vote on: (i) a Resolution not regarding a Reserved Matter will be any person or persons holding, or representing whatever the Principal Amount Outstanding of the Covered Bonds of the relevant Series then outstanding; or (ii) a Resolution regarding a Reserved Matter of the Covered Bonds, will be any person or persons holding or representing at least 50 per cent. of the Principal Amount Outstanding of the Covered Bonds of the relevant Series then outstanding so held or represented or, at any adjourned meeting, any person being or representing holders of Covered Bonds of the relevant Series, whatever the Principal Amount Outstanding of the Covered Bonds of the relevant Series then outstanding so held or represented. Each Covered Bond grants its holder one vote.

(C) The majorities required to approve a Resolution at any meeting convened in accordance with the applicable rules shall be: (i) if in respect to a Resolution not regarding a Reserved Matter, the majority of the votes cast at the relevant meeting; or (ii) if in respect to a Resolution regarding a Reserved Matter, at least 50 per cent. of the Principal Amount Outstanding of the Covered Bonds of the relevant Series then outstanding or, at any adjourned meeting, 2/3 of the votes cast at the relevant meeting. Resolutions involving the increase of the charges to holders of Covered Bonds require unanimity to be approved.

For the purposes of these Terms and Conditions, a "**Reserved Matter**" means any proposal: (i) to change any date fixed for payment of principal or interest in respect of the Covered Bonds of all or of a given Series; (ii) to reduce the amount of principal or interest due on any date in respect of the Covered Bonds of all or of a given Series or to alter the method of calculating the amount of any payment in respect of the Covered Bonds of all or of a given Series on redemption or maturity; (iii) to effect the exchange, conversion or substitution of the Covered Bonds of all or of a given Series into shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed; (iv) to change the currency in which amounts due in respect of the Covered Bonds of all or of a given Series are payable; (v) to alter the priority of payment of interest or principal in respect of the Covered Bonds of all or of a given Series; (vi) to amend this definition; and (vii) any other matter required by law to be approved by the majorities set out in Condition 12 (C)(ii);

(D) A Resolution approved at any meeting of the holders of Covered Bonds of a Series shall, subject as provided below, be binding on all the holders of Covered Bonds of such Series, whether or not they are present at the meeting. Pursuant to the Common Representative Appointment Agreement, the Common Representative may convene a single meeting of the holders of Covered Bonds of more than one Series if in the opinion of the Common Representative there is no conflict between the holders of such Covered Bonds, in which event the provisions of this paragraph shall apply thereto mutatis mutandis.

(E) Notwithstanding the provisions of the immediately preceding paragraph, any Resolution to direct the Common Representative to accelerate the Covered Bonds pursuant to Condition 9 (*Insolvency Event and Enforcement*) or to direct the Common Representative to take any enforcement action (each a "**Programme Resolution**") shall only be capable of being passed at a single meeting of the holders of Covered Bonds of all Series then outstanding.

(F) Any such meeting to consider a Programme Resolution may be convened by the Common Representative or, if it refuses to convene such a meeting, by the Chairman of the General Meeting of Shareholders of the Issuer; if both the Common Representative and the Chairman of the General Meeting of Shareholders of the Issuer refuses to convene the meeting, then 5 per cent. of the holders of Covered Bonds of any Series may petition the court to order a meeting to be convened.

(G) A Programme Resolution passed at any meeting of the holders of Covered Bonds of all Series shall be binding on all holders of Covered Bonds of all Series, whether or not they are present at the meeting.

(H) In connection with any meeting of the holders of Covered Bonds of more than one Series where such Covered Bonds are not denominated in euro, the nominal amount of the Covered Bonds of any Series not denominated in euro shall be converted into euro at the relevant exchange rate at the date of the meeting.

13. INDEMNIFICATION OF THE COMMON REPRESENTATIVE CONTRACTING WITH THE ISSUER

(A) If, in connection with the exercise of its powers and discretions the Common Representative is of the opinion that the interests of the holders of Covered Bonds of any one or more Series would be materially prejudiced thereby, the Common Representative shall not exercise such powers and discretions without the approval of such holders of Covered Bonds by a Resolution or by a written resolution of such holders of Covered Bonds of at least the majority of the Principal Amount Outstanding of Covered Bonds of the relevant Series then outstanding.

(B) The Common Representative shall not be required to expend its own funds or otherwise incur or risk incurring any liability in the performance of its duties or in the exercise of any of its rights, powers, authorities or discretions if it has grounds for believing the repayment of such funds is not reasonably assured to it under the Legal Regime of Covered Bonds or if it has not been provided with adequate indemnity against or security for such risk or liability. Notwithstanding any Programme Resolution or any other Resolution approved at any meeting or any written resolution of any holders of Covered Bonds, the Common Representative may (i) to the extent permitted by law, refrain from taking any action until it has been provided with sufficient funds or adequate indemnity against or security for any liability it may incur as a result of any such actions,(ii) refrain from doing anything which might in its opinion be contrary to any law of any jurisdiction or which might otherwise render it liable to any person and (iii) do anything which is in its opinion necessary to comply with any such law, and in no circumstances shall be liable to the holders of Covered Bonds for any consequences of such actions or inaction. The Common Representative Appointment Agreement contains further provisions for the indemnification of the Common Representative and for its relief from responsibility.

14. OVERCOLLATERALISATION, LIQUIDITY BUFFER AND ISSUER COVENANTS

14.1. Overcollateralisation

For so long as the Covered Bonds are outstanding, the total nominal amount (determined in accordance with the Legal Regime of Covered Bonds, the CRR and the CMVM Regulation) of the Cover Pool maintained by the Issuer shall at all times be a minimum of 105 per cent. of the total nominal amount of all outstanding Covered Bonds issued under the Programme or such other percentage as may be selected by the Issuer from time to time and notified to the Cover Pool Monitor (the "**Overcollateralisation Percentage**"), provided that:

(i) the Overcollateralisation Percentage shall not, for so long as there are Covered Bonds outstanding, be reduced by the Issuer below 105 per cent.;

(ii) without prejudice to (i) above, the Issuer shall not at any time reduce the Overcollateralisation Percentage which applies for the purposes of this Condition 14 (*Overcollateralisation, Liquidity Buffer and Issuer Covenants*) if this could result in any credit rating then assigned to the Covered Bonds by any Rating Agency being reduced, removed, suspended or placed on credit watch; and

(iii) assets contributing to the Overcollateralisation Percentage in excess of 100 per cent. of the aggregate nominal amount of all outstanding Covered Bonds issued under the Programme shall not be subject to the limits on exposure size set out in accordance with Condition 14.3 (*Issuer Covenants*), paragraph (A) (*Eligible Assets*), subparagraph (b) and shall not count towards those limits.

14.2. Liquidity Buffer

For so long as the Covered Bonds are outstanding, the Cover Pool shall include a Liquidity Buffer comprised by Liquidity Assets to cover maximum Net Liquidity Outflows accumulated over the next 180 days, provided that (i) uncollateralised claims from exposures considered in default pursuant to article 178 of the CRR cannot contribute to the Liquidity Buffer, and (ii) if an Extended Maturity Date is specified in the applicable Final Terms, principal repayments under the Covered Bonds shall be considered due for this purpose on the relevant Extended Maturity Date.

14.3. Issuer Covenants

For so long as any of the Covered Bonds are outstanding, the Issuer shall ensure that:

(A) *Eligible Assets*: only assets listed in article 129(1) of the CRR (and provided that the requirements under paragraphs 1a to 3b of article 129 of the CRR are met) may be part of the Cover Pool (whether as Primary Assets, Substitution Assets or Liquidity Assets), provided that:

(a) the value of a Mortgage Credit may not exceed the lesser of (i) the principal amount of the respective Mortgage (combined with any prior mortgages, if they exist) and (ii) either 80 per cent. of the Current Property Value, in case of a Property intended primarily for residential purposes, or 60 per cent. (or 70 per cent., in the circumstances foreseen in article 129(1)(f) of the CRR) of the Current Property Value, in case of a Property intended primarily for commercial purposes; and

(b) (i) exposures to credit institutions that qualify for credit quality step 1 (as defined in the CRR) shall not exceed 15 per cent. of the aggregate nominal amount outstanding of the Covered Bonds; (ii) exposures to credit institutions that qualify for credit quality step 2 (as defined in the CRR) shall not exceed 10 per cent. of the aggregate nominal amount outstanding of the Covered Bonds; (iii) exposures to credit institutions that qualify for credit quality step 3 (as defined in the CRR) shall comply with the requirements set out under sub-paragraphs 1(c) and 1-A(c) of Article 129 of the CRR; (iv) the total exposure to credit institutions that qualify for credit quality step 1, 2 or 3 shall not exceed 15 per cent. of the aggregate nominal amount outstanding of the Covered Bonds; and (v) the total exposure to credit institutions that qualify for credit quality step 2 or 3 shall not exceed 10 per cent. of the aggregate nominal amount outstanding of the Covered Bonds;

(B) *Primary Assets*: the Primary Assets shall be Mortgage Credits;

(C) *Valuation*s: all the required valuations of Covered Bonds, Mortgage Credits, Hedging Contracts, Properties or other Cover Pool assets will be made in compliance with the requirements of the Legal Regime of Covered Bonds and the CRR;

(D) *Cover Pool Monitor*: the Cover Pool Monitor will be provided with all necessary elements and information to monitor compliance by the Issuer of this Condition 14 (*Overcollateralisation, Liquidity*

Buffer and Issuer Covenants) in accordance with the Legal Regime of Covered Bonds and under the terms set forth in the Cover Pool Monitor Agreement;

(E) *Mortgage Credits*: the Mortgage Credits included in the Cover Pool are not Non-Performing Mortgage Credits; and

(F) *Insurance*: the Properties are adequately insured against the risk of damage.

15. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the holders of Covered Bonds to create and issue further securities with the same terms and conditions of the Covered Bonds of any Series or the same in all respects save for the amount and date of the first payment of interest thereon, issue date and/or purchase price and so that the same shall be consolidated and form a single Series with the outstanding Covered Bonds of such Series.

16. GOVERNING LAW AND SUBMISSION TO JURISDICTION

The Common Representative Appointment Agreement, the Agency and Payments Procedures, the Covered Bonds, the other Programme Documents and any non-contractual obligations arising therefrom are governed by, and shall be construed in accordance with, Portuguese law unless specifically stated to the contrary.

The Issuer agrees, for the exclusive benefit of the holders of Covered Bonds that the courts of Portugal are to have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Covered Bonds and that accordingly any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in connection with the Covered Bonds may be brought in such courts.

The Issuer hereby irrevocably waives any objection which it may have now or hereafter to the laying of the venue of any such Proceedings in any such court and any claim that any such Proceedings have been brought in an inconvenient forum and hereby further irrevocably agrees that a judgment in any such Proceedings brought in the Portuguese courts shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction.

Nothing contained in this Condition shall limit any right to take Proceedings against the Issuer in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.

17. DEFINITIONS

In these Terms and Conditions, the following defined terms have the meanings set out below:

"**Acceleration Notice**" means a notice served on the Issuer pursuant to Condition 9 (*Insolvency Event and Enforcement*).

"**Adjustment Spread**" means either a spread (which may be positive, negative or zero) or formula or methodology for calculating a spread, which the Independent Adviser or, as the case may be, the Issuer (following consultation with the Independent Adviser (if any)), in each case acting in good faith and in a commercially reasonable manner, determines is required to be applied to the Successor Rate or the

Alternative Reference Rate (as the case may be) to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to holders of Covered Bonds as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Reference Rate (as the case may be) and is the spread, formula or methodology which:

1) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or

2) (if no such recommendation has been made, or in the case of an Alternative Reference Rate), the Independent Adviser or, as the case may be, the Issuer (following consultation with the Independent Adviser (if any)), in each case acting in good faith and in a commercially reasonable manner, determines is customarily applied to the relevant Successor Rate or the Alternative Reference Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate;

3) (if the Independent Adviser or, as the case may be, the Issuer (following consultation with the Independent Adviser) determines that no such spread is customarily applied), the Independent Adviser or, as the case may be, the Issuer (following consultation with the Independent Adviser (if any)) determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as the case may be); or

4) (if the Independent Adviser or, as the case may be, the Issuer (following consultation with the Independent Adviser) determines that no such industry standard is recognised or acknowledged) the Independent Adviser or, as the case may be, the Issuer (following consultation with the Independent Adviser), in its discretion, acting in good faith and in a commercially reasonable manner, determines to be appropriate.

"**Affiliate Member of Interbolsa**" means any authorised financial intermediary entitled to hold control accounts with Interbolsa on behalf of its customers and includes any depository banks appointed by Euroclear and Clearstream, Luxembourg for the purpose of holding accounts on behalf of Euroclear and Clearstream, Luxembourg.

"**Agency and Payments Procedures**" means the set of agency and payments procedures (such agency and payments procedures as amended and/or supplemented and/or restated from time to time) dated 23 November 2006 and made and agreed by Caixa Geral de Depósitos, S.A. (acting in its capacity as Agent, which expression shall include any successor) and by any subsequent agent, paying agent, transfer agent, agent bank and/or registrar appointed by the Issuer.

"**Agent**" means Caixa Geral de Depósitos, S.A., with its head office at Av. João XXI, no. 63, 1000-300 Lisboa, or any successor Agent(s), in each case together with any additional Agent(s), appointed from time to time by the Issuer in connection with the Covered Bonds and under the Agency and Payment Procedures.

"**Alternative Reference Rate**" means the rate that the Independent Adviser or, as the case may be, the Issuer determines is customary in market usage in the international debt capital markets for the purposes of determining floating rates of interest (or the relevant component part thereof) in respect of bonds denominated in the same Specified Currency as the Covered Bonds and with an interest period of a comparable duration to the relevant Interest Period.

"**Base Prospectus**" means this base prospectus dated 28 November 2023, prepared in connection with the Programme.

"**Benchmark Event**" means:

1) the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist or to be administered; or

2) a public statement by the administrator of the Original Reference Rate that it will, by a specified date within the following six months, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or

3) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued; or

4) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Covered Bonds, in each case within the following six months; or

5) it has or will, by a specified date within the following six months, become unlawful for the Paying Agent, Calculation Agent, the Issuer or other party to calculate any payments due to be made to any holder of Covered Bonds using the Original Reference Rate.

"**Calculation Agent**" means the Agent or such other person specified in the relevant Final Terms as the party responsible for calculating the rate(s) of interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Final Terms.

"**CVM**" means the Portuguese Centralised System of Registration of Securities.

"**Clearstream, Luxembourg**" means Clearstream Banking S.A..

"**CMVM**" means the *Comissão do Mercado de Valores Mobiliários*, the Portuguese Securities Market Commission.

"**CMVM Regulation**" means CMVM's Regulation no. 2/2023 regarding covered bonds.

"**Common Representative**" means Deutsche Trustee Company Limited, in its capacity as representative of the holders of the Covered Bonds pursuant to Article 28 of the Legal Regime of Covered Bonds in accordance with the Terms and Conditions and the terms of the Common Representative Appointment Agreement, having its registered office at Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom.

"**Common Representative Appointment Agreement**" means the agreement dated 23 November 2006 entered into between the Issuer and the Common Representative and which sets out the terms and conditions upon and subject to which the Common Representative has agreed to act as Common

Representative, as amended and restated on 28 November 2023, and as may be further amended and restated.

"**Cover Pool**" means the pool of assets maintained by the Issuer and allocated to the issue of Covered Bonds under the Programme, held to the benefit of the holders of Covered Bonds and the Other Preferred Creditors, and which comprises the Primary Assets, the Substitution Assets and Liquidity Assets, as specified in the Register.

"**Cover Pool Monitor**" means PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda., member of the Portuguese Institute of Statutory Auditors (*Ordem dos Revisores Oficiais de Contas*) under the number 183, registered with the CMVM with registration number 20161485, with its registered office at Palácio SottoMayor, Rua Sousa Martins, no. 1, 3rd, 1069-316 Lisbon, Portugal.

"**Cover Pool Monitor Agreement**" means the agreement dated 28 November 2023 entered into by and between the Issuer and the Cover Pool Monitor, as amended and restated.

"**Covered Bond**" means any covered bond issued by the Issuer and subject to the Legal Regime of Covered Bonds in the form specified in the applicable Final Terms and "**Covered Bonds**" shall be construed accordingly.

"**Covered Bonds Law**" means the Portuguese legal framework applicable to the issuance of covered bonds, enacted by Decree-Law no. 59/2006, of 20 March, as amended from time to time, which has been revoked by Decree-Law no. 31/2022, of 6 May.

"**CRA Regulation**" means Regulation (EC) no. 1060/2009, of the European Parliament and of the Council, of 16 September, as amended from time to time.

"**CRR**" means Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and amending Regulation (EU) No. 648/2012, as amended, including by Regulation (EU) 2019/2160 of the European Parliament and of the Council of 27 November 2019 amending Regulation (EU) No. 575/2013 as regards exposures in the form of covered bonds.

"**Current Property Value**" means, in relation to a Property securing a Mortgage Credit, the updated Property Valuation of such Property.

"**DBRS**" means DBRS Ratings GmbH, which is established in the EEA and registered under the CRA Regulation and is, as of the date of this Base Prospectus, included in the list of credit rating agencies published by the ESMA on its website in accordance with the CRA Regulation, or any of its affiliates or successor.

"**Dealers**" means Barclays Bank Ireland PLC, BNP Paribas, BofA Securities Europe SA, Caixa–Banco de Investimento, S.A., Citigroup Global Markets Europe AG, Commerzbank Aktiengesellschaft, Crédit Agricole Corporate and Investment Bank, Deutsche Bank Aktiengesellschaft, HSBC Continental Europe, S.A., ING Bank, N.V., J.P. Morgan SE, Mediobanca – Banca di Credito Finanziario S.p.A., Morgan Stanley Europe SE, Natixis, NatWest Markets N.V., Nomura Financial Products Europe GmbH, Société Générale, UBS Europe SE and UniCredit Bank AG, and any other Dealer(s) appointed from time to time by the Issuer in accordance with the Programme Agreement.

"**EU**" means the European Union.

"**Euro**", "**€**" or "**euro**" means the lawful currency of Member States of the EU that adopt the single currency introduced at the start of the third stage of European economic and monetary union, and as defined in Council Regulation (EC) no. 974/98, of 3 May, on the introduction of the euro, as amended from time to time.

"**Euroclear**" means Euroclear Bank S.A./N.V..

"**Euronext**" means Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A..

"**Euronext Lisbon**" means the regulated market managed by Euronext.

"**Extended Maturity Date**" means the date so specified in the applicable Final Terms, extending the maturity of the relevant Series of Covered Bonds if the conditions foreseen in Condition 6.7 (*Extension of Maturity up to Extended Maturity Date*) are met.

"**Extension Cessation Date**" has the meaning given in Condition 6.6(F) of the Terms and Conditions.

"**Extension Legal Requirements**" means the legal requirements applicable to an extension of maturity of covered bonds, as foreseen in article 21(1) and (2) of the Legal Regime of Covered Bonds.

"**Final Terms**" means the final terms issued in relation to each Tranche of Covered Bonds and giving details of that Tranche of Covered Bonds and, in relation to any particular Tranche of Covered Bonds, applicable Final Terms means the Final Terms applicable to that Tranche of Covered Bonds.

"**Fixed Interest Period**" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

"**Hedge Counterparties**" means the party or parties that, from time to time, will enter into Hedging Contracts with the Issuer in accordance with the Legal Regime of Covered Bonds (and the relevant terms of Article 129 of the CRR).

"**Hedging Contracts**" means the hedging contracts entered into by the Issuer in accordance with the Legal Regime of Covered Bonds for the purpose of hedging risks in relation to the Cover Pool.

"**Independent Adviser**" means an independent financial institution of international repute or an independent financial adviser with appropriate expertise in the international capital markets, in each case selected and appointed by the Issuer.

"**Interbolsa**" means Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A. as management entity of the CVM.

"**Interest Amount**" means, as applicable, the amount of interest payable on the Floating Rate Covered Bonds in respect of each Specified Denomination, calculated by the Calculation Agent pursuant to Condition 4 (*Interest*).

"**ISDA**" means the International Swaps and Derivatives Association Inc.

"**Issue Date**" means the date so specified in the applicable Final Terms being, in respect of any Covered Bond, the date of issue and purchase of such Covered Bond pursuant to and in accordance with the Programme Agreement or any other agreement between the Issuer and the relevant Dealer(s).

"**Legal Regime of Covered Bonds**" means the Portuguese legal regime applicable to the issuance of covered bonds, annexed to Decree-Law 31/2022, of 6 May (transposing Directive (EU) 2019/2162 of the European Parliament and of the Council of 27 November 2019 on the issue of covered bonds and covered bond public supervision and amending Directives 2009/65/EC and 2014/59/EU), as amended from time to time.

"**Liquidity Assets**" means the assets which may compose the Liquidity Buffer in accordance with the Legal Regime of Covered Bonds, as described below:

(a) Assets qualifying as level 1, level 2A or level 2B assets pursuant to the applicable delegated regulation adopted pursuant to article 460 of the CRR, that are valued in accordance with such regulation, and are not issued by the issuing credit institution itself, its parent undertaking, unless it is a public sector entity that is not a credit institution, its subsidiary or another subsidiary of its parent undertaking or by a securitisation special purpose entity with which the credit institution has close links; and

(b) Short-term exposures to credit institutions that qualify for credit quality step 1 or 2 (as defined in the CRR), or claims, including deposits, that are short-term to credit institutions that qualify for credit quality step 1, 2 or 3 (as defined in the CRR), in accordance with article 129(1)(c) of the CRR, provided that any such assets comply with any applicable requirements under sub-paragraph (b) of paragraph (A) (Eligible Assets) of Condition 14.3 (Issuer Covenants), subject to Condition 14(1)(iii).

For the avoidance of doubt, and provided that the requirements under b) above are met, the assets under b) above can include short term deposits held with the Bank of Portugal or the Issuer, segregated and allocated to the Cover Pool as part of the Liquidity Assets.

"**Liquidity Buffer**" means the liquidity buffer included in the Cover Pool in accordance with article 19 of the Legal Regime of Covered Bonds and Condition 14.2 (*Liquidity Buffer*).

"**Margin**" means the margin specified as such in the relevant Final Terms.

"**Maturity Date**" means the maturity date of a Series of Covered Bonds, as specified in the applicable Final Terms.

"**Moody's**" means Moody's Investors Service Ltd., or any other affiliate or successor as specified in the relevant Final Terms.

"**Mortgage**" means, in respect of any Mortgage Credit, the charge by way of legal mortgage over the relevant Property (together with all other encumbrances or guarantees) the benefit of which is vested in the Issuer as security for the repayment of that Mortgage Credit.

"**Mortgage Credit**" means a pecuniary loan receivable granted by the Issuer secured by a Mortgage which is registered as being comprised in the Cover Pool for the amount and with the characteristics required to be met pursuant to the Legal Regime of Covered Bonds, provided that it complies with any applicable requirements under paragraph (A) (Eligible Assets) of Condition 14.3 (Issuer Covenants).

"**Net Liquidity Outflows**" means all payment outflows falling due on one day, including principal (if applicable, as it will only be considered due for this purposes on the relevant Extended Maturity Date in accordance with Condition 14.2 (*Liquidity Buffer*)) and interest payments under the Covered Bonds and payments under the Hedging Contracts, net of all payment inflows falling due on the same day for assets in the Cover Pool.

"**Non-Performing Mortgage Credits**" means, with respect to a Mortgage Credit, that such Mortgage Credit:

(a) is in the course of being foreclosed or otherwise enforced; or

(b) has one or more payments of principal or interest past due more than 90 days.

"**Original Reference Rate**" means the benchmark or screen rate (as applicable) originally specified for the purpose of determining the rate of interest (or any component part thereof), as applicable, on the Covered Bonds in respect of any Interest Period(s).

"**Other Preferred Creditors**" means the Hedge Counterparties.

"**Overcollateralisation Percentage**" has the meaning given to it in Condition 14.1 (*Overcollateralisation*) of the Terms and Conditions.

"**Paying Agent**" means Caixa Geral de Depósitos, S.A., with head office at Av. João XXI, no. 63, 1000-300 Lisboa or any successor or additional paying agent appointed from time to time in connection with the Covered Bonds under the Agency and Payments Procedures.

"**Portuguese Companies Code**" means the commercial companies code approved by Decree-Law no. 262/86, of 2 September, as amended from time to time.

"**Portuguese Securities Code**" means the securities code approved by Decree-Law no. 486/99, of 13 November, as amended from time to time.

"**Primary Assets**" means the dominant cover assets that determine the nature of a cover pool of covered bonds, under the Legal Regime of Covered Bonds. In particular in respect of the Cover Pool, the Primary Assets are Mortgage Credits, corresponding to the type of assets foreseen in article 129(1), paragraphs (d) and (f) of the CRR.

"**Programme**" means the €15,000,000,000 covered bonds programme established for the issuance of Covered Bonds by the Issuer in accordance with the Covered Bonds Law for the issuance of Covered Bonds by the Issuer and as converted on 28 November 2023 for the issuance of "European Covered Bond (Premium)" in compliance with the Legal Regime of Covered Bonds, and as updated from time to time.

"**Programme Agreement**" means the agreement entered into between the Issuer and the Dealers on 23 November 2006, as amended from time to time.

"**Programme Documents**" means the Base Prospectus, the Programme Agreement, the Agency and Payments Procedures, the Common Representative Appointment Agreement, the Cover Pool Monitor Agreement and any other agreement or document entered into from time to time by the Issuer pursuant thereto and in relation to the Programme.

"**Programme Resolution**" means any Resolution directing the Common Representative to accelerate the

Covered Bonds pursuant to Condition 9 (*Insolvency Event and Enforcement*) or directing the Common Representative to take any enforcement action.

"**Property**" means, in relation to any Mortgage Credit, the property upon which the repayment of such Mortgage Credit is secured by the corresponding Mortgage and "**Properties**" means all of them.

"**Property Valuation**" means, in relation to any Property the amount determined as such Property's market value (which means, in accordance with point (76) of article 4(1) of the CRR, the estimated amount for which the Property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion), in accordance with the most recent independent valuation of such Property, at the time or after the relevant Mortgage Credit was originated, in accordance with the Legal Regime of Covered Bonds and article 208 of the CRR, provided that, in accordance with the foregoing, the Issuer may use statistical methods to monitor the value of the Property and identify if it needs revaluation.

"**Prospectus Delegated Regulations**" means Commission Delegated Regulation (EU) no. 2019/980 of 14 March 2019, supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004, as amended, together with Commission Delegated Regulation (EU) 2019/979 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus, and the notification portal, and repealing Commission Delegated Regulation (EU) No 382/2014 and Commission Delegated Regulation (EU) 2016/301.

"**Rating Agencies**" means Moody's, Fitch and DBRS, which are registered with the European Securities and Markets Authority under the CRA Regulation.

"**Reference Banks**" means those banks whose offered rates were used to determine a quotation when such quotation last appeared on the Relevant Screen Page or, if applicable, those banks whose offered quotations last appeared on the Relevant Screen Page when no fewer than three such offered quotations appeared.

"**Reference Price**" means the reference price appearing in the relevant Final Terms.

"**Register**" means the register of the Cover Pool and associated collateral maintained by the Issuer in accordance with the Legal Regime of Covered Bonds and CMVM Regulation.

"**Relevant Date**" means the date on which a payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Agent, on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the holders of Covered Bonds in accordance with Condition 11 (*Notices*).

"**Relevant Nominating Body**" means, in respect of an Original Reference Rate:

(a) the central bank for the currency to which the Original Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Original Reference Rate; or

(b) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (A) the central bank for the currency to which the Original Reference Rate relates, (B) any central bank or other supervisory authority which is responsible for supervising the administrator of the Original Reference Rate, (C) a group of the aforementioned central banks or other supervisory authorities or (D) the Financial Stability Board or any part thereof.

"**Relevant Screen Page**" has the meaning ascribed to it in the Final Terms.

"**Reserved Matter**" means any proposal: (i) to change any date fixed for payment of principal or interest in respect of the Covered Bonds of all or of a given Series, (ii) to reduce the amount of principal or interest due on any date in respect of the Covered Bonds of all or of a given Series or to alter the method of calculating the amount of any payment in respect of the Covered Bonds of all or of a given Series on redemption or maturity; (iii) to effect the exchange, conversion or substitution of the Covered Bonds of all or of a given Series into shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed; (iv) to change the currency in which amounts due in respect of the Covered Bonds of all or of a given Series are payable; (v) to alter the priority of payment of interest or principal in respect of the Covered Bonds of all or of a given Series; (vi) to amend this definition; or (vii) any other matter required by law to be approved by the majorities set out in Condition 12(C)(ii) of the Terms and Conditions.

"**Resolution**" means a resolution adopted at a duly convened meeting of holders of Covered Bonds and approved in accordance with the applicable provisions.

"**RGICSF**" means the General Regime for Credit Institutions and Financial Companies, as enacted by Decree-Law no. 298/92, of 31 December, as amended.

"**Series**" means a Tranche of Covered Bonds together with any further Tranche or Tranches of Covered Bonds which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates, interest rates and/or Issue Prices.

"**Stock Exchange**" means Euronext Lisbon or any other stock exchange where Covered Bonds may be listed as per the relevant Final Terms and references herein to the **relevant Stock Exchange** shall, in relation to any Covered Bonds, be references to the stock exchange or stock exchanges on which such Covered Bonds are from time to time, or are intended to be, listed.

"**Substitution Assets**" means the cover assets that contribute to the coverage requirements in relation to covered bonds other than Primary Assets, under the Legal Regime of Covered Bonds, provided that they comply with the relevant requirements foreseen in article 129 of the CRR.

"**sub-unit**" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent.

"**Successor Rate**" means the rate that the Independent Adviser or, as the case may be, the Issuer determines is a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

"**T2 Day**" means any day on which the T2 System is open.

"**T2 System**" means the new Trans-European Automated Real-time Gross Settlement Express Transfer Payment System which utilises a single shared platform and which was launched on 20 March 2023 (which has replaced the previous settlement payment system, TARGET 2) or any successor or replacement for that system.

"**Tax**" shall be construed so as to include any present or future tax, levy, impost, duty, charge, fee, deduction or withholding of any nature whatsoever (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) imposed or levied by or on behalf of any Tax Authority and "**Taxes**", "**taxation**", "**taxable**" and comparable expressions shall be construed accordingly.

"**Tax Authority**" means any government, state, municipal, local, federal or other fiscal, revenue, customs or excise authority, body or official anywhere in the world exercising a fiscal, revenue, customs or excise function including the Irish Revenue Commissioners and H.M. Revenue and Customs and the Portuguese Tax Authorities.

"**Tax Deduction**" means any deduction or withholding on account of Tax.

"**Terms and Conditions**" means in relation to the Covered Bonds, the terms and conditions applicable to the Covered Bonds and any reference to a particular numbered Condition shall be construed in relation to the Covered Bonds accordingly.

"**Tranche**" means Covered Bonds which are identical in all respects (including as to listing).

"**Treaty**" means the treaty on the Functioning of the European Union, as amended from time to time.

"**U.S.**", "**USA**" or "**United States**" means the United States of America.

"**U.S.$**", "**USD**" or "**U.S. dollars**" means United States dollars, the lawful currency of the United States of America.

CHARACTERISTICS OF THE COVER POOL

INTRODUCTION – CAPACITY TO ISSUE COVERED BONDS

In general, covered bonds may only be issued by duly licensed credit institutions. The Issuer meets this requirement and thus is qualified to issue covered bonds under the Legal Regime of Covered Bonds.

ISSUER REQUIRED TO MAINTAIN COVER POOL

The Issuer may issue Covered Bonds only if it maintains a related Cover Pool in compliance with the Legal Regime of Covered Bonds. The Cover Pool may contain Primary Assets, Substitution Assets and Liquidity Assets (each as defined in the chapter entitled "Definitions" below), subject to the limitations provided for in the Legal Regime of Covered Bonds. The Legal Regime of Covered Bonds allows for the composition of the Cover Pool to be dynamic and does not require it to be static. Accordingly, the mortgage credit assets (and other permitted assets) to be comprised in the Cover Pool may change from time to time after the date hereof in order to ensure compliance with the requirements of the Legal Regime of Covered Bonds and with the CMVM Regulation (as defined in the chapter entitled "*Definitions*" below).

To enable it to issue Covered Bonds, the Issuer has established and will maintain a permanently identifiable and segregated register (the "**Register**") in relation to the Cover Pool for the purposes of the Legal Regime of Covered Bonds. The Issuer plans to issue from time to time further Covered Bonds and will include in the relevant Cover Pool additional mortgage credit assets or substitution assets (and other permitted assets) as security for those Covered Bonds in accordance with relevant provisions of the Legal Regime of Covered Bonds, as further detailed below. The Issuer is required, as soon as practicable after becoming aware that it has contravened the provisions of the Legal Regime of Covered Bonds, to take all possible steps to prevent the contravention from continuing or being repeated.

ELIGIBILITY CRITERIA FOR ASSETS COMPRISED IN THE COVER POOL

Only mortgage credits or receivables, including, but not limited to, interest revenue and repayments, which comply with the legal eligibility criteria described below may be included in the Cover Pool:

Mortgage Credits and Exposures to Credit Institutions Eligibility Criteria

The Covered Bonds to be issued under this Base Prospectus will be labelled as "*European Covered Bond (Premium)*", as set out in Article 42(2) of the Legal Regime of Covered Bonds provided that the Covered Bonds are in compliance with the Legal Regime of Covered Bonds and the CRR.

As such, the Cover Pool will comprise only assets listed in Article 129(1) of the CRR (and provided that the requirements under paragraphs 1a to 3b of Article 129 of the CRR are met). Each Cover Pool shall comprise of Primary Assets, Substitution Assets or Liquidity Assets, provided that:

- the value of a Mortgage Credit may not exceed the lesser of the principal amount of the respective Mortgage (combined with any prior mortgages, if they exist), and 80 per cent. of the Current Property Value, in case of a Property intended primarily for residential purposes, or 60 per cent. (or 70 per cent., in the circumstances foreseen in Article 129(1)(f) of the CRR) of the Current Property Value, in case of a Property intended primarily for commercial purposes; and

- exposures to credit institutions that qualify for credit quality step 1 (as defined in the CRR) shall not exceed 15 per cent. of the aggregate nominal amount outstanding of the Covered Bonds; (ii) exposures to credit institutions that qualify for credit quality step 2 (as defined in the CRR) shall not exceed 10 per cent. of the aggregate nominal amount outstanding of the Covered Bonds; (iii) exposures to credit institutions that qualify for credit quality step 3 (as defined in the CRR) shall comply with the requirements set out under sub-paragraphs 1(c) and 1-A(c) of Article 129 of the CRR; (iv) the total exposure to credit institutions that qualify for credit quality step 1, 2 or 3 shall not exceed 15 per cent. of the aggregate nominal amount outstanding of the Covered Bonds; and (v) the total exposure to credit institutions that qualify for credit quality step 2 or 3 shall not exceed 10 per cent. of the aggregate nominal amount outstanding of the Covered Bonds.

Other assets Eligibility Criteria

The following assets may also be included in the Cover Pool:

(a) the assets described above under the section "*Mortgage Credits and Exposures to Credit Institutions Eligibility Criteria*" if they are not deemed to be Primary Assets;

(b) deposits with the Bank of Portugal in cash, or securities eligible for credit transactions in the Eurosystem lending operations;

(c) current or term account deposits with credit institutions located in the EEA which are not in a control or group relationship with the Issuer; and

(d) any other assets located in the EEA complying simultaneously with low risk and high liquidity requirements.

At the date of this Base Prospectus, the Issuer intends to include in the Cover Pool mortgage credits which are located in Portugal and secured primarily on residential property for the purposes of the Legal Regime of Covered Bonds.

The Issuer does not intend at the date of this Base Prospectus to include either (i) Mortgage Credits which have their primary security over commercial property or (ii) Mortgage Credits in respect of which the associated Property is located, for the purposes of the Legal Regime of Covered Bonds, outside Portugal without first obtaining (in each case for so long as the Covered Bonds are rated by such rating agency) confirmation from the Rating Agencies that any such action will not result in a downgrade of the rating then ascribed by such rating agency to the Covered Bonds.

HEDGING CONTRACTS

The Legal Regime of Covered Bonds allows the Cover Pool to include Hedging Contracts aimed exclusively at hedging risks, namely interest rate, exchange rate or liquidity risks. These Hedging Contracts will form part of the Cover Pool and may be taken into account in the assessment of the financial ratios and requirements of the Legal Regime of Covered Bonds and as described in this section.

Pursuant to the requirements of the Legal Regime of Covered Bonds and Article 129 of the CRR, any such hedging contracts can only be included in the Cover Pool provided they (i) are exclusively aimed at covering risk; (ii) their volume is adjusted in the case of a reduction in the risk covered; (iii) cease if the covered risk ceases to exist; (iv) are sufficiently documented; (v) are segregated in accordance with the Legal Regime of Covered Bonds; (vi) cannot be terminated upon the liquidation or resolution of the Issuer; (vii) are traded on a regulated market or multilateral trading facility of an EU Member State, or on a recognised market of an OECD country, or whose counterparties are credit institutions located in the EEA, whose exposures are eligible (A) for credit quality step 1 or credit quality step 2 (both as defined in CRR); or (B) for credit quality step 3 (as defined in the CRR), if authorised by the competent authority; and (viii) are included on the basis of their market value, or, in the absence of such market value, at a value calculated on the basis of adequate valuation methods. The Legal Regime of Covered Bonds empowers CMVM to develop the eligibility criteria for hedging contracts to form part of the Cover Pool.

Also pursuant to the Legal Regime of Covered Bonds, the Register shall, in relation to each Hedging Contract, identify (i) the Covered Bonds to which the relevant Hedging Contract relates; (ii) the underlying asset or assets; (iii) the nominal value of the Hedging Contract; (iv) the Hedge Counterparty; and (v) the commencement date and the maturity date of such Hedging Contract.

If a particular Tranche of Covered Bonds is issued in a denomination other than the euro, the Issuer may enter into Hedging Contracts for the purpose of hedging any currency exchange risk.

LOAN -TO -VALUE RESTRICTIONS

Pursuant to the Legal Regime of Covered Bonds and Articles 129(1)(d) and (f) of the CRR, the amount of a Mortgage Credit granted by the Issuer and registered as being comprised in the Cover Pool may not exceed the lesser of (i) the principal amount of the respective Mortgage (combined with any prior mortgages, if they exist), and (ii) 80 per cent. of the Current Property Value, if it is residential property, or 60 per cent. of the Current Property Value, if it is commercial property (which, in the case of commercial property, may be increased to 70 per cent., subject to certain conditions). The loan-to-value limit shall (i) apply on a loan-by-loan basis; (ii) determine the portion of the loan contribution to the coverage of liabilities attached to the Covered Bonds; and (iii) apply throughout the entire maturity of the loan. For further details, see section "*Valuation of Cover Pool*" below.

OVERCOLLATERALISATION

Pursuant to the Legal Regime of Covered Bonds and the CRR, all liabilities of the Covered Bonds shall be fully secured by the cover assets.

In compliance with the above legal requirements, in particular with Article 129(3)(a) of the CRR, Condition 14 (*Overcollateralisation, Liquidity Buffer and Issuer Covenants*) requires the Issuer to over-collateralise the Cover Pool with respect to outstanding Covered Bonds at a minimum level of 105 per cent., provided that: (i) the Overcollateralisation Percentage shall not, for so long as there are Covered Bonds outstanding, be reduced by the Issuer below 105 per cent.; (ii) without prejudice to (i) above, the Issuer shall not at any time reduce the Overcollateralisation Percentage which applies for the purposes of Condition 14 (*Overcollateralisation, Liquidity Buffer and Issuer Covenants*) if this could result in any credit rating then assigned to the Covered Bonds by any Rating Agency being reduced, removed, suspended or placed on credit watch; and (iii) assets contributing to the minimum level of the Overcollateralisation Percentage shall not be subject to the limits on exposure size set out in accordance with Condition 14.3 (*Issuer Covenants*), paragraph (A) (*Eligible Assets*), subparagraph (b) and shall not count towards those limits. See *Terms and Conditions of the Covered Bonds*.

For the purposes of the calculation by the Issuer and the Cover Pool Monitor of the level of overcollateralisation referred to above:

(a) Mortgage Credits shall be accounted according to the nominal value of the respective outstanding principal;

(b) the debt securities shall be accounted according to the nominal value of outstanding principal; and

(c) the derivative contracts shall be accounted for in accordance with the terms and conditions set out in the Legal Regime of Covered Bonds;

(d) in relation to any other assets in the Cover Pool:

 (i) deposits shall be accounted for according to their amount; and

 (ii) securities eligible for Eurosystem credit transactions shall be accounted for by the value resulting from the application of the rules regarding margin valuation laid down by the Eurosystem or, if lower, according to their nominal value.

Also for the purpose of these calculations the Issuer and the Cover Pool Monitor shall use the exchange rates published by the ECB as a reference.

COMPLIANCE WITH FINANCIAL REQUIREMENTS

The Cover Pool Monitor, pursuant to the Legal Regime of Covered Bonds and in accordance with the terms set forth in the Cover Pool Monitor Agreement, must monitor the Issuer's compliance with the financial requirements established in the Legal Regime of Covered Bonds described in this section.

Should a breach of the homogeneity, coverage or liquidity of the Cover Pool occur, the Issuer is required, immediately after becoming aware thereof, to take all possible steps to remedy such breach, by :

(a) allocating new Primary or Substitution Assets, with or without substitution of those already allocated to the Covered Bonds; and/or

(b) amortising Covered Bonds in a sufficient amount to remedy the breach; and/or

(c) allocating new liquid assets to the liquidity buffer.

Notwithstanding the above, Mortgage Credits that become delinquent after being allocated to the Cover Pool may still remain in such Cover Pool provided that the delinquency period is not equal to or higher than 90 days and such Mortgage Credits not removed from the Cover Pool following 90 days shall not count towards the statutory tests or the Overcollateralisation Percentage.

VALUATION OF COVER POOL

The Legal Regime of Covered Bonds sets out certain requirements and criteria which are required to be met by the Issuer in respect of the valuation of Mortgage Credits comprised in the Cover Pool.

The Legal Regime of Covered Bonds empowers CMVM to establish, by regulation, requirements in relation to the valuation basis and methodology, time of valuation and any other matter that it may consider relevant for determining the value of eligible assets for the purposes of the Legal Regime of Covered Bonds. In this regard, CMVM Regulation does not specifically include any provisions regarding the methodologies and frequency of valuation of the cover assets, their risk management, and the registration and archiving of all this information, establishing a material reference, under the terms of Article 11 of CMVM Regulation, to national and EU banking prudential legislation and regulations (namely Article 208 of the CRR).

Valuation of Properties

The value of each Property associated with a Mortgage Credit comprised in the Cover Pool shall be equal to or less than the amount determined as such Property's market value, in accordance with the most recent independent valuation of such Property, under the Legal Regime of Covered Bonds and Article 208 of the CRR.

The market value, in accordance with point (76) of Article 4(1) of the CRR, means the estimated amount for which the Property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The property valuations are carried out by independent expert appraisers, and the management of the valuations and inspections is centralized in a unit that is independent of the commercial units.

Valuation by expert

In accordance with the Legal Regime of Covered Bonds, prior to the inclusion in the Cover Pool of the related Mortgage Credit, each Property must be valued by a real estate valuation expert, with necessary qualifications, competence and experience. The real estate valuation expert shall (i) be independent from the decision-making process concerning the granting of the credit; (ii) not take into account speculative elements in the assessment of the value of the physical cover asset and the cover documents; and (iii) document the value of the physical cover asset in a transparent and clear manner.

The Issuer may not appoint a real estate valuation expert with any potential conflicts of interest, notably where there is (i) any specific interest of the real estate valuation expert in the Property subject to the valuation, (ii) any relationship, commercial or personal, with the borrower of the Mortgage Credit related to the Property subject to valuation, or (iii) where the remuneration of the valuation expert is dependent on the valuation of the relevant Property.

The Issuer may appoint a valuation expert within CGD's Group, provided such valuation expert is independent from the credit analysis and decision-making process within CGD's Group.

Valuation experts are required to comply with the terms and conditions set forth in Law no. 153/2015, of 14 September.

Methods of valuation

The Issuer must ensure that each real estate valuation expert it appoints uses one of the following methods of valuation, which shall be chosen in light of the specific characteristics of the Property subject to valuation, as well as of the specific conditions of the local market:

(a) Cost method;

(b) Income method; or

(c) Comparison method.

Valuation report

Each real estate valuation expert appointed by the Issuer shall prepare a written report in relation to the valuation of each Property, setting out, in a clear and detailed manner, all the elements relevant for the full understanding of the analysis and conclusions of such valuation, in particular:

(a) the identification of the relevant Property, with a detailed description of its characteristics;

(b) a description of the selection and basis of the method(s) of valuation, any parameters used and/or assumptions adopted, identifying the manner in which the volatility effects of the short term market or the market temporary conditions were taken into account;

(c) a description of possible qualifications to the analysis;

(d) the valuation of the Property, in terms of both the value of the mortgaged Property and the market value the Property;

(e) a statement of the valuation expert that they have carried out the valuation according to the applicable requirements set out in the Legal Regime of Covered Bonds; and

(f) the date of the valuation and the identification and the signature of the valuation expert.

Subsequent valuations of Properties and subsequent update of the value of Properties

The Issuer shall perform any internal check of the value of each of the Properties on a frequent basis and at a minimum once a year.

The Issuer may use statistical methods to monitor the value of the Property and to identify the Property that needs revaluation.

Notwithstanding the above, the Issuer shall proceed with a more frequent monitoring where the market conditions are subject to significant changes.

In addition, such valuation shall be reviewed by a real estate valuation expert whenever the information available to the Issuer indicates that the value of the Property may have materially decreased in relation to general market prices.

In respect of Mortgage Credits that exceed (i) 5 per cent. of the own funds of the Issuer or (ii) €3,000,000, the valuation of the relevant Property shall be reviewed by a real estate valuation expert at least every three years.

The Issuer shall provide the Cover Pool Monitor with all information necessary for the Cover Pool Monitor to supervise, pursuant to the Legal Regime of Covered Bonds and in accordance with the terms set forth in the Cover Pool Monitor Agreement, compliance by the Issuer with the requirements set forth in the Legal Regime of Covered Bonds relating to the valuation of the Properties securing the Mortgage Credits comprised in the Cover Pool.

Valuation of Other Assets

Pursuant to CMVM Regulation, the other assets in the Cover Pool shall be valued as follows:

(a) the deposits shall be accounted according to their amount; and

(b) the securities eligible for Eurosystem credit transactions shall be accounting for according to the value resulting from the application of the rules regarding margin valuation laid down by the Eurosystem or, if lower, according to the nominal value of such securities;

(c) the debt securities shall be accounted for the nominal value of the outstanding capital; and

(d) the derivative contracts shall be accounted for in accordance with the terms and conditions set out in the Legal Regime of Covered Bonds.

Insurance

Pursuant to the Legal Regime of Covered Bonds, the Issuer shall adopt and implement procedures to verify if any property mortgaged as security for payment of interest and principal in relation to a mortgage credit asset comprised in the Cover Pool is duly insured against the risk of loss or damage.

Any credits arising from the relevant insurance policies shall be segregated in accordance with the Legal Regime of Covered Bonds.

COVER POOL SEGREGATED REGISTER AND SPECIAL CREDITOR PRIVILEGE

Autonomous pool of assets and segregated register

Pursuant to the Legal Regime of Covered Bonds, the Cover Pool constitutes an autonomous pool of assets (*património autónomo*), not liable for any general indebtedness incurred by the Issuer until all amounts due to the holders of Covered Bonds and the Other Preferred Creditors are fully paid and discharged.

The Legal Regime of Covered Bonds provides that the appropriate particulars of each asset comprised in the Cover Pool must be recorded in a segregated register within, and maintained by, the Issuer. Such register must record the following:

(i) borrower identification;

(ii) the outstanding amount;

(iii) the interest rate;

(iv) the amortisation date;

(v) for collateralised claims, the identification of the entity or individual before whom the relevant deed was drawn up or who authenticated the private deed whereby the collateral was created; and

(vi) proof of definitive registration of the collateral in the corresponding real estate registry.

In case of default in payment of interest or principal on the Covered Bonds, and in case the holders of such Covered Bonds decide to accelerate the relevant Covered Bonds, holders of such Covered Bonds, or the Common Representative on their behalf, may have access to the list of assets making up the Cover Pool allocated to the relevant Covered Bonds, in accordance with Article 8 of CMVM Regulation.

Special creditor privilege

Under the Legal Regime of Covered Bonds, the holders of Covered Bonds enjoy a special creditor privilege over the Cover Pool with preference over any other general creditor, in relation to the repayment of principal and payment of interest due under the Covered Bonds. For further information, please refer to the chapter entitled "*Legal Regime of Covered Bonds*".

INSOLVENCY OF THE ISSUER

The Legal Regime of Covered Bonds governs, to a certain extent, the impact on the Covered Bonds of a possible insolvency or winding-up of the Issuer, so as to ensure due protection to the holders of Covered Bonds.

In the event of insolvency or liquidation of the Issuer, the Legal Regime of Covered Bonds establishes that any assets comprised in the Cover Pool, as well as interest revenue, repayments, and any collateral in connection with derivative contracts shall be segregated from the Issuer's insolvent estate and will be managed autonomously by a third party, and will not form part thereof, until full payment of the amounts due and payable to the holders of Covered Bonds and counterparties of derivative contracts. In any case, and even if the Issuer is declared insolvent, the Legal Regime of Covered Bonds determines that timely payments of interest and reimbursements under the Covered Bonds shall continue to be carried out. However, if the assets comprised in the Cover Pool are insufficient to meet interest and principal payments, the holders of Covered Bonds will rank *pari passu* with unsecured creditors of the Issuer in relation to the remaining assets of the Issuer.

Where a resolution action is taken against the Issuer, which shall be immediately notified to CMVM, CMVM shall cooperate with the Bank of Portugal, as the competent resolution authority, to protect the rights and interests of the holders of Covered Bonds, in particular by verifying the continuity and sound management of the covered bonds programme following the resolution action.

In this situation, pursuant to the Legal Regime of Covered Bonds, the holders of Covered Bonds are entitled to adopt a resolution approving the immediate acceleration of the Covered Bonds by a majority of at least two thirds of the votes of the holders of Covered Bonds then outstanding, in which case the entity appointed to manage the Cover Pool shall provide for the liquidation thereof to the benefit of the holders of Covered Bonds. If an Insolvency Event occurs in relation to the Issuer, the Banco de Portugal, as the competent resolution authority, shall notify CMVM, as soon as possible, when it applies a resolution measure to the Issuer, informing it, specifically, of the treatment of the Covered Bonds in the resolution action applied. In addition, if the authorisation of the Issuer to act as a credit institution in Portugal is revoked, the Banco de Portugal will immediately inform CMVM of the decision to revoke the authorisation of the Issuer.

In case of revocation of the authorisation to act as a credit institution in Portugal and consequent liquidation of the Issuer, CMVM may appoint the Special Administrator within 10 business days after the revocation of such authorisation, to ensure that the rights and interest of the holders of the Covered Bonds are preserved. The roles and responsibilities of the Special Administrator include:

(a) extinction of liabilities associated with the Covered Bonds;

(b) the management and settlement of cover assets, including their transfer to another credit institution that issues covered bonds, together with the liabilities associated with such covered bonds;

(c) performing all acts and operations necessary for:

  (i) the adequate administration of the Cover Pool;

(ii) the continuous monitoring of the coverage of the liabilities associated with the Covered Bonds; and

(iii) the initiation of the necessary legal actions to reintegrate the assets into the Cover Pool and the transfer of the remaining assets to the insolvent estate (*massa insolvente*) of the Issuer, after all Covered Bond liabilities have been discharged;

(d) performing all acts and operations necessary for the sound management of the claims and respective collateral, to ensure the timely payment of all amounts due to the holders of the Covered Bonds, including, but not limited to:

(i) selling the Mortgage Credits comprised in the Cover Pool;

(ii) ensuring collection services in respect of the Mortgage Credits comprised in the Cover Pool;

(iii) administrative services in connection with such Mortgage Credits and respective borrowers; and

(iv) amending and extinguishing conservative acts relating to the guarantees; and

(e) maintaining and keeping updated a segregated register of the Cover Pool in accordance with the Legal Regime of Covered Bonds.

CMVM may dismiss the Special Administrator, in particular, in cases where such Special Administrator fails to fulfil and comply with the duties and responsibilities assigned under the Legal Regime of Covered Bonds. The remuneration of the Special Administrator is fixed by CMVM and constitutes a charge on the Cover Pool.

Finally, CMVM, the Bank of Portugal, as the competent resolution authority, and (if appointed) the Special Administrator shall coordinate their measures and exchange the necessary information for the performance of their respective functions.

The Special Administrator will prepare, immediately upon being appointed, an opening balance sheet in relation to the Cover Pool, supplemented by the corresponding explanatory notes, as well as an annual report, regarding the Cover Pool. The annual report shall be subject to an audit report, prepared by an independent auditor appointed by the Special Administrator. By the end of the quarter following the end of the relevant financial year, the Special Administrator will share with CMVM the annual report, jointly with the audit report.

COMMON REPRESENTATIVE OF THE HOLDERS OF COVERED BONDS

Deutsche Trustee Company Limited, with registered office at Winchester House, 1 Great Winchester Street, London EC2N 2DB, England, has been appointed by the Issuer as representative of the holders of the Covered Bonds pursuant to Article 28 of the Legal Regime of Covered Bonds and in accordance with the Terms and Conditions and the terms of the Common Representative Appointment Agreement. The Common Representative is an entity authorised to represent investors in the United Kingdom.

The Issuer has appointed the Common Representative to represent the holders of Covered Bonds. According to the Legal Regime of Covered Bonds and the relevant provisions of the Portuguese Commercial Companies Code, the Common Representative may be entitled to perform all the necessary acts and actions in order to ensure protection of the holders of Covered Bonds, notably: (a) to represent the holders of Covered Bonds in respect of all matters arising from the issuance of the Covered Bonds and to enforce on their behalf their legal or contractual rights; (b) to enforce any decision taken by the general meetings of the holders of Covered Bonds, in particular those where the acceleration of the Covered Bonds may be decided; (c) to represent the holders of Covered Bonds in any judicial proceedings, including judicial proceedings against the Issuer and, in particular, in the context of any winding-up, dissolution or insolvency commenced by or against the Issuer; (d) to collect and examine all the relevant documentation in respect of the Issuer which is provided to its shareholders; and (e) to provide the holders of Covered Bonds with all relevant information regarding the issuance of the Covered Bonds it may become aware of by virtue of its role as Common Representative under the Common Representative Appointment Agreement.

The holders of the Covered Bonds may at any time, by means of resolutions passed in accordance with the Terms and Conditions and the Common Representative Appointment Agreement, remove the common representative and appoint a new Common Representative. The removal of any Common Representative shall not become effective unless a common representative is appointed.

COVER POOL MONITOR

APPOINTMENT OF A COVER POOL MONITOR

The Legal Regime of Covered Bonds requires that the Board of Directors of the Issuer appoints a qualified person or entity to be the Cover Pool Monitor who shall be responsible, for the benefit of the holders of Covered Bonds, for monitoring the compliance by the Issuer of the requirements contained in the Legal Regime of Covered Bonds and the CMVM Regulation.

Pursuant to the Legal Regime of Covered Bonds, the Cover Pool Monitor must be an independent auditor registered with CMVM. For these purposes, an independent auditor must be an auditor which is not related to or associated with any group of specific interests within the issuing entity and is not in a position that hinders its independent analysis and decision-making process. In particular, such independent auditor shall not (i) be the statutory auditor responsible for the statutory audit of Issuer's annual report in the two years prior to the time of its appointment and is not financially, personally, commercially, professionally, or otherwise related to any such statutory auditor, its network, or any individual who can influence the findings of the audit; or (ii) be associated with any special interest group in Issuer nor is in any situation that could hinder its impartiality of analysis or decision-making, in particular because it holds or acts on behalf of the holders of qualifying holdings of 5 per cent. or more of Issuer 's share capital nor has performed the duties set out in subsection "*Duties and Powers of the Cover Pool Monitor*" below in relation to the relevant issuance or the covered bonds programme for 10 consecutive years.

The Issuer is responsible for paying any remuneration or other monies payable to the Cover Pool Monitor in connection with the Cover Pool Monitor's responsibilities in respect of the Issuer and the holders of Covered Bonds.

ROLE OF THE COVER POOL MONITOR

Pursuant to the Cover Pool Monitor Agreement, dated 28 November 2023, the Issuer appointed PricewaterhouseCoopers & Associados, a company incorporated under the laws of Portugal, member of the Portuguese Institute of Statutory Auditors (*Ordem dos Revisores Oficiais de Contas*) with registration number 183 and registered with CMVM under registration number 20161485, with its registered office at Palácio Sottomayor, Rua Sousa Martins, no. 1, 3rd, 1069-316 Lisbon, Portugal.

The Cover Pool Monitor Agreement reflects the requirements of the Legal Regime of Covered Bonds in relation to the appointment of a monitor in respect of the requirements (namely, financial requirements and the requirements set forth in Condition 14 (*Overcollateralisation, Liquidity Buffer and Issuer Covenants*)) concerning the Cover Pool and the Covered Bonds. The Cover Pool Monitor Agreement provides for certain matters such as verification of the quality of assets comprised in the Cover Pool, the payment of fees and expenses by the Issuer to the Cover Pool Monitor, the resignation of the Cover Pool Monitor and the replacement by the Issuer of the Cover Pool Monitor.

DUTIES AND POWERS OF THE COVER POOL MONITOR

In accordance with the Legal Regime of Covered Bonds, the Cover Pool Monitor is required to monitor, for the benefit of the holders of the Covered Bonds, compliance by the Issuer of the financial and prudential requirements established in the Legal Regime of Covered Bonds and in the CMVM Regulation in respect of the Cover Pool. In particular, the Cover Pool Monitor shall be engaged to assess compliance by the Issuer with the requirements set forth in Condition 14 (*Overcollateralisation, Liquidity Buffer and Issuer Covenants*).

Pursuant to the Legal Regime of Covered Bonds, the Cover Pool Monitor is entitled to be provided with all information required to monitor compliance by the Issuer with the requirements relating to outstanding Covered Bonds and the Cover Pool.

In accordance with Article 17 of the Legal Regime of Covered Bonds, in the performance of its duties, the Cover Pool Monitor shall verify on an ongoing basis, including in the event of liquidation or resolution of the Issuer, the quality of the assets comprising the Cover Pool and compliance with the applicable requirements on eligibility of assets, including risk coverage and derivatives, composition and homogeneity of the Cover Pool, segregation, intra-group structures and joint funding, coverage and liquidity requirements, as well as the information provided to the holders of Covered Bonds. In addition, if the Cover Pool Monitor, while performing its duties, detects any irregularity it shall communicate it immediately and simultaneously to the Issuer and CMVM.

Finally, in accordance with Article 17 of the Legal Regime of Covered Bonds, the Cover Pool Monitor must produce an annual report, by reference to 31 December, with an assessment of the Issuer's compliance with the requirements established in the Legal Regime of Covered Bonds, in particular the quality of the assets comprising the Cover Pool and compliance with the applicable requirements on eligibility of assets, including risk coverage and derivatives, composition and homogeneity of the Cover Pool, segregation, intra-group structures and joint funding, coverage and liquidity requirements, as well as information provided to investors.

If, during the performance of its duties, the Cover Pool Monitor becomes aware that the Issuer has not complied with any of the provisions of the Legal Regime of Covered Bonds and/or of any of the Requirements of the Cover Pool, it must notify, immediately, the Issuer and CMVM of such event. If the situation remains unremedied within 10 business days after such notification, the Cover Pool Monitor will notify the Arranger, the Common Representative and the relevant Dealers of the non-compliance.

REMUNERATION AND TERMINATION OF THE APPOINTMENT OF THE COVER POOL MONITOR

In accordance with the Cover Pool Monitor Agreement, the Cover Pool Monitor shall be remunerated by the Issuer for its services as Cover Pool Monitor at a rate as may from time to time be agreed between the Issuer and the Cover Pool Monitor.

The Cover Pool Monitor can only be dismissed by the Issuer with cause, and their dismissal and relevant cause must be communicated to CMVM within 10 days from its occurrence. The Cover Pool Monitor may retire, upon giving not less than 3 calendar months' notice in writing to the Issuer. Any such termination or retirement shall not become effective until a new cover pool monitor is appointed.

DESCRIPTION OF THE ISSUER

HISTORY AND INTRODUCTION, LEGISLATION THAT GOVERNS THE ISSUER'S ACTIVITY

CGD was created as a state bank by the legislative charter ("*Carta de Lei*") of 10 April 1876, with the main functions of collecting and administering legally required or judicially ordered deposits and issuing and managing government debt. It gradually expanded its operations to become a savings and investment bank. CGD was converted by Decree-Law no. 287/93 into a state-owned joint-stock company (*sociedade anónima de capitais exclusivamente públicos*) on 20 August 1993, when its name was also changed to Caixa Geral de Depósitos, S.A. CGD is a full-service bank and operates under the legal name of "Caixa Geral de Depósitos, S.A.". The Issuer also operates under the commercial name of "CGD".

REGISTRATION, HEAD OFFICE, CONTACTS AND WEBSITE OF THE ISSUER

CGD's registered office is at Av. João XXI, no. 63, 1000-300 Lisbon, Portugal (tel.:(+351) 21 795 30 00/(+351) 21 790 50 00). CGD is registered with the Commercial Registry Office of Lisbon under the sole registration and taxpayer number 500 960 046. The Legal entity identifier (LEI) of CGD is: TO822O0VT80V06K0FH57.

Information contained in the Issuer's official website (https://www.cgd.pt) or in any other website referred to in this Base Prospectus does not form part of this Base Prospectus and has not been scrutinised or approved by the CMVM unless that information is incorporated by reference into this Base Prospectus and, therefore, the Issuer is not liable, and cannot be held liable, for the information contained on such websites, which, except for the Issuer's official website (https://www.cgd.pt), have not been reviewed by the Issuer with the purpose of assessing if the information contained therein is complete, true, updated, clear, objective and licit.

INCORPORATION, LEGAL FORM AND OWNERSHIP

CGD is a public limited company ("*sociedade anónima*") and is wholly owned by the Portuguese State. As such, it is regulated by the legislation applicable to public limited companies, in addition to the legislation applicable to Portuguese credit institutions and investment firms. The Portuguese State's ownership of CGD is expected to be maintained and reinforced in the current context of the Portuguese financial system. However, CGD is fully autonomous from the Portuguese State in respect of administrative and financial matters.

OBJECT AND PURPOSE

According to its constitutional documents (in particular to article 4 of the Issuer's articles of incorporation), the scope of the Issuer consists of the provision of banking services in the broadest terms permitted by law. The Issuer may also participate in partnership agreements, corporate groupings and European economic interest grouping and may acquire, either initially or subsequently, holdings in limited or unlimited liability companies, whatever their objects.

SHARE CAPITAL

As of 20 March 2023, CGD's share capital amounted to €4,525,714,495 represented by 905,142,899 ordinary shares with a nominal value of €5 each (all issued shares are fully paid).

STRATEGIC PLAN

2021 – 2024 Strategic plan: Building the Future

In the last quarter of 2020, CGD began the formal process of drawing up its 2021-24 Strategic Plan, with intense work carried out over a period of five months, under the guidance of the Board of Directors, the execution of which began in 2021.

The 2021-24 Strategic Plan was formally approved by CGD's new Board of Directors in January 2022.

After a strong commitment to financial strength, effective risk management and the consolidation of governance mechanisms and internal controls, CGD started a new cycle with the 2021-2024 Strategic Plan, under the motto "Building the future".

With the 2021-2024 Strategic Plan, CGD proposes to:

- Serve the financial needs of Portuguese families and companies, by being present in their daily lives and supporting their medium to long-term projects, with particular emphasis on sustainability;
- Commit to excellence and simplicity in customer service, innovative solutions and a complete value proposition; and
- Pursue a business model aligned with the best practices in terms of profitability and environmental, social and governance sustainability, consolidating its leadership position in Portugal's banking sector.

CGD's ambition for 2024, set out in the new Strategic Plan, is based on 6 pillars of transformation:

(i) Quality of service and innovation: development of formulas to ensure customer service excellence, exploiting technological innovation and providing a range of user-friendly, highly accessible, robust solutions based on profound knowledge of CGD's customers:

  - focusing on CGD's customers and create an experience that consistently ensures an excellent quality of service;
  - flexibly and decisively move toward digital solutions and oversight models that ensure accessibility and availability of services to CGD's customers; and
  - invest in analytical skills, strengthening CGD's knowledge of each customer, enhancing CGD's capacity to generate value, and helping to streamline decision-making processes.

(ii) Leadership and value proposal: response to the financial needs of Portuguese households and companies, having a presence in their day-to-day lives and backing their medium to long term projects, with a fully comprehensive value proposal, namely by:

  - investing in CGD's value proposal for customers, strengthening CGD's competitive position in strategic business and segments: consumer credit, medium to long term savings, insurance, business activities and SMEs;
  - helping smaller companies access the capital markets; and
  - exploiting CGD's international presence, improving the level of support for the internationalisation of Portuguese companies and expanding CGD's range of financial solutions and partnerships in the most relevant geographies.

(iii) Sustainability and social impact: initiatives having an impact on key areas for society, continuing to contribute to sustained development on an Environmental, Social and Governance (ESG) level:

- continuing to invest in key areas for the development of Portuguese society, helping to promote ESG sustainability strategies;
- adopting efficient governance models that drive performance in a responsible, diversified and transparent manner; and
- being an inclusive bank that prioritises the well-being and development of its employees and society.

(iv) Profitability and efficiency: to achieve profitability levels in line with the best practices of the sector at the European level by optimising CGD's balance sheet structure and simplifying internal management processes:

- optimising CGD's territorial presence, while continuing to develop a close relationship with CGD's customers; and
- being a leader in terms of cost management by streamlining internal processes.

(v) Consolidation of governance and risk management model: to continue to consolidate the governance and risk management model on a CGD Group level, ensuring a culture of rigour and compliance with IRB (internal rating based) requirements, by:

- upgrading risk management models in pursuit of new business areas;
- automating credit decisions and optimising the time needed for contractual purposes; and
- ensuring the CGD Group's consolidated vision of global risks, particularly climate risk control.

(vi) People, culture and transformation: to foster a culture of innovation, flexibility and transformation, retaining high standards of professionalism, integrity and transparency:

- to stimulate a business culture, focusing on the development of talent, training and internal cooperation, mobilising and committing the organisation as a whole to the transformation process;
- to rejuvenate and reinforce the skills of staff and reward talent with transparency and clarity of criteria; and
- to promote the sustainability, parity and diversity of teams.

CORPORATE GOVERNANCE

The governance model adopted by CGD for the period from 31 August 2016 to 22 December 2021 corresponded to a model comprising a Board of Directors, a Supervisory Board and a Statutory Audit Company.

CGD's governance model was amended on 25 January 2021, to comprise a Board of Directors and, in terms of its supervisory body, an Audit Committee and a Statutory Audit Company, with the Supervisory Board having been extinguished. The implementation of this governance model was conditional upon the election of the members of the Board of Directors for the 2021-2024 term of office and was implemented in the form of a unanimous written resolution of 21 December 2021.

In terms of its governance model, CGD's Board of Directors has been provided with the broadest range of powers to manage and represent CGD, including the effective issuance of guidelines in its activity, with the Executive Committee having responsibility for CGD's day-to-day management, under the delegation of authority approved at a meeting of CGD's management body held in 2017 which remained in force up until 22 December 2021. A new instrument for the delegation of authority was approved by the Board of Directors on 10 January 2022 when CGD's management board was elected and took up office for the 2021-2024 term.

The division of responsibilities allows effective separation between supervisory and management functions with the added benefit of constant and extensive supervision by the competent authorities in furthering the objectives and interests of CGD, its shareholder, employees, customers and other stakeholders, enabling a level of trust, transparency and balance to be achieved accordingly across the various functions, necessary for their proper operation and effectiveness.

The members of the management body are elected for a period of 4 (four) years and may be re-elected in accordance with the provisions of the law and CGD's articles of association. Coincidence of mandates between the various governing bodies is not mandatory. The term of office of the Supervisory Board began in 2016 and ended on 31 December 2019, while the term of office of the Board of Directors began in 2017 and ended on 31 December 2020, notwithstanding the members of both bodies having remained in office until 22 December 2021.

With the extinguishing of the Supervisory Board on 22 December 2021, the supervision of management, monitoring of CGD's compliance with the law and its articles of association, as well as the verification and oversight of the independence of the Statutory Audit Company in legal terms and, in particular, verification of the suitability and approval of the provision of other non-audit services, are now the responsibility of the Audit Committee.

BOARD OF DIRECTORS

The Board of Directors elected for the 2021-2024 term of office initiated its mandate on 23 December 2021. The Board of Directors currently comprises 17 (seventeen) members, 8 (eight) executive (who are all part of the Executive Committee) and 9 (nine) non-executive board members (some of which are part of the Audit Committee, as described further below):

Non-executive chairman	António Farinha Morais
Vice-chairman and chief executive officer	Paulo José de Ribeiro Moita de Macedo
Executive member	Francisco Ravara Cary
Executive member	João Paulo Tudela Martins
Executive member	José João Guilherme
Executive member	Paula Cristina Cândido Geada
Executive member	Nuno Alexandre de Carvalho Martins

Executive member	Madalena Rocheta de Carvalho Talone
Executive member	Maria Manuela Martins Ferreira
Non-executive member	António Alberto Henriques Assis
Non-executive member	Monique Eugénie Hemerijck
Non-executive member	Hans-Helmut Kotz
Non-executive member	Arlindo Manuel Limede de Oliveira
Non-executive member	José António da Silva de Brito
Non-executive member	María del Carmen Gil Marín
Non-executive member	Maria João Martins Ferreira Major
Non-executive member	Luis Filipe Nunes Coimbra Nazaret

The Audit Committee is composed of the following members of the Board of Directors:

Non-executive member (and chairman of the Audit Committee)	António Alberto Henriques Assis
Non-executive member	José António da Silva de Brito
Non-executive member	María del Carmen Gil Marín
Non-executive member	Maria João Martins Ferreira Major

The business address of each of the members of the Board of Directors is CGD's head office, at Av. João XXI, no. 63, 1000-300 Lisbon.

Positions held in addition to functions with other entities, inside and the relevant activities outside the CGD Group by the members of the Board of Directors as at 30 September 2023:

	Accumulation of functions	
Executive Members of the Board of Directors	Entity	Functions
Paulo José Ribeiro da Moita de Macedo	Fundação Caixa Geral de Depósitos - Culturgest	Chairman of the Board
	Associação Portuguesa de Bancos (APB) (Representing CGD)	Member of the Board
Francisco Ravara Cary	Banco Caixa Geral - Brasil, S.A.	Chairman of the Board
	Locarent - Companhia Portuguesa de Aluguer de Viaturas, S.A.	Non-Executive Member of the Board
	Caixa - Banco de Investimento, S.A.	Chairman of the Board
	Banco Caixa Geral Angola S.A.	1st Vice Chairman of the Board

	Confederação Empresarial de Portugal (CIP)	Member of the General Council
João Tudela Martins	Banco Nacional Ultramarino, S.A. (Macau-China)	Non-Executive Member of the Board
	Banco Interatlântico (Cabo Verde)	Vice Chairman of the Board
	Banco Comercial e de Investimentos, S.A. (Moçambique)	3rd Vice Chairman of the Board
José João Guilherme	Banco Nacional Ultramarino, S.A. (Macau)	Chairman of the Board
	Câmara de Comércio e Indústria Luso-Espanhola (Representing CGD)	Member of the Board of Directors
	Banco Comercial e de Investimentos, S.A. (Moçambique)	1st Vice Chairman of the Board
Nuno Alexandre de Carvalho Martins	Banco Interatlântico (Cabo Verde)	Chairman of the Board
Madalena Rocheta de Carvalho Talone	SIBS, SGPS, S.A.	Non-Executive Member of the Board
	SIBS Forward Payment Solutions, S.A.	Non-Executive Member of the Board
	COTEC Portugal (Em representação da CGD)	Vice-Chairperson of the General Assembly
	Confederação Empresarial de Portugal (CIP)	Member of the Strategy Committee for the Digital Economy of CIP
Maria Manuela Martins Ferreira	Banco Comercial do Atlântico, S.A. Cabo Verde	Chairperson of the Board
	Banco Caixa Geral – Brasil. S.A.	Member of the Board of Directors (non-executive functions)
Monique Eugenie Hemerijck	Bank of Cyprus	Non-executive Member of the Board
Paula Cristina Cândido Geada	No other relevant positions	
António Farinha Morais	No other relevant positions	
António Alberto Henriques Assis	No other relevant positions	
Arlindo Manuel Limede de Oliveira	Instituto Superior Técnico	Professor
	INESC	Chairman of the Board of Directors and of the Executive Committee
	Confederação Empresarial de Portugal (CIP)	Member of the Strategy Committee for the Digital Economy
	Conselho Económico e Social	Member
	Mckinsey & Co	Senior Consultant and Academic Advisor
José António da Silva de Brito	Caixa Geral de Aposentações	Member of the Board of Directors
	OMIP - Operador do Mercado Ibérico (Portugal), SGPS5	Non-Executive Member of the Board
María del Carmen Gil Marín	Novabase S.G.P.S	Member of the Board
	Novabase Capital, SCR, S.A	Member of the Board
	CTT - Correios de Portugal, S.A	Non-Executive Member of the Board

	Associação de Emitentes do Mercado (A.E.M.)	Member of the General Committee
Luis Filipe Nunes Coimbra Nazaret	No other relevant positions	

GENERAL MEETING BOARD

The current general meeting board was elected on 19 May 2020 for the 2020-2023 four-year term of office. In the course of 2022, the Chair of the General Meeting, Paulo Mota Pinto, resigned from his position due to legal incompatibility for the function considering the beginning of his mandate as member of the Portuguese Parliament. By deliberation of the General Assembly of May 31, 2022, Nuno Cunha Rodrigues was appointed to complete the 2020-2023 mandate. Already in 2023, Nuno Cunha Rodrigues resigned from his position, with effect from March 12, 2023, considering his appointment as Chairman of the Board of Directors of the Portuguese Competition Authority.

The General meeting currently has the following composition:

Chairman	To be appointed[5]
Vice-chairman	Maria João Dias Pessoa de Araújo
Secretary	Maria Manuela Correia Duro Teixeira

POSITION OF THE MEMBERS OF THE GENERAL MEETING BOARD IN OTHER COMPANIES OF THE GROUP

Name	Position	Companies
Maria João Dias Pessoa de Araújo	Not applicable*	Not applicable*
Maria Manuela Correia Duro Teixeira	Non-executive member of the Board of Directors	Caixa Geral de Depósitos – Culturgest Foundation
	Executive member of the Board of Directors	Caixa Banco de Investimentos, S.A
	General Manager of the Legal Affairs Division	Caixa Geral de Depósitos, S.A

Notes: “Not applicable*” means no activities in other companies of the Group.

[5] The new Chairman has not been appointed as at the date of this Base Prospectus. While such appointment has not been made, the Vice-chairman will chair the General Meeting.

RELEVANT ACTIVITIES OF THE MEMBERS OF THE GENERAL MEETING BOARD OUTSIDE THE GROUP

Name	Position	Companies
Maria João Dias Pessoa de Araújo	Director-General	Directorate-General for Treasury and Finance
	Non-executive member of the Board of Directors and Member of the Audit Comittee	Parpublica SGPS, S.A.
	Vice-Chairman (non-executive) of the Board of Directors	Lusa Agência de Noticias de Portugal, S.A.
	Chairman of the General Meeting	Parvalorem, S.A. Parups, S.A. Parpaticipadas, SGPS, S.A.
Maria Manuela Correia Duro Teixeira	Not applicable*	Not applicable*

Notes: “Not applicable*” means no activities outside the CGD Group.

EXTERNAL AUDIT FIRM AND STATUTORY AUDITOR

On 2 July 2021, CGD re-elected Ernst & Young Audit & Associados – SROC, S.A. (“**Ernst & Young**”) as its Statutory Audit Company/External Auditor for the years 2021 to 2024 at the General Meeting that took place on 2 July 2021. Ernst & Young is a member of the Portuguese Institute of Statutory Auditors (*Ordem dos Revisores Oficiais de Contas*) with registration number 178, registered with the CMVM with registration number 20161480, with registered office at Avenida da República, no. 90, 6, 1600-206, Lisboa. As external auditors, Ernst & Young issued a report in respect of CGD’s consolidated financial statements for the financial years ended 31 December 2021 and 31 December 2022 and issued an unqualified opinion without emphasis of matter.

CONFLICTS OF INTEREST

There are no potential conflicts of interest between any duties to CGD of any of the members of the Board of Directors or the Executive Committee in respect of their private interests and/or other duties.

RELATIONSHIP WITH THE PORTUGUESE STATE

Pursuant to Decree-Law 287/93 of 20 August 1993, as amended, CGD must remain fully owned by the Portuguese State at all times. CGD may, on a contractual basis, undertake special functions considered to be of national interest.

CGD provides the Portuguese Government with banking and investment services in competition with other banks. CGD is also able to undertake any other functions specifically attributed to it by law, the manner and terms of which are defined in contracts entered into with the Portuguese Government.

The rights of the Portuguese State as shareholder are exercised by a representative appointed in accordance with a regulation issued by the Portuguese Minister of Finance.

CGD and its sole shareholder are required to comply with the principles of corporate governance established under Decree-Law 133/2013, of 3 October, as lastly amended by Law 42/2016, of 28 December, which aims to establish corporate governance best practices in state-owned companies and ensure that the control exercised by the Portuguese State is not abused.

These rules, amongst other things: (i) provide that the exercise of the Portuguese State's rights as shareholder should observe high standards of transparency and, therefore, the members of the Government who exercise the shareholding rights of the Portuguese State shall be clearly identified; (ii) provide that the Portuguese State shall establish the strategic guidelines and targets to be met by CGD and shall actively participate in the general shareholders' meetings; (iii) provide that the Portuguese State shall contribute to the establishment of principles of corporate responsibility and sustainable development and compliance by CGD, principles which should be evaluated annually by the Portuguese State; (iv) provide that the Portuguese State should ensure that CGD has adequate control and evaluation mechanisms, that the economic and financial information provided is accurate and reflects the actual situation of CGD, and that CGD complies with best international and national corporate governance practices; (v) include rules on the structures of the administration and supervisory boards; (vi) include rules on remuneration and other rights; (vii) include rules on conflicts of interest and disclosure of material information; and (viii) provide that the Portuguese State shall act independently regarding the appointment of executive directors and also when acting as a client or as a service provider, taking into consideration market conditions.

CGD annually discloses its level of compliance with these corporate governance practices in an annex to its audited consolidated financial statements in respect of the relevant financial year. For the avoidance of doubt, any such annex is not incorporated by reference into this Prospectus.

MARKET POSITION

The statements in this section relating to the CGD Group's market position are based on calculations made by CGD using data produced by itself and/or obtained from other entities, which is contained or referred to in the management reports and information disclosed together with CGD's financial statements for the financial years ending 31 December 2021 and 31 December 2022. CGD is engaged in all areas of the Portuguese financial sector. It provides customers with a full range of financial products and services, ranging from traditional banking to investment banking, insurance, asset management, venture capital, brokerage, real estate and specialised credit services.

CGD Group's branch office network, at the end of 2022, comprised 891 banking presences, 36 fewer than in 2021.

CGD ended the year with 486 branches and Espaços Caixa, 6 self-service branches, 24 "corporate offices" and an additional 2 office extensions, 3 mobile units and one Caixa BI branch, coming to a total of 522 presences in Portugal and continuing to present itself as the largest distribution network of national retail banking, a position underlined by the significant reductions in the physical presence of several other banks. CGD provides 3,182 self-service equipment, including 677 items of equipment on its own network plus 2,505 Multibanco network ATMs.

Caixa consolidated its leadership as the digital bank of the Portuguese in 2022, with expressive growth in the number of active digital customers and remote business. In the domestic market, Caixa reached 2.2 million active digital customers, comprising households and companies, representing 65 per cent. of the customer base and 8% year-on-year growth.

Also noteworthy is the growth of the mobile channel, which reaches 1.5 million household and business customers (18% year-on-year) and whose relevance has been increasing among users.

In remote customer management, CGD continued to invest in innovative projects, such as the Virtual Assistant in the Contact Centre, which allows customers to interact and carry out operations using natural language, ensuring that their requests are answered automatically, with a humanised voice and in a conversational context.

DABOX continues to be the leading open banking app in Portugal, with a market share of 34 per cent. (according to the SIBS API Market data for 4Q 2022). It now permits views of balances and movements on the Caixa Break card.

There were 2.2 million active digital banking customers at the end of December 2022, up 18 per cent. in terms of mobile users to 1.5 million. Sales on digital channels in terms of CGD's activity in Portugal totalled €80 million.

THE GROUP'S GEOGRAPHIC MARKETS

At the international level, the group had 369 branches at the end of 2022 with international presence in geographies with a strong relationship with Portugal, promoting the products and services available at CGD's branch network in Portugal to customers residing in those countries.

Set out below is a chart detailing the companies within the CGD Group and presenting CGD's or its subsidiaries' equity interest where appropriate, as at 31 December 2022.

	DOMESTIC		**INTERNATIONAL**	
COMMERCIAL BANKING	Caixa Geral de Depósitos		Banco Caixa Geral (Brazil)	100.0%
			Banco Nacional Ultramarino (Macao)	100.0%
			B. Comercial do Atlântico (Cape Verde)	58.8%
			B. Interatlântico (Cape Verde)	81.7%
			B. Com. Invest. (Mozambique)	63.3%
			Banco Caixa Geral (Angola)	51.0%
ASSET MANAGEMENT	Caixa Gestão de Ativos	100.0%		
	CGD Pensões	100.0%		
INVESTMENT BANKING AND VENTURE CAPITAL	Caixa Banco de Investimento	100.0%	A Promotora (Cape Verde)	45.8%
	Caixa Capital	100.0%		
AUXILIARY SERVICES	Caixa Serviços Partilhados	100.0%	Inmobiliaria Caixa Geral (Spain)	100.0%
	Caixa Imobiliário	100.0%	Imobci (Mozambique)	46.3%
OTHER PARTICIPATIONS	Caixa Participações, SGPS	100.0%		

2021 saw the reorganisation of the CGD Group, aimed to simplify its structure by reducing the number of holding companies, which was carried out through the merger or dissolution of associated companies, highlighted by the merger by incorporation of Parbanca, SGPS, S.A. in Caixa – Participações, SGPS, S.A.

The structure resulting from this reorganisation will contribute to a higher profitability in future years by eliminating operating costs for the CGD Group.

OVERVIEW OF FINANCIAL INFORMATION

Set out below is a summary based on the information from the audited consolidated financial statements (consolidated balance sheet, consolidated income statement and consolidated accounts) of the CGD Group for the years ended 31 December 2021 and 31 December 2022.

For further information, please also see the section entitled "Documents Incorporated by Reference".

RESULTS

CGD ended 2022 with a consolidated net income of €843 million, up 44 per cent. over the end of 2021 figure of €583 million. In an unstable economic environment, the evolution of CGD's results in 2022 are justified essentially due to three effects: 1) obtaining a core operating income of €474 million above the figure recorded in 2021, offsetting the €444 million increase in operating costs (€404 million of which are related to non-recurring factors); 2) the increase in the results of the international activity, with a positive progression of the financial margin in most countries and a positive global impact from the exchange rate variation and 3) the decrease of €174 million in provisions and impairments, compared to 2021 (taking into account the non-recurring recording of provisions associated with personnel restructuring costs, carried out in 2021).

INCOME STATEMENT (CONSOLIDATED)

(EUR thousand)

			Change	
	2021-12 (Restated*)	2022-12	Total	(%)
Interest and similar income	1,428,190	1,865,048	436,859	30.6%
Interest and similar costs	448,927	457,057	8,130	1.8%
Net interest income	979,263	1,407,991	428,729	43.8%
Income from equity instruments	13,051	14,099	1,049	8.0%
Net interest income including income from eq. investm.	**992,313**	**1,422,091**	**429,777**	**43.3%**
Fees and commissions income	685,890	755,983	70,094	10.2%
Fees and commissions expenses	124,370	149,529	25,159	20.2%
Net fees and commissions	561,520	606,454	44,934	8.0%
Net trading income	174,133	216,046	41,913	24.1%
Other operating income	13,491	59,850	46,360	343.6%
Non-interest income	**749,143**	**882,351**	**133,207**	**17.8%**
Total operating income	**1,741,457**	**2,304,441**	**562,984**	**32.3%**
Employee costs	-422,923	816,254	393,331	93.0%
Administrative expenses	229,195	251,110	21,915	9.6%
Depreciation and amortisation	107,179	135,722	28,542	26.6%

Operating costs	759,297	1,203,085	443,788	58.4%
Net operating income before impairments	**982,160**	**1,101,356**	**119,196**	**12.1%**
Credit impairment (net)	41,792	-5,300	-47,092	-112.7%
Provisions and impairment of other assets (net)	103,340	-23,542	-126,882	-122.8%
Provisions and impairments	**145,132**	**-28,842**	**-173,974**	**-119.9%**
Net operating income	**837,027**	**1,130,198**	**293,171**	**35.0%**
Income Tax	**271,744**	**271,374**	**-371**	**-0.1%**
Current	69,097	78,005	8,908	12.9%
Deferred	173,914	156,265	-17,650	-10.1%
Contribution on the banking sector	28,733	37,104	8,372	29.1%
Net operating income after tax before non-contr. int.	**565,283**	**858,825**	**293,541**	**51.9%**
Non-controlling interests	50,334	80,289	29,955	59.5%
Results of associated companies	56,519	47,690	-8,829	-15.6%
Results of subsidiaries held for sale	11,893	16,561	4,667	39.2%
Net income	**583,361**	**842,786**	**259,424**	**44.5%**

* The shareholding in Banco Comercial do Atlântico (BCA) was, in December 2022, classified under "Non-current assets held for sale", therefore, and for comparative purposes only, the consolidated balance sheet as of 31 December 2021 was restated, since IFRS 5 "NonCurrent Assets Held for Sale and Discontinued Operations" only requires the restatement of the income statement.

EFFICIENCY RATIOS

(%)

	2021-12 (Restated*)	2022-12
Cost-to-income (consolidated operations) (1)	42.2%	51.1%
Cost-to-core income (2)(3)	48.0%	39.1%
Employee Costs / Total Operating Income (1)	24.3%	35.4%
Recurrent Employee Costs / Recurrent** Total Core Operating Income (2) (3)	32.5%	24.3%
Administrative Expenses / Total Operating Income	13.2%	10.9%
Operating Costs / Average Net Assets(4)	0.8%	1.1%
Total Operating Income / Average Net Assets(4)	1.8%	2.2%

(1) Calculated in accordance with Bank of Portugal Instruction No. 6//2018.
(2) Cost-to-core income ratio = Operating costs / Total operating income of core activity.
(3)Total core operating income = Net interest income + net fees and commissions.
(4) Average of the last 13 months observations.

* The shareholding in Banco Comercial do Atlântico (BCA) was, in December 2022, classified under "Non-current assets held for sale", therefore, and for comparative purposes only, the consolidated balance sheet as of December 31, 2021 was restated, since IFRS 5 "NonCurrent Assets Held for Sale and Discontinued Operations" only requires the restatement of the income statement.

** Deducted from noncurrent factors.

CONSOLIDATED BALANCE SHEET

(EUR million)

Assets	2021-12	2021-12 (Restated*)	2022-12	Change Total	Change (%)
Cash and cash equivalents with central banks	23,000	22,962	21,812	-1,151	-5.0%
Loans and advances to credit institutions	3,924	3,693	3,992	299	8.1%
Securities investments	21,152	21,151	18,689	-2,462	-11.6%
Loans and advances to customers	50,184	49,701	50,778	1,077	2.2%
Assets with repurchase agreement	8	8	0	-8	-100.0%
Non-current assets held for sale	336	1,136	1,220	85	7.5%
Investment properties	33	33	56	23	69.3%
Intangible and tangible assets	746	729	780	51	7.1%
Investm. in subsid. and associated companies	530	526	476	-50	-9.4%
Current and deferred tax assets	1,575	1,573	1,029	-544	-34.6%
Other assets	2,522	2,506	3,670	1,163	46.4%
Total assets	**104,010**	**104,018**	**102,503**	**-1,515**	**-1.5%**
Liabilities					
Central banks' and credit institutions' resources	6,745	6,755	338	-6,417	-95.0%
Customer resources	79,756	79,031	83,972	4,941	6.3%
Debt securities	1,790	1,790	1,368	-421	-23.5%
Financial liabilities	382	382	221	-161	-42.1%
Non-current liabilities held for sale	148	887	990	102	11.5%
Provisions	977	974	906	-68	-7.0%
Subordinated liabilities	1,118	1,118	1,118	1	0.1%
Other liabilities	3,808	3,795	4,107	312	8.2%
Sub-total	**94,723**	**94,731**	**93,020**	**-1,711**	**-1.8%**
Shareholders' equity	**9,287**	**9,287**	**9,483**	**196**	**2.1%**
Total	**104,010**	**104,018**	**102,503**	**-1,515**	**-1.5%**

* The shareholding in Banco Comercial do Atlântico (BCA) was, in December 2022, classified under “Non-current assets held for sale”, therefore, and for comparative purposes only, the consolidated balance sheet as of December 31, 2021 was restated, since IFRS 5 “NonCurrent Assets Held for Sale and Discontinued Operations” only requires the restatement of the income statement.

CGD’s consolidated total assets decreased 1.5 per cent. over the €104,018 million (restated) at the end of December 2021 to €102,503 million at the end of December 2022.

The contribution to consolidated total assets from the various Group entities was as follows:

CGD GROUP's CONSOLIDATED NET ASSET

(EUR million)

	2021-12 (Restated*)		2022-12	
CGD'S GROUP	Total	Structure	Total	Structure
Caixa Geral de Depósitos (1)	88,776	85.3%	85,908	83.8%
Banco Nacional Ultramarino, SA (Macau)	5,681	5.5%	6,232	6.1%
France branch	3,235	3.1%	3,213	3.1%
Banco Comercial e de Investimentos (Moçambique)	2,512	2.4%	2,977	2.9%
Banco Caixa Geral Angola S.A.	977	0.9%	1,360	1.3%
Other companies (2)	2,837	2.7%	2,814	2.7%
Consolidated total assets	**104,018**	**100.0%**	**102,503**	**100.0%**

* The shareholding in Banco Comercial do Atlântico (BCA) was, in December 2022, classified under "Non-current assets held for sale", therefore, and for comparative purposes only, the consolidated balance sheet as of December 31, 2021 was restated, since IFRS 5 "NonCurrent Assets Held for Sale and Discontinued Operations" only requires the restatement of the income statement.

LOANS AND ADVANCES TO CUSTOMERS (GROSS)

(EUR million)

			Change	
	2021-12	2022-12	Total	(%)
Corporate & General government	22,731	22,732	1	0.0%
Individual customers	29,767	30,301	534	1.8%
Mortgage loans	27,265	27,611	346	1.3%
Consumer credit	1,378	1,580	202	14.6%
Other	1,124	1,110	-14	-1.2%
Total	**52,498**	**53,032**	**534**	**1.0%**

ASSET QUALITY (consolidated)

	2021-12	2022-12
NPL ratio (1)	2.8%	2.4%
NPE ratio (2)	2.3%	2.1%
Forborne ratio for loans and advances (3)	2.2%	2.2%
NPL coverage by impairments(3)	107.8%	122.0%
NPE coverage by impairments(3)	98.6%	107.8%
Coverage ratio on forborne loans and advances(3)	96.2%	79.1%
Credit impairments (P&L) / Loans & Advances to Customers (average(4))	0.08%	-0.01%

(1) NPL - Non Performing Loans (EBA definition)

(2) NPE - Non Performing Exposure (EBA definition)

(3) EBA definition.

(4) Average of the last 13 month obersvations.

The improvement in CGD's asset quality was also felt in terms of real estate held for sale which was down €110 million over the preceding year, totalling €291 million at the end of 2022, the lowest value since 2008. The balance on the Restructuring Funds also decreased by €235 million with the successful completion of the Crow Project, a process for the sale of investment units in several funds, enabling 2022 to end with an exposure of €205 million, less than half of the €440 million recorded in the preceding year.

Resources

Customer deposits accounted for 90 per cent. of CGD's liabilities in December 2022, clearly illustrating the characteristics of a bank geared to the Portuguese retail market, operating for the benefit of households and companies.

Customer deposits increased by €4,934 million (+6.2 per cent.) when compared to the end of the previous year, an evolution essentially justified by the high savings rate in Portugal.

RESOURCES TAKEN BY GROUP – BALANCES

(EUR million)

			Change	
	2021-12 (Restated*)	2022-12	Total	(%)
Balance sheet	**79,031**	**83,972**	**4,941**	**6.3%**
Customer deposits (Consolidated)	78,941	83,875	4,934	6.2%
Domestic activity	*68,728*	*72,605*	*3,878*	*5.6%*
Individuals	*53,289*	*55,969*	*2,681*	*5.0%*
Corporates	*12,225*	*13,429*	*1,205*	*9.9%*
General Government	*3,214*	*3,207*	*-07*	*-0.2%*
International activity	*10,214*	*11,270*	*1,056*	*10.3%*
Other	89	97	07	8.2%
Off-balance sheet	**16,727**	**14,329**	**-2,398**	**-14.3%**
Total	**95,758**	**98,300**	**2,543**	**2.7%**

* The shareholding in Banco Comercial do Atlântico (BCA) was, in December 2022, classified under “Non-current assets held for sale”, therefore, and for comparative purposes only, the consolidated balance sheet as of December 31, 2021 was restated, since IFRS 5 “NonCurrent Assets Held for Sale and Discontinued Operations” only requires the restatement of the income statement.

CUSTOMER RESOURCES – BALANCES

(EUR million)

	2021-12 (Restated*)	2022-12	Change Total	Change (%)
Customers deposits	78,941	83,875	4,934	6.2%
Sight deposits	42,610	46,092	3,482	8.2%
Term and savings deposits	35,475	36,871	1,396	3.9%
Mandatory deposits	857	913	56	6.5%
Other resources	89	97	07	7.9%
Total	**79,031**	**83,972**	**4,941**	**6.3%**

* The shareholding in Banco Comercial do Atlântico (BCA) was, in December 2022, classified under “Non-current assets held for sale”, therefore, and for comparative purposes only, the consolidated balance sheet as of December 31, 2021 was restated, since IFRS 5 “NonCurrent Assets Held for Sale and Discontinued Operations” only requires the restatement of the income statement.

The total of securities issued, stood at €2,487 million, which represented a decrease of 14.5 per cent. compared to the end of 2021. This evolution resulted from the repayment of 2 issues of covered bonds placed with institutional investors, whose maturity took place during the year 2022.

In June, CGD carried out the issue of senior preferred debt (senior preferred), in the amount of €300 million, with a maturity of 4 years and the possibility of early repayment after 3 years and a coupon of 2.875 per cent., CGD once again launched a new issue of senior preferential debt on the market in the amount of €500 million, with a maturity of 6 years and the possibility of early repayment at the end of 5 years and a coupon of 5.75 per cent..

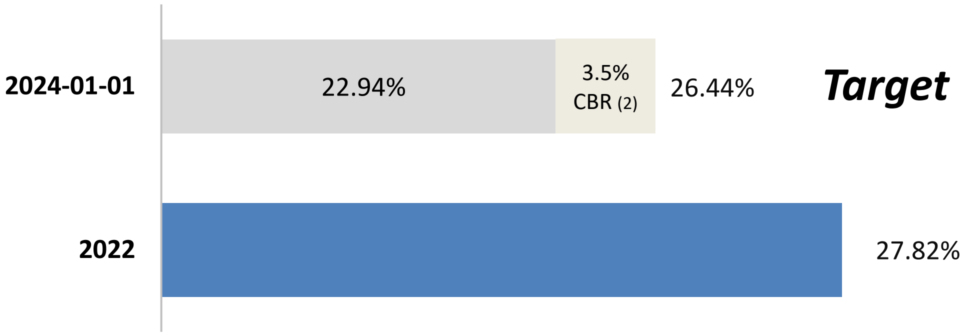
SECURITIES

(EUR million)

	2021-12	2022-12	Change Total	Change (%)
Senior debt	530	1,368	838	158.0%
Covered bonds	1,259	0	-1,259	-100.0%
Subordinated debt	1,118	1,118	1	0.1%
Other	0	1	0	88.8%
Total	2,908	2,487	-421	**-14.5%**

MREL

(% of RWA) (1)



(1) RWA – Risk Weighted Assets;
(2) CBR – Combined Buffer Requirement - O-SII + CCB.

Set out below in summary form are the unaudited condensed consolidated financial statements (consolidated balance sheet, consolidated income statement and consolidated accounts) of the CGD Group for the first half 30 June 2022 and 30 June 2023.

Results

In the first half of 2023, Group Caixa Geral de Depósitos generated a consolidated net profit of €607.9 million, up 25.2 per cent. over the €485.7 million for the same period 2022.

Consolidated net interest income was up €738.1 million, essentially on account of two effects in the activity in Portugal:

- the impact of higher interest rates on retail operations, split between the segment of individual customers (up €270 million) and companies and other customers (up €148 million);
- and the contribution of the domestic treasury activity. In the case of the deposits in Central Banks, it should be noted that in the first half of 2022, the negative interest rates applied by the European Central Bank represented a cost, which was the opposite of the first six months of 2023, when positive rates were recorded, resulting in an increase of interest income from these deposits by €253 million. The remaining domestic activity, including the securities portfolio management, was up €32 million.

International activity also made a relevant contribution to the evolution of net interest income (up €34.6 million), particularly in the case of Banco Comercial e de Investimentos, S.A. (Moçambique) (up €11.4 million) and Banco Nacional Ultramarino Macau (up €15.8 million).

Commissions were down 4.9 per cent. (by €14.9 million) over June 2022. Component parts of this variation were the decreases recorded at CGD Portugal (down €7.8 million) and at Banco Comercial e de Investimentos, S.A. (Mozambique) (down €5.8 million), where emphasis should be given to lower commissions associated to credit operations, and other exemptions, and marketing of securities.
Income from financial operations was up by an atypical €77.3 million over the first six months of 2022. This evolution derived from the non-recurring operation involving the liquidation of the

pension fund. Excluding this extraordinary effect, income from financial operations would have had a negative variation of €2.7 million.

Other operating income was down €30.3 million over June 2022. This variation is essentially explained by the non-recurring profit made on the disposal of real estate in Portugal in the first half 2022. Net of such extraordinary effects, the change would have been a positive €10.6 million.

Operating costs increased €65.1 million (up 13.3 per cent.) compared to June 2022, due essentially to the increase recorded in staff costs (up €28.5 million) and general administrative expenses (up €34.5 million). Deducting the extraordinary effects that occurred in the first half of 2022 and 2023, essentially associated with the employee restructuring programme, operating costs were up 9.1 per cent., by €38.5 million, compared to June 2022. This was not unrelated to the effect of the evolution of the inflation rate.

Provisions and impairment in first half 2023 were up €496.2 million over the same period 2022. However, this variation was influenced by non-recurring factors essentially associated with the employee restructuring programme and disposal of non-core assets in 2022. Therefore, net of extraordinary effects, provisions and impairment in terms of consolidated activity in first half 2023 were up €378.5 million. Of this amount, €332.5 million are related to credit risks, with the objective of providing for the uncertainty characterising the economy in 2023. The cost of credit risk was consequently up to 0.40 per cent. in June 2023.

The increase in operating income resulted in a higher tax burden in the June 2023 period, by €76.9 million, in comparison to first half 2022.

In respect of the remaining items of Caixa group's profit and loss account, income from equity instruments was down 56.2 per cent. by €5.4 million to €4.2 million in June 2023. In turn, corporate earnings measured by the equity accounting method were down 45.1 per cent. over June 2022 to €12.4 million and the earnings of companies held-for-sale totalled €10.7 million, an increase of €3.7 million over the same period 2022. Non-controlling interests component was down €2.0 million.

CONSOLIDATED BALANCE SHEET

(EUR million)

	2022-12 (Restated*)	2023-06	Change
ASSETS			(%)
Cash and cash equiv. with central banks	21,812	19,269	-11.7 %
Loans and advances to credit institutions	3,990	3,217	-19.4 %
Securities investments	18,689	17,644	-5.6 %
Loans and advances to customers	50,778	50,253	-1.0 %
Assets with repurchase agreement	0		-
Non-current assets held for sale	1,271	1,380	8.6 %
Investment properties	17	613	3,528.7 %
Intangible and tangible assets	780	1,007	29.0 %
Investment in subsidiaries and associated companies	476	488	2.6 %
Current and deferred tax assets	1,029	805	-21.7 %
Other assets	3,669	3,189	-13.1 %
Total assets	**102,511**	**97,866**	**-4.5 %**
LIABILITIES			

Central banks' and credit institutions resources	338	384	13.6 %
Customer resources	83,972	79,297	-5.6 %
Debt securities	1,368	1,374	0.4 %
Financial liabilities	221	189	-14.4 %
Non-current liabilities held for sale	999	1,062	6.3 %
Provisions	906	1,082	19.4 %
Subordinated liabilities	1,118	605	-45.9 %
Other liabilities	4,106	4,265	3.9 %
Sub-total	**93,029**	**88,258**	**-5.1 %**
Shareholders' equity	**9,483**	**9,607**	**1.3 %**
Total	**102,511**	**97,866**	**4.5 %**

*The December 2022 accounts of the consolidated activity were restated for comparability purposes due to the shareholder position in Flitptrel IV SA e Flitptrel Porto Santo SA being classified under “Non-current assets held for sale” in June 2023.

CGD’s consolidated net assets reached €97,866 million at the end of June 2023, down 4.5 per cent., due to the decline in deposits at central banks and securities investments.

INCOME STATEMENT (CONSOLIDATED)

(EUR thousand)

	2022-06 (Restated*)	2023-06	Change	
			Total	(%)
Interest and similar income	831,179	1,590,397	759,217	91.3 %
Interest and similar costs	253,044	274,208	21,164	8.4 %
Net interest income	578,135	1,316,189	738,054	127.7 %
Income from equity instruments	9,521	4,168	-5,352	-56.2 %
Net interest inc. incl. inc. from eq. investm.	**587,656**	**1,320,357**	**732,701**	**124.7 %**
Fees and commissions income	373,369	362,099	-11,269	-3.0 %
Fees and commissions expenses	69,256	72,923	3,668	5.3 %
Net fees and commissions	304,113	289,176	-14,937	-4.9 %
Net trading income	74,981	152,297	77,316	103.1 %
Other operating income	43,460	13,175	-30,285	-69.7 %
Non-interest income	**422,554**	**454,648**	**32,094**	**7.6 %**
Total operating income	**1,010,209**	**1,775,005**	**764,796**	**75.7 %**
Employee costs	322,718	351,195	28,476	8.8 %
Administrative expenses	104,112	138,643	34,530	33.2 %
Depreciation and amortisation	64,212	66,304	2,092	3.3 %
Operating costs	491,043	556,141	65,098	13.3 %
Net operating income before impairments	**519,167**	**1,218,864**	**699,697**	**134.8 %**
Credit impairment	-109,471	169,784	279,254	-
Credit recoveries	-40,646	-63,284	-22,638	-
Provisions for reduction of employees	-58,660	72,585	131,245	-
Provisions for guarantees and other commitments	-18,358	22,668	41,026	-

Other provisions and impairments	-3,225	64,076	67,301	-
Provisions and impairments	**-230,359**	**265,829**	**496,188**	**-**
Net operating income	**749,526**	**953,035**	**203,509**	**27.2 %**
Income Tax	**251,598**	**328,516**	**76,918**	**30.6 %**
of which Contribution on the banking sector	37,104	39,456	2,352	6.3 %
Net op. inc. after tax and before non-controlling int.	**497,928**	**624,519**	**126,591**	**25.4 %**
Non-controlling interests	41,765	39,723	-2,043	-4.9 %
Results of associated companies	22,546	12,384	-10,162	-45.1 %
Results of subsidiaries held for sale	6,990	10,679	3,689	52.8 %
Net income	**485,698**	**607,859**	**122,161**	**25.2 %**

*The June 2022 accounts of the consolidated activity were restated for comparability purposes due to the shareholder position in Banco Comercial do Atlântico (BCA) being classified under "Non-current assets held for sale" in December 2022.

Non-performing loans (NPL)

The NPL ratio reached 2.48 per cent., compared to 2.43 per cent. in December 2022 influenced by the reduction in the loan portfolio. The first half of 2023 witnessed a strengthening of credit impairment, raising the coverage ratio to 132.2 per cent. (total coverage of 150.2 per cent. including allocated collateral), with the NPL ratio net of impairment remaining at 0 per cent. (zero). CGD continues to enjoy a highly favourable position in terms of its coverage levels in comparison to the domestic and European average.

Liquidity

Considering the ample available liquidity and robust solvency and having obtained prior authorization from the European Central Bank (ECB), CGD exercised the option of early repayment of the issue of Tier 2 own funds, in the amount of €500 million, with effect from June 28 2023, the first contractually foreseen date for the exercise of the call.

At the end of June 2023, the total value of CGD Group assets available as collateral for the Eurosystem amounted to approximately €14.4 billion, to which the significant volume of available funds with the Bank of Portugal must be added.

With regard to CGD Group's funding structure, customer deposits assume a fundamental weight, representing 90.7 per cent. of total consolidated liabilities (excluding non-current liabilities held for sale).

At the end of June 2023 the LCR stood at 278.3 per cent., a value much higher than the current regulatory liquidity coverage requirement of 100 per cent..

Capital

At the end of the first half of 2023, the fully loaded CET1, Tier 1 and Total ratios (including net income for the period deducted of the dividend payout ratio calculated under decision (EU) no. 2015/656 of the ECB, and the estimated effect of the payment of a dividend in kind) were 19.4 per cent., 19.4 per cent. and 19.7 per cent. respectively, meeting CGD's current capital requirements with a comfortable margin. These ratios, above the Portuguese and European average, show CGD's robust and adequate capital position.

According to the decision of the European Central Bank (ECB) in December 2022, on the minimum prudential requirements in force for 2023, based on the results of the last Supervisory Review and

Evaluation Process (SREP), the Pillar 2 requirement for CGD in 2023 is 1.9 per cent.. This represents a reduction of 10 bps compared to 2022 and 35 bps compared to 2021 (two consecutive reductions), thus reflecting an improved perception by the Supervisor of the institution's global risk profile.

MREL

At the end of the first half of 2023, the amount of own funds and eligible liabilities by CGD, within the scope of the MREL, represented 27.85 per cent. of total risk-weighted assets, exceeding the value applicable from 1 January 2024 (26.44 per cent.). It should be noted that this result occurs after the early redemption of the Tier 2 issue in June.

CGD is not subject to compliance with any minimum subordination requirement, and the preferred resolution strategy is the Multiple Point-of-Entry (MPE) approach.

Rating

In May 2023, DBRS Morningstar upgraded its Long Term Senior Issuer Rating to BBB (high) from BBB, the Short-Term Issuer Rating to R-1 (Low) from R-2 (high) and the Long Term Deposit Ratings at A (Low) from BBB (high). The Trend of these ratings was revised to "Stable".

The evolution in investment grade notching took into consideration the improvement in profitability as well as the maintenance of a solid capitalisation and stable liquidity position an also in June 2023, DBRS Morningstar upgraded the rating of CGD's covered bonds one notch, from AA to AA (high).

Also in May 2023, Moody's Investors Service upgraded CGD's Baseline Credit Assessment rating from baa3 to baa2, as well as that of deposits from Baa2 to Baa1, with a Positive outlook, and raised the Tier 2 debt rating to investment grade, from Ba1 to Baa3. The senior debt rating was at Baa2, the same level as the Portuguese Republic, with the outlook evolving to Positive. CGD's senior non-preferred debt rating remained at Baa3. In November 2023, Moody's Investors Service upgraded CGD's Baseline Credit Assessment rating from baa2 to baa1, as well as that of deposits from Baa1 to A3, with a Stable outlook and raised the senior debt rating from Baa2 to Baa1.

In its assessment, Moody's considered the strengthening of CGD's credit profile, namely the improvement in asset quality and capital ratios, along with the continued increase in recurring results.

On 21 September 2023, Fitch Ratings upgraded CGD's long-term ratings to BBB, keeping a Stable Outlook.

Activity and Unaudited financial information for the first nine months of 2023

Results

CGD ended the first nine months of 2023 with a consolidated net profit of €987 million, up 43% over the €692 million in the same period of 2022.

The consolidated net interest income increased by €1,179 million, essentially on the account of the activity in Portugal. This change in net interest income was due to three effects:

- the contribution of treasury activity. In the case of the deposits in Central Banks, it should be noted that in 2022 the negative interest rates applied by the European Central Bank represented a cost, which was the opposite of the first nine months of 2023, when positive rates were recorded, resulting in an increase of interest income from these deposits by €417 million. It should be noted that, with effect from 20 September, minimum reserves no longer receive remuneration. Other domestic activity, including the securities portfolio management, was up €65 million;

- the impact of higher interest rates on the segments of individual customers (up €412 million) and companies and other customers (up €260 million);
- international activity also made a relevant contribution to the evolution of net interest income (up €25 million), particularly in the case of Banco Nacional Ultramarino Macau (up €21 million). It should also be noted that the negative change in Banco Caixa Geral Angola S.A. 's contribution (-€11 million) was due to negative exchange rate variations in the period (-€24 million).

Commissions were down by €31 million (-7%) over September 2022, where the lower fees associated with credit stood out in a context of lower demand and application of exemptions. Component parts of this variation were the decreases recorded at CGD Portugal (down €14 million) and Banco Comercial e de Investimentos, S.A. (Mozambique) (down €9 million).

Income from financial operations was up by €21 million over the first nine months of 2022. This growth was strongly influenced by the non-recurring effect of the liquidation of the CGD Employee's Pension Fund, which took place in February 2023. Excluding this extraordinary effect, income from financial operations was down €59 million, affected by the performance of interest rate derivatives (down €73 million).

Other operating income was up by €77 million over the September 2022. However, excluding the non-recurring gains associated with the disposal of real estate in Portugal in the first nine months of 2022 and the recognition of the capital gain related to the valuation of the Headquarters Building (€82 million), among other effects that occurred in 2023, the change would have been a positive €36 million.

Total operating costs increased €78 million (up 11%) compared to September 2022, mainly due to the increase in employee costs (up €41 million) and general administrative expenses (up €43 million). Deducting the extraordinary effects that occurred in the first nine months of 2022 and 2023, mainly associated with the employee restructuring programme, operating costs increased €49 million (up 8%) compared to September 2022, which was not unrelated to the effect of the evolution of the inflation rate.

Provisions and impairments recorded in 2023, up to September, increased by €690 million over the same period of 2022. This change is based on the continuity of CGD's conservative and preventive stance in hedging any risks posed by the current economic environment. However, this change was influenced by non-recurring factors, mainly associated with the employee restructuring programme (reversal of provisioning in 2022 and reinforcement in 2023), the disposal of asset portfolios in both periods, and the actuarial review under Decree-Law No. 14/2023. Net of extraordinary effects, provisions and impairments in terms of consolidated activity in the first nine months of 2023 was €369 million. Of this amount, €305 million are related to credit risks, with the objective of providing for the uncertainty characterising the economy in 2023. The cost of credit risk was consequently up to 0.36% in September 2023 from -0.01% in December 2022.

The increase in operating income resulted in a tax burden €181 million higher in September 2023 over the first nine months of 2022.

In the remaining items of the CGD Group's income statement, income from equity instruments decreased by €7 million (down 53%), totalling €6 million in September 2023. In turn, the results from companies consolidated by the equity method totalled €27 million, down 12% compared to September 2022, and the results of subsidiaries held for sale totalled €16 million, an increase of €4 million compared to the same period of 2022. Non-controlling interests were down by €5 million.

Balance Sheet

CGD’s consolidated net assets reached €98,378 million at the end of September 2023, down 4.0 per cent. over December 2022, determined by the evolution of customer resources, which were down €4,430 million, mostly explained by CGD Portugal (-€3,863 million), due to the trend in the financial sector of transferring deposits to Savings Certificates and early amortisation of loans.

In 2023, CGD increased its share capital by €682 million, through the incorporation of reserves. As a result of this conversion, CGD's share capital increased from €3,844 million to €4,526 million, fully owned by CGD's sole shareholder, the Portuguese State.

The consolidated loans and advances to customers portfolio reached €52,790 million (gross).In the domestic market, customer deposits were down 4.9 per cent. over December 2022. However, during the third quarter there was a reversal of this trend with an increase of around €200 million. CGD maintained its leading position in total customer deposits, with a 23.1 per cent. share, and in individual customers' deposits with a 31.4 per cent. share, as of September 2023.

Total resources taken from consolidated activity were €93,343 million at the end of September 2023. Off-balance sheet resources stood at €13.8 million.

The loans-to-deposits ratio in September 2023 stood at 64 per cent., an increase compared to the end of 2022 (61 per cent.).

In terms of asset quality, the volume of NPL (Non-Performing Loans) had a decline, as a result of the combined effect of the evolution in the components of cures, recoveries, sales and write-offs, against inflows.

The NPL ratio reached 2.09 per cent., compared to 2.43 per cent. in December 2022 influenced by the reduction in the loan portfolio. The first 9 months of 2023 witnessed a strengthening of credit impairment, raising the coverage ratio to 147.8 per cent. (total coverage of 169.0 per cent. including allocated collateral), with the NPL ratio net of impairment remaining at 0 per cent (zero). CGD continues to enjoy a highly favourable position in terms of its coverage levels in comparison to the domestic and European average.

In July, the result of the European Banking Authority (EBA) 2023 stress test at European Union level was released. CGD ranked 1st among the banking groups supervised by the ECB and 3rd as the banking group with the lowest capital reduction among the 70 banks included in the test, within the largest European groups in the sector.

This result reflects progressive improvement in CGD's financial and prudential position, as well as the group's level of robustness, improving its capacity to absorb exogenous shocks.

Liquidity

CGD continues to have a significant level of liquidity, both in deposits with the Eurosystem, around €20 million, and in the total amount of assets available for collateral, which, at the end of September 2023, totalled around €14.2 billion.

Regarding CGD Group's funding structure, customer deposits assume a fundamental weight, representing 90.7 per cent. of total consolidated liabilities (excluding non-current liabilities held for sale). At the end of September 2023, the Liquidity Coverage Ratio (LCR) stood at 304.7 per cent., a value much higher than the current regulatory liquidity coverage requirement of 100 per cent..

Capital

The fully loaded CET1, Tier 1 and Total ratios (including net income less the maximum distributable amount in accordance with the dividend policy), stood at 20.1 per cent., 20.1 per cent. and 20.3 per cent. respectively, complying with the capital requirements in force for CGD with a comfortable margin. These ratios, which are higher than the Portuguese and European average, demonstrate CGD's robust and adequate capital position.

Having met all the conditions established at the General Meeting on June 29, 2023, namely the necessary authorizations from the European Central Bank, in its capacity as supervisory entity, on September 26, CGD proceeded with the settlement of the largest dividend ever paid by CGD to its Shareholder, in the total amount of €713 million. This value corresponded to a cash payment for the 2022 financial year, in accordance with the dividend policy, in the amount of €352 million, and the transfer to the Portuguese State of the ownership of its Headquarters Building, in the form of an additional distribution in kind, worth €361 million.

MREL

In September 2023, the amount of own funds and eligible liabilities held by CGD within the scope of the MREL (Minimum Requirement for Own Funds and Eligible Liabilities) represented 27.86 per cent. of total risk-weighted assets (RWA) and 10.73 per cent. of total leverage ratio exposure (LRE), exceeding the target level determined by the Resolution Authority for mandatory compliance from January 1, 2024 (26.44 per cent. RWA and 6.27 per cent. LRE). It should be noted that this result occurs after the early redemption of the Tier 2 issuance in June and the dividend payment in September.

CGD is not subject to compliance with any minimum subordination requirement, and the preferred resolution strategy is Multiple Point of Entry approach.

Domestic and International activity

The contribution of the domestic units to the CGD Group's net income in the first nine months of 2023 was €837 million, which compares to €538 million (up 56 per cent.) in the same period of 2022. CGD's activity was the main responsible for the variation registered in the set of entities operating in Portugal, with a contribution of €783 million (up €329 million) to the consolidated net income.

The very positive net interest income performance of the domestic activity benefited from the positive effects of retail operations, due to the impact of rising interest rates, and of the treasury activity.

Other operating income from the domestic activity increased by €108 million, benefiting from non-recurring gains associated with the disposal of real estate in Portugal in the first nine months of 2022 and the recognition of the capital gain related to the valuation of the Headquarters Building (€82 million), among other effects that occurred in 2023.

On the other hand, operating costs increased by €77 million (up 15 per cent.), an increase justified by the evolution of general administrative expenses and employee costs. Reference should be made to the latter, influenced by extraordinary factors, including the increase in the costs of the employee restructuring programme in 2023 compared to 2022.

In the first nine months of 2023, provisions and impairments in domestic activity were up €683 million over the same period of 2022, strongly impacted by non-recurring effects. Excluding these effects, the increase in provisions and impairments over September 2022 was €369 million, reflecting the uncertainty generated by the current macroeconomic environment.

(EUR million)

CONTRIBUTION TO CONSOLIDATED P&L (*)	Domestic Activity			International Activity		
	2022-09 (Restated)[1]	2023-09	Change (%)	Restated 2022-09 (Restated)[1]	2023-09	Change (%)
Interest and similar income	811.2	2,045.5	152.2%	486.2	556.4	14.4%
Interest and similar costs	258.6	337.2	30.4%	128.9	174.5	35.4%
Net interest income	**552.6**	**1,708.4**	**209.2%**	**357.3**	**381.8**	**6.9%**
Income from equity instruments	12.2	5.7	-53.5%	0.5	0.3	-30.3%
Net fees and commissions	385.1	369.3	-4.1%	71.5	57.1	-20.1%
Net trading income	101.7	106.2	4.4%	41.4	57.7	39.4%
Other operating income	24.7	133.0	438.9%	39.3	4.8	-
Total operating income	**1,076.2**	**2,322.5**	**115.8%**	**509.9**	**501.7**	**-1.6%**
Employee costs	319.7	361.9	13.2%	125.8	124.4	-1.1%
Administrative expenses	117.8	154.9	31.5%	66.9	71.8	7.4%
Depreciation and amortisation	72.3	70.0	-3.2%	27.8	24.6	-11.7%
Operating costs	**509.7**	**586.8**	**15.1%**	**220.5**	**220.8**	**0.1%**
Net operating income before impairments	**566.5**	**1,735.7**	**206.4%**	**289.4**	**280.9**	**-2.9%**
Credit impairment (net)	-115.0	115.7	-	16.9	27.3	61.8%
Provisions and impairments of other assets (net)	-95.2	357.4	-	13.2	9.2	-30.8%
Net operating income	**776.6**	**1,262.6**	**62.6%**	**259.3**	**244.5**	**-5.7%**
Income tax	269.1	453.7	68.6%	56.7	53.4	-5.8%
Net operat. inc. after tax and before non-controlling interests	**507.5**	**808.9**	**59.4%**	**202.6**	**191.0**	**-5.7%**
Non-controlling interests	0.0	0.0	-100.0%	60.2	55.1	-8.5%
Results from subsidiaries held for sale	0.6	2.5	322.4%	11.5	13.3	15.2%
Results of associated companies	29.4	25.7	-12.6%	0.9	1.0	-
Net income	**537.5**	**837.1**	**55.7%**	**154.8**	**150.3**	**-2.9%**

(*) Pure intragroup transactions with no impact on consolidated net income are not eliminated.

(1) The September 2022 accounts of the consolidated activity were restated for comparability purposes due to the shareholder position in Banco Comercial do Atlântico (BCA) being classified under "Non-current assets held for sale" in December 2022 and due to the shareholder position in Flitptrel IV SA e Flitptrel Porto Santo SA being classified under "Non-current assets held for sale" in June 2023.

The contribution of the international business area to the consolidated net income for September 2023 was €150 million. Excluding from the period of 2022 the non-recurring gain from the sale of the Headquarters Building of the France Branch, in the amount of €23 million, the evolution of the contribution of international activity over the same period in 2022 was positive in €18 million.

The main contributions to consolidated net income from the international activity came from Banco Nacional Ultramarino Macau (€50 million), Banco Comercial e de Investimentos, S.A. (Mozambique) (€46 million), Banco Caixa Geral Angola S.A. (€24 million) and the France Branch (€14 million).

This positive contribution of the recurring activity of CGD Group's international units to the consolidated net income was mainly due to net interest income, reflecting the favourable economic environment in the geographies where CGD is present. However, it is worth noting the impact that the negative exchange rate variation had on Banco Caixa Geral Angola S.A. 's results evolution, and consequently on the contribution of international activity. This negative impact was €11 million.

Consolidated Accounts

INCOME STATEMENT (CONSOLIDATED)

(EUR thousand)

INCOME STATEMENT	2022-09 (Restated)[1]	2023-09	Change	
			Total	(%)
Interest and similar income	1,258,904	2,568,959	1,310,055	104.1%
Interest and similar costs	347,871	478,876	131,005	37.7%
Net interest income	911,033	2,090,084	1,179,050	129.4%
Income from equity instruments	12,676	6,003	-6,673	-52.6%
Net interest inc. incl. inc. from eq. investm.	**923,709**	**2,096,087**	**1,172,378**	**126.9%**
Fees and commissions income	565,438	542,861	-22,577	-4.0%
Fees and commissions expenses	108,820	117,223	8,404	7.7%
Net fees and commissions	456,618	425,638	-30,980	-6.8%
Net trading income	143,085	163,894	20,808	14.5%
Other operating income	45,731	122,407	76,676	167.7%
Non-interest income	**645,434**	**711,939**	**66,504**	**10.3%**
Total operating income	**1,569,143**	**2,808,025**	**1,238,882**	**79.0%**
Employee costs	445,492	486,337	40,845	9.2%
Administrative expenses	168,139	211,469	43,330	25.8%
Depreciation and amortisation	99,663	93,583	-6,080	-6.1%
Operating costs	713,294	791,389	78,095	10.9%
Net operating income before impairments	**855,849**	**2,016,636**	**1,160,787**	**135.6%**
Credit impairment	-37,671	218,815	256,487	-
Credit recoveries	-60,480	-75,815	-15,335	-
Provisions for reduction of employees	-59,203	72,562	131,765	-
Provisions for guarantees and other commitments	-29,369	11,441	40,810	-
Other provisions and impairments	6,649	282,572	275,923	-
Provisions and impairments	**-180,075**	**509,575**	**689,650**	**-**

Net operating income	**1,035,924**	**1,507,061**	**471,137**	**45.5%**
Income Tax	**325,850**	**507,154**	**181,304**	**55.6%**
of which Contribution on the banking sector	37,104	39,456	2,352	6.3%
Net op. inc. after tax and before non-controlling int.	**710,074**	**999,907**	**289,833**	**40.8%**
Non-controlling interests	60,243	55,092	-5,152	-8.6%
Results of associated companies	30,287	26,725	-3,562	-11.8%
Results of subsidiaries held for sale	12,137	15,831	3,694	30.4%
Net income	**692,255**	**987,371**	**295,116**	**42.6%**

(1) The September 2022 accounts of the consolidated activity were restated for comparability purposes due to the shareholder position in Banco Comercial do Atlântico (BCA) being classified under "Non-current assets held for sale" in December 2022 and due to the shareholder position in Flitptrel IV SA e Flitptrel Porto Santo SA being classified under "Non-current assets held for sale" in June 2023.

CONSOLIDATED BALANCE SHEET

(EUR million)

BALANCE SHEET	2022-12 (Restated)(1)	2023-09	Change
ASSETS			(%)
Cash and cash equiv. with central banks	21,812	19,990	-8.4%
Loans and advances to credit instit.	3,990	3,386	-15.2%
Securities investments	18,689	17,443	-6.7%
Loans and advances to customers	50,778	50,554	-0.4%
Non-current assets held for sale	1,271	1,336	5.2%
Investment properties	17	611	-
Intangible and tangible assets	780	730	-6.4%
Invest. in subsid. and assoc. companies	476	525	10.2%
Current and deferred tax assets	1,029	789	-23.3%
Other assets	3,669	3,015	-17.8%
Total assets	**102,511**	**98,378**	**-4.0%**
LIABILITIES			
Central banks' and cred. instit. resources	338	320	-5.4%
Customer resources	83,972	79,542	-5.3%
Debt securities	1,368	1,384	1.1%
Financial liabilities	221	151	-31.6%
Non-current liabilities held for sale	999	1,063	6.5%
Provisions	906	1,255	38.4%
Subordinated liabilities	1,118	606	-45.8%
Other liabilities	4,106	4,356	6.1%
Sub-total	**93,029**	**88,677**	**-4.7%**
Shareholders' equity	**9,483**	**9,701**	**2.3%**
Total	**102,511**	**98,378**	**-4.0%**

(1) The shareholding in Banco Comercial do Atlântico (BCA) was classified under "Non-current assets held for sale" in December 2022, and in June 2023 the shareholding in Flitptrel IV SA and Flitptrel Porto Santo SA were also classified under this heading. Therefore, and for comparative purposes only, the amounts related to the consolidated balance sheet as of September 30, 2022 and December 31, 2022 disclosed in this document were restated, as IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations" only requires the restatement of the income statement.

DESCRIPTION OF ISSUER'S RESIDENTIAL MORTGAGE BUSINESS

CGD is committed to providing its customers with efficient, customised, innovative and technologically advanced solutions. To this end, CGD has invested in improving the efficiency of its processes to deliver the fastest and safest banking experience possible, while maintaining high standards of service.

Description of collateral valuation and management process – Immovable assets

The following types of immovable assets are considered for valuation purposes:

(i) Constructions

- Finished constructions; and
- Unfinished constructions.

(ii) Land

- Land with construction potential (in its prime and best use taking into account its construction potential); and
- Land without construction potential in its prime and best use.

The principal components of the valuation methodology for immovable assets applied in the CGD Group are:

(i) Inspection of property: whenever new mortgage loan agreements are entered into, the property in question is inspected to determine its presumed transaction price in a free market. Certification of the value of the property is documented and includes, *inter alia*, its energy certification, copies of the plans, its property registration booklet and description in the land registry, when supplied. These valuations are complemented by direct *in situ* observations.

(ii) An updated valuation of the property's worth by an appraiser: the asset's value is verified based on recognised indices and statistical methods considered appropriate, once every 3 years in the case of residential properties. Mortgage lending agreements whose contractual terms have been changed usually require a new valuation, as if they were new agreements. In the case of non-performing loans, the value of the real guarantees are examined and/or reviewed with the frequency defined in the internal regulations; and

(iii) Updated indexed amount: a review of property prices is carried out by an internal CMVM registered property appraiser whenever there is sufficient data enabling a measurement using this methodology. It is used for residential or commercial properties, non-performing credit with a debtor balance of less than €300 thousand and, in the case of performing credit, a debtor balance of less than €500 thousand.

Valuation procedures

- The staff of CGD's property valuation division includes engineers and architects with significant experience in the field of valuation. Those with technical approval functions have complementary training, in the form of property valuation courses, and are registered with and certified by the CMVM as property appraisers;
- CGD's network of external service providers in its property valuation division comprises external corporate and individual appraisers, registered with the CMVM, which are spread out across the country based on the area in which they perform their professional activity. There are several appraisers for each municipal district to ensure adequate diversification and rotation;
- Valuation requests are received by CGD in digital format, accompanied by the documentation required for property valuation purposes. An internal technical operative is responsible for the approval process by type of valuation and the municipal district in which the property is located; and
- The appraisers are set out in a list defining the priority municipal districts for operational purposes, based on criteria of efficiency in terms of travel and in-depth knowledge of the local market. Valuation requests are delivered to appraisers via a CGD property management portal. The appraiser records the date of the property visit and the valuation report in this portal in a standardised format, including the relevant documents and photographs of the property.

ISSUER'S STANDARD BUSINESS PRACTICES

Credit risk management

In response to the growing legal and regulatory requirements, and with the aim of applying best credit risk management practice, CGD has implemented a credit risk management process based on an organisational structure guaranteeing that the commercial (risk acceptance), recovery, decision-making, and risk areas are independent from each other.

Issuance of loans

Lending activity is aligned with the credit risk management strategy and policies defined by the competent CGD bodies. CGD has established a centralised decision-making model where its credit risk division is responsible for making decisions on loans to corporates, financial institutions, as well as individual customers. The governance model for decisions to issue loans, including the limits on the delegation of authority, is defined in internal regulations. The credit risk management division's main functions also include: (i) the prior, mandatory issuance of a risk opinion on the establishment of internal limits, or consideration of operations not covered by said limits, for customers whose exposure (in terms of economic groups), rating or the specific characteristics of the operation (or its proponent) justifies this (in accordance with internal regulations); (ii) the redefinition of credit limits to be submitted to a senior level, whenever deemed advisable under the circumstances; and (iii) the approval of the constitution/alteration of economic groups.

Credit decisions on the most relevant exposures are the responsibility of the board of directors, the credit risk executive committee or credit board, depending on the amounts involved. Other operations are the responsibility of the credit risk committees on a credit risk division level. The submission of operations/limits for a decision of the board of directors requires the prior approval of the financial risks committee.

The risk management division is actively involved in the credit risk control and monitoring process, lending stages and latter oversight, from both a customer/operation and a credit portfolio approach based on: (i) the definition, development, and maintenance of internal rating and scoring models; (ii) the monitoring and global control of CGD Group's credit risk by credit portfolios, products and subsidiaries; (iii) the identification of customers at greater risk of default based on early warning signs; (iv) the assessment and validation of individual impairment; (v) the determination of the expected credit loss (collective impairment) on all credit portfolio segments; and (vi) the assessment of compliance with the limits defined for major risks. The risk management division may also submit for senior review and approval the CGD Group's credit risk management policies and guidelines.

Credit portfolio oversight

Credit portfolio oversight allows for the early identification of signs of potential default, facilitating decisions for debt recovery optimisation purposes. The oversight process is regulated by an internal credit oversight and recovery policy regulation. CGD has implemented a workflow process across its commercial, recovery and credit risk areas. This workflow process classifies a customer's creditworthiness on a daily basis, based on pre-defined events and the level of probability of a default situation, automatically identifying customers in financial distress and in default. All portfolio customers are segmented into one of the following categories:

- Performing customers without the identification of any additional risk events;
- Performing customers with early warning signals which may indicate a higher probability of default;

- Customers registering serious events and a high probability of default, who are classified as being in financial distress;
- Customers in a 24-month probation period, following the occurrence of a restructuring operation owing to financial difficulties;
- Customers classified as being in default; and
- Customers classified as being in quarantine, following actions taken to remedy default.

The workflow process incorporates operational measures which vary in line with the severity of the event, and which provide the first line of defence based on mechanisms designed to actively prevent potential future defaults. An automatic process immediately transfers customers from commercial to recovery areas whenever more serious events have been identified, in a bid to ensure that potentially more problematic cases are handled by specialised credit recovery managers. The credit risk management division diagnoses the process as part of the credit portfolio oversight process and makes any necessary changes in line with its analysis of the metrics and indicators set out in monthly monitoring reports on credit portfolio quality, which are examined monthly by the executive committee and quarterly by the risk committee.

CREDIT DECISION

Credit risk

Credit risk is linked to the losses and level of uncertainty associated with a customer/counterparty's capacity to meet its obligations. Given the nature of banking activity, credit risk is particularly important due to its materiality, notwithstanding its interconnection with other risks. Credit risk is managed and controlled by internal regulations that define the necessary levels of authority for the credit decision process based on a rating/scoring system and exposure level, an early warning system, and the classification of customers as being in financial distress. Credit risk assessment in the retail segment is supported by the use of statistical risk assessment tools (probability of default (PD) and loss given default (LGD) models), several internal regulations setting forth objective criteria to be complied with in lending operations, and the delegation of authority in accordance with the risk ratings for customers/operations. CGD has implemented a centralised credit decision model to ensure separation between credit applications and decision-making functions, thus guaranteeing that all credit proposals originating in the commercial areas are decided upon with the input of the Credit Risk Division, in accordance with the criteria published in CGD's internal policies and regulations.

Risk analysis

The CGD Group has developed a system for the identification, assessment, and control of risks associated with its credit portfolio, encompassing all customer segments and active not only when the credit is issued, but also when monitoring risk during the lifetime of the operations.

- All credit operations, upon origination, must be economically viable, be of interest to CGD and in accordance with its credit policy, and affect own funds in compliance with the established solvency ratio, in light of, namely: (i) their purpose and the specific conditions of the real operations they aim to finance; (ii) the suitability and business, technical and financial capacity of their proponents and respective representatives; and (iii) their former relationship with the CGD Group and the financial system in general, in addition to the global amount of their liabilities to the group and the financial system.
- The amount and maturity of each operation should be commensurate to its type and purpose, as well as the material conditions of the real underlying operation.
- The conditions of each credit operation, with respect to guarantees and interest rate, should be defined based on the level of credit risk involved and a customer's global relationship with the CGD Group, always bearing in mind CGD's credit policy. Real, or equivalent, guarantees are normally required for medium/long-term operations.
- Credit risk assessment in the retail segment is based on the use of statistical risk assessment tools (probability of default (PD)), several internal regulations setting forth objective criteria to be complied with in lending operations, and the delegation of authority in accordance with the risk ratings for customers/operations. Only in the case of loans to personal customers is this model complemented by a scoring system used to define credit limits by product, in terms of an immediate decision (operations with standard risk parameters).
- Additionally, CGD accommodates the regulator's recommendations on maximum financing amounts, compliance with solvency ratios, and reduction in average financing terms.

Insurance

Property insurance coverage is required to be in place when the mortgage loan is advanced.

Fire or multi-risk insurance is compulsory in an amount equal to, or greater than, the property's reconstruction value.

Life insurance is normally demanded in an amount equal to or greater than that of the loan.

Health insurance is recommended, potentially providing more competitive loan spreads.

Guarantee

Loans are secured by a first ranking mortgage over the property to be purchased. In exceptional cases, this may be replaced by a guarantee over another property or by a pledge of securities/deposits.

Mortgage products

CGD offers fixed, mixed and floating rates (Euribor-indexed) mortgage credit products. All mortgage loans, once fully drawn, must be paid by direct debit to an account with CGD in monthly instalments (principal and interest).

The maximum term of a loan is 40 years (considering the maximum maturities of the Bank of Portugal's recommendations, which set limits for customers aged 30 or more years). The maximum loan to value ratio is 80 per cent.

As at 30 June 2023, the average loan to value ratio of CGD's mortgage credit portfolio was 59.4 per cent, the average amount owed by contract was €53.3 thousand, and the average remaining term was 26.6 years.

Monitoring

The monitoring of credit portfolios and control of credit risk, including compliance with the criteria for decision on credit risk, are carried out regularly by the Risk Management Division, based on operational systems that identify the possibility of additional credit risk events on a daily basis, in addition to events that generate the automatic identification of credit that has been restructured on account of financial difficulties or defaults/non-performing exposures. Reports on the performance and perceived quality of the credit portfolio are produced in terms of i) new credit agreements; ii) credit that has been restructured on account of a customer's financial difficulties; iii) non-performing exposures; iv) default; and v) concentration. These reports are submitted for the consideration of the management bodies and shared with the first line of defence.

The CGD Group has also implemented a process for measuring impairment losses related to default and the measurement of credit assets, which is overseen by the board of directors on a monthly basis in compliance with IFRS 9. The criteria and methodologies involved in the calculation of impairment are subject to control and audit processes, by both the internal bodies responsible for validation (Models Validation Office and Internal Audit Division) and CGD's external auditor who produce an independent report to be sent to the Bank of Portugal every six months. The Risk Management Division also submits information on the evolution of provisions and impaired credit to the management bodies on a monthly basis. This includes the evolution of the portfolio by IFRS 9 stages and respective provisions and impaired credit levels.

DELINQUENCY MANAGEMENT IN THE MORTGAGE BUSINESS

Credit recovery

As soon as any arrears of payment have been noted, adequate steps are taken to recover the overdue credit and settle the situation, in due compliance with the provisions of Decree-Law 227/2012 (action plan for the risk of default (PARI) and the out-of-court procedure for the settlement of default situations (PERSI)) regarding loans and advances to personal customers. CGD's process was reviewed at the end of 2022 in response to Decree-Law 80-A/2022. Credit recovery consists of a series of CGD Group actions on arrears of payment of one or more instalments of a credit operation. This is a fundamental function of CGD Group's credit management and is implemented following the first overdue payment of an instalment and throughout the entire lifetime of a loan.

Negotiated credit recovery comprises three types of action, applied according to the following order of priority:

- Collection of payments in arrears;
- Restructuring solutions; and
- Terminal solutions not involving litigation.

Contacts with customers with a view to the settlement of overdue amounts at the initial credit collection phase are made by the call centre and the commercial division. If these initial contacts are not successful and the customer remains in arrears for more than 30 days, the case is reallocated to a recovery area tasked with finding the most appropriate credit recovery solution. In cases where the negotiation process with a customer is not producing the desired effect for the CGD Group and its customers, credit recovery should move on to the litigation stage. This solution consists of the execution of assets or rights, either mortgaged or pledged as loan collateral, for the purpose of their judicial sale. As an alternative recovery measure, the CGD Group also considers the disposal of credit portfolios or individual loans whenever this is considered the most efficient solution, following a cost/benefit appraisal.

Description of the implementation of restructuring measures and respective associated risks, in addition to their respective control and monitoring mechanisms

Specialised oversight and recovery areas seek to apply the best solutions to protect the CGD Group and its customers' interests in any given situation, pursuant to the terms of the delegated decision and the limits defined in internal regulations.

Recovery solutions always bear in mind a customer's individual circumstances and CGD's best interests, in line with three basic principles:

(i) Impact on capital and cash flows: This impact should be measured by calculating the incremental NPV on processing the operation, as opposed to a solution involving litigation (considered to be a last recourse in terms of credit recovery).

(ii) Impact on the customer:

- Payment capacity: the customer must be able to meet its financial commitments in the new scenario, based on its expected income; and

- Sustainability of process: the process must be sustainable over time, i.e., the customer should be able to make all necessary payments and should not relapse into a default situation.

(iii) Impact of complexity: Even if the financial impact of the solution may not be optimal, other parameters such as a customer's specific characteristics, the impact of its treatment on CGD Group's public image, reputational risk, or a customer's willingness to negotiate are also part of the decision-making process which determines their respective treatment.

Most of the credit restructured owing to a customer's financial difficulties is subject to a specific impairment calculation process, across the entire minimum surveillance period of 24 months, as defined in Commission Implementing Regulation (EU) no. 2021/451 of 17 December 2020.

Finally, in accordance with the Issuer's policies, loans in default for more than 90 days will be replaced/withdrawn from the Cover Pool.

USE OF PROCEEDS

The net proceeds resulting from each issue of Covered Bonds will be applied by the Issuer for its general corporate purposes.

THE LEGAL REGIME OF COVERED BONDS

Framework

The Covered Bonds Law introduced a framework for the issuance of asset covered debt securities into Portuguese law. The Covered Bonds to be issued under this Base Prospectus will be labelled as "*European Covered Bond (Premium)*", as set out in Article 42(2) of the Legal Regime of Covered Bonds provided that the Covered Bonds are in compliance with the Legal Regime of Covered Bonds and the CRR.

As such, the Cover Pool will comprise only assets listed in Article 129(1) of the CRR (and provided that the requirements under paragraphs (1a) to (3b) of Article 129 of the CRR are met).

On 6 May 2022, Decree-Law 31/2022, of 6 May 2022, approving the new Legal Regime of Covered Bonds and transposing the CBD, was published in the Portuguese Official Gazette.

In accordance with the transitional provisions of Decree-Law 31/2022, of 6 May 2022, CGD as issuer of covered bonds applied to CMVM, as supervisory authority, for the conversion of its covered bonds programme, under the Covered Bonds Law, to a covered bonds programme compliant with the Legal Regime of Covered Bonds. CMVM has authorised such conversion and, as such all outstanding covered bonds of CGD issued under the Covered Bonds Law are now subject to the Legal Regime of Covered Bonds

Issuers of Covered Bonds

Covered bonds may only be issued by credit institutions ("**Credit Institutions**").

Pursuant to Article 44 of the Legal Regime of Covered Bonds, CMVM may issue regulations with regard to covered bonds. On 28 July 2023, CMVM Regulation was published in the Portuguese Official Gazette. CMVM Regulation focuses only on those aspects that are directly subject to the Legal Regime of Covered Bonds, namely, (i) the instructive/ancillary elements for the purpose of authorising covered bond programmes; (ii) the criteria for legal, contractual or voluntary overcollateralisation; (iii) the issuer's information duties towards the CMVM; (iv) the document preservation duties related to the programmes; (v) the common representative's right of access to information about the cover pool; (vi) the means of sending and disclosing information relating to covered bond programmes; (vii) the procedures for the replacement of the programme's credit manager and the fee due and payable for the authorisation of covered bond programmes.

Cover Assets

The Legal Regime of Covered Bonds sets out the type of assets that are eligible to collateralise issues of covered bonds made by a Credit Institution. For further information regarding the eligible types of assets, please see chapter entitled "*Characteristics of the Cover Pool*".

Hedging contracts may also be included in the cover pool for hedging purposes, provided they meet certain legal requirements established in the Legal Regime of Covered Bonds and in Article 129 of the CRR.

The Legal Regime of Covered Bonds contains certain rules governing the limits and conditions for the use of these hedging contracts. The evaluation rules of the Hedging Contracts are established in Article 4(e) of CMVM Regulation.

For further details on the abovementioned requirements, see the section "*Hedging Contracts*" in the chapter entitled "*Characteristics of the Cover Pool*".

The cover pool is of a dynamic nature. Accordingly, the Credit Institution may be required, or may otherwise decide, to include new assets in such cover pool or substitute assets in case the existing ones no longer comply with the applicable financial and prudential requirements.

Furthermore, a Credit Institution is required by the Legal Regime of Covered Bonds to maintain a register, in segregated accounts of the Credit Institution, of all the assets comprised in the cover pool, including hedging contracts.

Valuation and loan to value criteria

Credit Institutions are required to conduct valuations of mortgage properties and periodic updates of such valuations in accordance with Articles 129 and 208 of the CRR, which establishes rules on the methods and frequency of the valuations of properties.

In accordance with Article 129(1) of the CRR, the maximum loan to value ratio for residential mortgage is 80 per cent. and 60 per cent. for commercial mortgages loans (which, in the case of commercial mortgages loans, may be increased to 70 per cent., subject to certain conditions).

The loan to value limit shall (i) apply on a loan-by-loan basis, (ii) determine the portion of the loan contribution to the coverage of liabilities attached to the covered bond and (iii) apply throughout the entire maturity of the loan.

Article 208 of the CRR contains detailed provisions regarding valuation of properties securing mortgage credits included in a cover pool (including subsequent valuations).

For further information regarding the valuation of assets, please see chapter entitled "*Characteristics of the Cover Pool*".

Asset-Liability Management and financial requirements

The Legal Regime of Covered Bonds establishes, as nominal principle coverage requirement, that the calculation of the coverage requirement shall be made in accordance with the nominal principle and ensures that the total aggregate principal amount of all cover assets is at least equal to or greater than the aggregate principal amount of the unpaid covered bonds (i.e., 100 per cent. coverage of the liabilities shall be fully secured by cover assets).

For the purposes of the calculation of the level of the coverage requirement, as well as of the remaining financial and prudential requirements, the liabilities of the covered bonds shall include, namely:

(a) the obligations for the payment of the principal amount of issued covered bonds;

(b) the obligations for payment of any interest arising from the outstanding covered bonds;

(c) the payment obligations arising from derivative contracts comprised in the cover pool; and

(d) the expected costs related to maintenance and administration for the liquidation of the relevant programme.

Should a breach of the homogeneity, coverage or liquidity of the Cover Pool occur, as foreseen in Article 20 of the Legal Regime of Covered Bonds, the Issuer is required, immediately after becoming aware thereof, to take all possible steps to remedy such breach, by (i) allocating new primary or substitution assets, with or without replacing any assets already attached to the covered bonds, (ii) amortising outstanding covered bonds in the sufficient amount to remedy the breach and/or (iii) allocating new liquid assets to the liquidity buffer.

Mortgage credits that become delinquent after being allocated to the cover pool may still remain in such cover pool provided that the delinquency period is not equal to or higher than 90 days, in which case such mortgage credits must be removed from the cover pool by the Credit Institution and, if necessary to comply with the prudential requirements established in the Legal Regime of Covered Bonds, substituted by new primary or substitution assets.

Mortgage credits underlying covered bonds may only be sold or encumbered if the Credit Institution allocates new primary or substitution assets sufficient to maintain compliance with the financial and prudential requirements set forth in the Legal Regime of Covered Bonds.

Segregation of Cover Assets and Insolvency Remoteness

Asset segregation

The cover assets and hedging contracts allocated by the Credit Institution to the issues of covered bonds, including liquidity buffer assets, interest revenue, repayments, and collateral relating to derivate contracts, will permanently remain and be registered in segregated accounts of the Credit Institution.

For further detail, please refer to chapters entitled "*Charactheristics of the Cover Pool*" and "*Insolvency of the Issuer*" above.

Preferential status for covered bonds holders

Pursuant to the Legal Regime of Covered Bonds, holders of covered bonds benefit from a special creditor privilege (*privilégio creditório especial*) over the assets assigned to the issue, with precedence over any other creditors, for the purpose of redemption of principal and receipt of interest corresponding to the relevant covered bonds.

The mortgages that serve as collateral for the entitlements of the holders of covered bonds prevail over any real estate preferential claims.

The hedging contracts entered into by the Credit Institution also form part of the cover pool and thus the relevant counterparties will also benefit from the special creditor privilege (*privilégio creditório especial*) over such cover pool. Accordingly, these counterparties will have similar rights to those of the holders of the covered bonds and, consequently, their contracts are not expected to be called in case of insolvency of the Credit Institution.

In particular, the holders of covered bonds and the hedging counterparties have: (a) a claim against the credit institution issuing the covered bonds, (b) in the case of the insolvency or resolution of the Credit Institution issuing the covered bonds, a special creditor privilege on the cover assets in the amount of the principal and any accrued and future interest and (c) in the case of the insolvency of the Credit Institution issuing the covered bonds and in the event that the privileged credit referred in (b) cannot be fully satisfied, a common claim against the insolvency estate of that Credit Institution, which ranks *pari passu* with the claims of the Credit Institution's ordinary unsecured creditors of the Credit Institution. The entitlements under (a) to (c) above are limited to the total payment obligations under the covered bonds and the above dual recourse and special creditor privilege also applies in case of extendable maturity of those covered bonds subject to automatic maturity extension, pursuant to the Legal Regime of Covered Bonds.

Pursuant to the Legal Regime of Covered Bonds, in the case of dissolution and winding-up of a Credit Institution, a meeting of holders of all Series of covered bonds then outstanding may decide, by a 2/3 majority vote, to accelerate the covered bonds, in which case the administrator shall provide for the settlement of the estate allocated to the relevant issue in accordance with the provisions defined in the Legal Regime of Covered Bonds and in the relevant terms and conditions that govern such issue.

Maturity Extension

Pursuant to the Legal Regime of Covered Bonds, Credit Institutions may issue covered bonds with an automatic extendable maturity structure when:

(a) the non-discretionary extension requirements are specified in the terms and conditions of the issue applicable to the covered bonds;

(b) the information provided to holders of covered bonds relating to covered bonds with such automatic extendable maturity structure is sufficient to perceive the respective risk, including:

  (i) the operation of the maturity extension;

  (ii) the consequences for a maturity extension of the liquidation or resolution of the relevant Credit Institution; and

  (iii) CMVM's duties in relation to the maturity extension;

(c) the final maturity date of the covered bonds is determinable at all times; and

(d) in the event of liquidation or resolution of the relevant Credit Institution, maturity extensions do not affect the ranking of holders of covered bonds or invert the sequencing of the relevant covered bond programme's original maturity schedule.

In addition, the maturity of the covered bonds can only be extended based on the following:

revocation of the authorisation of the relevant Credit Institution; or

foreseeable or actual failure to pay the principal or interest amounts of the covered bonds due at the initial maturity date, that is not remediable within an established period of time in the terms of the relevant issue or the covered bond programme, not exceeding 10 Business Days.

In order to be able to extend the maturity of covered bonds, the Credit Institution shall notify CMVM of the referred extension together with the relevant reasons for such extension (i) no less than 10 calendar days prior to the effective date or (ii) as soon as possible, if the occurrence of the reason for the extension or the time it becomes known does not allow the Credit Institution to respect the 10 calendar days deadline.

CMVM shall oppose the maturity extension within 10 calendar days from receipt of such notice from the Credit Institution referred to above, when it considers that the requirements for the extension of the maturity are not fulfilled.

If, prior to the date on which the Covered Bonds will be automatically extended, CMVM has timely and duly decided to oppose to such extension, the extension to an extended maturity date will not apply; otherwise, such extension will apply.

For the avoidance of doubt, if the Credit Institution communicates to CMVM a possible extension with less than 10 calendar days in advance of the effective date and, if at the date on which the Covered Bonds should automatically be extended to the Extended Maturity Date, CMVM has not yet resolved on its opposition, the Covered Bonds will be extended to the Extended Maturity Date; if, thereafter CMVM opposes to such extension, the extension to the Extended Maturity Date will cease to apply.

TAXATION

Portugal

The following is a general description of certain Portuguese tax consequences of the acquisition and ownership of Covered Bonds. It does not purport to be an exhaustive description of all tax considerations that may be relevant to decide about the purchase of Covered Bonds. Notably, the following general discussion does not consider any specific facts or circumstances that may apply to a particular purchaser.

This summary is based on the laws of Portugal currently in full force and effect and as applied on the date of this Base Prospectus, thus being subject to variation, possibly with retroactive or retrospective effect.

Prospective purchasers of Covered Bonds are advised to consult their own tax advisers as to the tax consequences resulting from the purchase, ownership and disposition of Covered Bonds, including the effect of any state or local taxes, under the tax laws of Portugal and each country where they are, or deemed to be, residents.

The economic advantages deriving from interest, amortisation or reimbursement premiums and other types of remuneration arising from Covered Bonds issued by private entities are qualified as investment income for Portuguese tax purposes. Accrued interest qualify as investment income for Portuguese tax purposes. Gains arising from the transfer for consideration of Covered Bonds are qualified as capital gains for Portuguese tax purposes.

General Tax Regime on Debt Securities

Interest and other types of investment income obtained on Covered Bonds by a Portuguese resident individual is subject to individual income tax. If the payment of interest or other investment income is made available to Portuguese resident individuals, withholding tax applies at a rate of 28 per cent., which is the final tax on that income unless the individual elects to include such income in his taxable income, subject to tax at progressive rates of up to 48 per cent., being in this case the tax withheld deemed as a payment on account of the final tax due. In the latter circumstance, an additional income tax will be due on the part of the taxable income exceeding €80,000 as follows: (i) 2.5 per cent. on the part of the taxable income exceeding €80,000 up to €250,000 and (ii) 5 per cent. on the remaining part (if any) of the taxable income exceeding €250,000.

Interest and other investment income paid or made available (*colocado à disposição*) to accounts in the name of one or more accountholders acting on behalf of one or more unidentified third parties is subject to a final withholding tax rate of 35 per cent., unless the relevant beneficial owner(s) of the income is/are identified and as a consequence the tax rates applicable to such beneficial owner(s) will apply.

Capital gains obtained by Portuguese resident individuals on the transfer of Covered Bonds are taxed at a special tax rate of 28 per cent. levied on the positive difference between the capital gains and capital losses realised on the transfer of securities and derivatives of each year unless the individual elects to include such income in his taxable income, subject to tax at progressive rates of up to 48 per cent. In the latter circumstance, an additional income tax will be due on the part of the taxable income exceeding €80,000 as follows: (i) 2.5 per cent. on the part of the taxable income exceeding €80,000 up to €250,000 and (ii) 5 per cent. on the remaining part (if any) of the taxable income exceeding €250,000.

The positive balance between capital gains and capital losses arising from the transfer for consideration of shares and other securities, which includes gains obtained on the disposal or the refund of the Covered Bonds, is mandatorily accumulated and taxed at progressive rates if the assets have been held for less than 365 days and the taxable income of the taxpayer, including the balance of the capital gains and capital losses, amounts to or exceeds €78,834.

Interest and other investment income derived from Covered Bonds and capital gains obtained with the transfer of Covered Bonds by legal persons resident for tax purposes in Portugal and by non-resident legal persons with a permanent establishment in Portugal to which the income or gains are attributable are included in their taxable income and are subject to corporate income tax rate at a rate of (i) 21 (twenty one) per cent. or (ii) if the taxpayer is a small or medium enterprise or a small and mid-capitalization enterprise (Small Mid Cap), as established in Decree-Law no. 372/2007, of 6 November 2007, 17 (seventeen) per cent. for taxable profits up to €50,000 and 21 (twenty one) per cent. on profits in excess thereof to which may be added a municipal surcharge (*derrama municipal*) of up to 1.5 per cent. of its taxable income. Corporate taxpayers with a taxable income of more than €1,500,000 are also subject to State surcharge (*derrama estadual*) of (i) 3 (three) per cent. on the part of its taxable profits exceeding €1,500,000 up to €7,500,000, (ii) 5 (five) per cent. on the part of the taxable profits that exceeds €7,500,000 up to €35,000,000, and (iii) 9 (nine) per cent. on the part of the taxable profits that exceeds €35,000,000

As general rule, withholding tax at a rate of 25 per cent. applies on interest and other investment income, which is deemed a payment on account of the final tax due. Financial institutions resident or located in Portugal, pension funds, retirement and/or education savings funds, share savings funds, venture capital funds or collective investment undertakings incorporated under the laws in Portugal and some exempt entities are not subject to Portuguese withholding tax.

Investment income paid or made available (*colocado à disposição*) to accounts opened in the name of one or more resident accountholders or non-resident accountholders with a permanent establishment in Portugal acting on behalf of one or more unidentified third parties is subject to a final withholding tax rate of 35 per cent., unless the relevant beneficial owner(s) of the income is/are identified and as a consequence the tax rates applicable to such beneficial owner(s) will apply.

Without prejudice to the special debt securities tax regime as described below, the general tax regime on debt securities applicable to non-resident entities without a permanent establishment in Portugal is the following:

Interest and other types of investment income obtained by non-resident beneficial owners without a permanent establishment in Portugal to which the income is attributable is subject to withholding tax at a rate of 28 per cent. (in the case of individuals) or at a rate of 25 per cent. (in the case of legal persons), which is the final tax on that income.

Investment income paid or made available to accounts opened in the name of one or more non-resident accountholders without a permanent establishment in Portugal acting on behalf of one or more unidentified third parties is subject to a final withholding tax rate of 35 per cent., unless the relevant beneficial owner(s) of the income is/are identified and as a consequence the tax rates applicable to such beneficial owner(s) will apply.

A withholding tax rate of 35 per cent. also applies in case of investment income payments to individuals or companies domiciled in a "low tax jurisdictions" (*Lista dos países, territórios e regiões com regimes de tributação privilegiada, claramente mais favoráveis*) list approved by Ministerial Order no. 150/2004 of 13 February, as amended from time to time.

Under the domestic law the responsibility to withhold taxes arising from the interest payments of the Covered Bonds issued by resident entities for tax purposes belongs to the registry or depository entity, as the case may be.

Under the tax treaties entered into by Portugal which are in full force and effect on the date of this Prospectus, the above withholding tax rates may be reduced to 15, 12, 10 or 5 per cent., depending on the applicable treaty and provided that the relevant formalities (including certification of residence by the tax authorities of the beneficial owners of the interest and other investment income) are met. The reduction may apply at source or through the refund of the excess tax. The forms currently applicable for these purposes may be available for viewing and downloading at www.portaldasfinancas.gov.pt.

Capital gains obtained on the transfer of Covered Bonds by non-resident individuals without a permanent establishment in Portugal to which gains are attributable are exempt from Portuguese capital gains taxation. This exemption shall not apply if the beneficial owner is resident in a country, territory or region subject to a clearly more favourable tax regime included in the "low tax jurisdictions" list approved by Ministerial Order no. 150/2004 of 13 February, as amended from time to time (*Lista dos países, territórios e regiões com regimes de tributação privilegiada, claramente mais favoráveis*). Capital gains obtained by individuals that are not entitled to said exemption will be subject to taxation at a 28 per cent. flat rate. Under the tax treaties entered into by Portugal, such gains are usually not subject to Portuguese personal income tax, but the applicable rules should be confirmed on a case by case basis. Accrued interest does not qualify as capital gains for tax purposes but instead as investment income.

Capital gains obtained on the disposal of Covered Bonds by a legal person non-resident in Portugal for tax purposes and without a permanent establishment in Portugal to which gains are attributable are exempt from Portuguese capital gains taxation. This exemption shall not apply if the beneficial owner is more than 25 per cent. directly or indirectly held by Portuguese resident entities or if the beneficial owner is resident in a country, territory or region subject to a clearly more favourable tax regime included in the "low tax jurisdictions" list approved by Ministerial Order no. 150/2004 of 13 February, as amended from time to time (*Lista dos países, territórios e regiões com regimes de tributação privilegiada, claramente mais favoráveis*).

The 25 per cent. threshold above mentioned will not be applicable – being – the capital gains still exempted - when the following cumulative conditions are met by the seller: (i) the entity has its residence in the European Union or in an European Economic Area State which is bound to cooperate with Portugal under an administrative cooperation arrangement in tax matters similar to the exchange of information schemes in relation to tax matters existing within the EU Member States, or in a country with which Portugal has a double tax treaty in force which foresees the exchange of information; (ii) such entity is subject and not exempt from a tax referred to in Article 2 of Council Directive 2011/96/EU of 30 November 2011 on the common system of taxation applicable in the case of parent companies and subsidiaries of different Member States, as amended, or from a tax of a similar nature with a rate not lower than 60 per cent. of the

Portuguese IRC rate (currently 12.6 per cent.); (iii) it holds, directly or indirectly, at least 10 per cent. of the share capital or voting rights of the entity disposed for at least 1 year uninterruptedly; and (iv) it is not intervenient in an artificial arrangement or a series of artificial arrangements that have been put into place for the main purpose, or one of the main purposes, of obtaining a tax advantage).

If the exemption does not apply, the gains will be subject to corporate income tax at a rate of 25 per cent. Under the tax treaties entered into by Portugal, such gains are usually not subject to Portuguese tax, but the applicable rules should be confirmed on a case-by-case basis.

Special debt securities tax regime

Pursuant to Decree-Law no. 193/2005, of 7 November 2005, as amended from time to time ("**Decree-Law 193/2005**"), investment income paid on, as well as capital gains derived from a sale or other disposition of the Covered Bonds, to non-Portuguese resident beneficial owners will be exempt from Portuguese income tax provided the debt securities are integrated in (i) a centralised system for securities managed by an entity resident for tax purposes in Portugal (such as the CVM managed by Interbolsa), or (ii) an international clearing system operated by a managing entity established in a member state of the EU other than Portugal or in a European Economic Area Member State provided, in this case, that such State is bound to cooperate with Portugal under an administrative cooperation arrangement in tax matters similar to the exchange of information schemes in relation to tax matters existing within the EU Member States or (iii) integrated in other centralised systems not covered above provided that, in this last case, the Portuguese Government authorises the application of the Decree-Law 193/2005, and the beneficiaries are:

(i) central banks or governmental agencies; or

(ii) international bodies recognised by the Portuguese State; or

(iii) entities resident in countries or jurisdictions with whom Portugal has a double tax treaty in force or a tax information exchange agreement; or

(iv) other entities without headquarters, effective management or a permanent establishment in the Portuguese territory to which the relevant income is attributable and which are not domiciled in a blacklisted jurisdiction as set out in the Ministerial Order no. 150/2004, as amended from time to time.

However, for purposes of application at source of this tax exemption regime, Decree-Law 193/2005 requires completion of certain procedures and the provision of certain information. Under these procedures (which are aimed at verifying the non-resident status of the holder of the Covered Bonds), the holder of the Covered Bonds is required to hold the Covered Bonds through an account with one of the following entities:

(i) a direct registered entity, which is the entity with which the debt securities accounts that are integrated in the centralised system are opened;

(ii) an indirect registered entity, which, although not assuming the role of the "direct registered entities", is a client of the latter; or

(iii) an international clearing system, which is an entity that proceeds, in the international market, to clear, settle or transfer securities which are integrated in centralised systems or in their own registration systems.

Direct registered entities are required, for the purposes of Decree-Law 193/2005, to register the holders of the Covered Bonds in one of two accounts: (i) an exempt account or (ii) a non-exempt account.

(a) **Domestic Clearing Covered Bonds**

Registration of the Covered Bonds in the exempt account is crucial for the exemption to apply. For this purpose, the registration of the non-resident holders of Covered Bonds in an exempt account, allowing application of the exemption upfront, requires evidence of the non-resident status, to be provided by the holder of the Covered Bonds to the direct registered entity prior to the relevant date for payment of interest and to the transfer of Covered Bonds, as follows:

(i) if the holder of the Covered Bonds is a central bank, an international body recognised as such by the Portuguese State, or a public law entity and respective agencies, a declaration issued by the beneficial owner of the Covered Bonds itself duly signed and authenticated, or proof of non residence pursuant to (iv) below. The respective proof of non-residence in Portugal is provided once, its periodical renewal not being necessary and the beneficial owner should inform the direct register entity immediately of any change in the requisite conditions that may prevent the tax exemption from applying;

(ii) if the holder of the Covered Bonds is a credit institution, a financial company, a pension fund or an insurance company domiciled in any OECD country or in a country with which Portugal has entered into a double taxation treaty, certification shall be made by means of the following: (A) its tax identification official document; or (B) a certificate issued by the entity responsible for such supervision or registration, or by tax authorities, confirming the legal existence of the beneficial owner of the Covered Bonds and its domicile; or (C) proof of non residence pursuant to (iv) below. The respective proof of non-residence in Portugal is provided once, its periodical renewal not being necessary and the beneficial owner should inform the direct register entity immediately of any change in the requisite conditions that may prevent the tax exemption from applying;

(iii) if the holder of the Covered Bonds is an investment fund or other collective investment scheme domiciled in any OECD country or in a country with which Portugal has entered into a double tax treaty in force or a tax information exchange agreement in force, it shall make proof of its non-resident status by providing any of the following documents: (a) a declaration issued by the entity responsible for its supervision or registration or by the relevant tax authority, confirming its legal existence, domicile and law of incorporation; or (b) proof of non-residence pursuant to the terms of paragraph (iv) below; The respective proof of non-residence in Portugal is provided once, its periodical renewal not being necessary and the beneficial owner should inform the direct register entity immediately of any change in the requisite conditions that may prevent the tax exemption from applying;

(iv) other investors will be required to make proof of their non-resident status by way of: (a) a certificate of residence or equivalent document issued by the relevant tax authorities; (b) a document issued by the relevant Portuguese Consulate certifying residence abroad; or (c) a document specifically issued by an official entity which forms part of the public administration (either central, regional or peripheral, indirect or autonomous) of the relevant country. The holder of the Covered Bonds must provide an original or a certified copy of such documents and, as a rule, if such documents do not refer to a specific year and do not expire, they must have been issued within the three years prior to the relevant payment or maturity dates or, if issued after the relevant payment or maturity dates, within the following three months. The holder of the Covered Bonds must inform the registering entity immediately of any change in the requirement conditions that may eliminate the tax exemption.

(b) **Internationally Cleared Covered Bonds**

Pursuant to the requirements set forth in the tax regime, if the Covered Bonds are registered in an account held by an international clearing system operated by a managing entity, the latter shall transmit, on each interest payment date and each relevant redemption date, to the direct register entity or to its representative, and with respect to all accounts under its management, the identification and quantity of securities, as well as the amount of income, and, when applicable, the amount of tax withheld, segregated by the following categories of beneficiaries:

(a) entities with residence, headquarters, effective management or permanent establishment to which the income would be imputable and which are non-exempt and subject to withholding;

(b) entities which have residence in country, territory or region with a more favourable tax regime, included in the Portuguese "blacklist" (countries and territories listed in Ministerial Order no. 150/2004 of 13 February, as amended from time to time) and which are non-exempt and subject to withholding;

(c) entities with residence, headquarters, effective management or permanent establishment to which the income would be imputable, and which are exempt or not subject to withholding;

(d) other entities which do not have residence, headquarters, effective management or permanent establishment to which the income generated by the securities would be imputable.

On each interest payment date and each relevant redemption date, the following information with respect to the beneficiaries that fall within the categories mentioned in paragraphs (a), (b) and (c) above, should also be transmitted:

(a) name and address;

(b) tax identification number (if applicable);

(c) identification and quantity of the securities held; and

(d) amount of income generated by the securities.

If the conditions for the exemption to apply are met, but, due to inaccurate or insufficient information, tax was withheld, a special refund procedure is available under the special regime approved by Decree-law 193/2005, as amended from time to time. The refund claim is to be submitted to the direct register entity of the Covered Bonds within 6 months from the date the withholding took place.

The refund of withholding tax after the above six-month period is to be claimed from the Portuguese tax authorities within two years, starting from the term of the year in which the withholding took place.

A special tax form for these purposes was approved by Order (*Despacho*) no. 2937/2014, published in the Portuguese Official Gazette, second series, no. 37, of 21 February 2014, issued by the Portuguese Minister Secretary of State and Tax Matters (currently *Secretário de Estado e Assuntos Fiscais*) and may be available at www.portaldasfinancas.gov.pt.

Mandatory Automatic Exchange of Information

The regime under Council Directive 2011/16/EU, as amended by Council Directive 2014/107/EU, of 9 December 2014, and Council Directive 2021/514/EU, of 22 March 2021, introduced the automatic exchange of information in the field of taxation concerning bank accounts and is in accordance with the Global Standard released by the Organisation for Economic Co-operation and Development in July 2014.

Under Council Directive 2014/107/EU, financial institutions are required to report to the Tax Authorities of their respective Member State (for the exchange of information with the State of Residence) information regarding bank accounts, including depository and custodial accounts, held by individual persons residing in a different Member State or entities which are controlled by one or more individual persons residing in a different Member State, after having applied the due diligence rules foreseen in the Council Directive. The information refers not only to personal information such as name, address, state of residence, tax identification number and date and place of birth, but also to the account balance at the end of the calendar year, and (i) in case of depository accounts, income paid or credited in the account during the calendar year; or, (ii) in the case of custodial accounts, the total gross amount of interest, dividends and any other income generated, as well as the proceeds from the sale or redemption of the financial assets paid or credited in the account during the calendar year to which the financial institution acted as custodian, broker, nominee, or otherwise as an agent for the account holder, among others.

Council Directive 2021/514/EU has amended Council Directive 2011/16/EU aiming to combat the fraud, evasion and tax avoidance in the digital economy and the cross-border dimension of the services offered through the use of digital platforms. Under this regime, any digital platform that connects sellers of certain goods and services with the respective buyers should report to the local tax authorities information on the economic activities carried out by the users.

Portugal has implemented Directive 2011/16/EU through Decree-Law 61/2013, of 10 May.

Also, Council Directive 2014/107/EU was implemented through Decree-Law 64/2016, of 11 October, ("**Portuguese CRS Law**"), which amended Decree-Law number 61/2013, of 10 May 2013. Under such law, the Issuer will be required to collect information regarding certain accountholders and report such information to Portuguese Tax Authorities which, in turn, will report such information to the relevant Tax Authorities of EU Member States or States which have signed the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information for the Common Reporting Standard.

Council Directive 2021/514/EU was implemented through Law 36/2023, of 26 July, which amended Decree-Law 61/2013, of 10 May.

The Portuguese CRS Law and Decree-Law no. 61/2013, have been amended by Law no. 98/2017, of 24 August 2017, Law no. 17/2019, of 14 February 2019, Law no. 24-D/2022, of 30 December 2022 and Law no. 36/2023 of 26 July 2023.

In view of the abovementioned regimes, all information regarding the registration of the financial institution, the procedures to comply with the reporting obligations and the forms to use for that end were provided by the Ministry of Finance, through Order 302-B/2016, of 2 December 2016, Order 302-C/2016, of 2 December 2016, Order 302-D/2016, of 2 December 2016 and Order 302-E/2016, of 2 December 2016, all as amended from time to time.

Foreign Account Tax Compliance Act

FATCA imposes a reporting regime and potentially a 30 per cent. withholding tax with respect to certain payments to any non-U.S. financial institution (a foreign financial institution, or **FFI** (as defined by FATCA)) that does not become a **Participating FFI** by entering into an agreement with the U.S. Internal Revenue Service (**IRS**) to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA. The Issuer is classified as a FFI.

The withholding regime has been phased in beginning 1 July 2014 for payments from sources within the United States and apply to **foreign passthru payments** as from 1 January 2019. This withholding applies to payments in respect of any Covered Bonds that are issued on or after the "grandfathering date", which is the later of (a) 1 July 2014 and (b) the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register, or which are materially modified on or after the grandfathering date. If Covered Bonds are issued before the grandfathering date, and additional Covered Bonds of the same series are issued on or after that date, the additional Covered Bonds may not be treated as grandfathered, which may have negative consequences for the existing Covered Bonds, including a negative impact on market price.

The United States and a number of other jurisdictions have entered into, or have agreed in substance to, intergovernmental agreements to implement FATCA (each, an **IGA**), which modify the way in which FATCA applies in their jurisdictions. Pursuant to FATCA and the "Model 1" and "Model 2" IGAs released by the United States, an FFI in an IGA signatory country could be treated as a **Reporting FI** not subject to withholding under FATCA on any payments it receives. Further, an FFI in a Model 1 IGA jurisdiction would generally not be required to withhold under FATCA or an IGA (or any law implementing an IGA) (any such withholding being **FATCA Withholding**) from payments it makes. The Model 2 IGA leaves open the possibility that a Reporting FI might in the future be required to withhold as a Participating FFI on foreign passthru payments. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to its home government or to the IRS.

The United States has reached a Model 1 IGA with Portugal, signed on 6 August 2015, ratified by Portugal on 5 August 2016 and that entered into force on 10 August 2016.

If the Issuer becomes a Participating FFI under FATCA, the Issuer and financial institutions through which payments on the Covered Bonds are made may be required to withhold FATCA Withholding if any FFI through or to which payment on such Covered Bonds is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA.

It is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Covered Bonds by the Issuer and the Paying Agent, given that each of the entities in the payment chain beginning with the Issuer and ending with the CSD is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Covered Bonds.

Portugal has implemented, through Law 82-B/2014, of 31 December, the legal framework based on reciprocal exchange of information on financial accounts subject to disclosure in order to comply with FATCA. In such Law, it is also foreseen that additional legislation regarding certain procedures and rules in connection with FATCA will be created in Portugal. Through Decree-Law no. 64/2016, of 11 October, as amended by Law no. 98/2017, of 24 August, and Law no. 17/2019, of 14 February 2019, the Portuguese government approved the complementary regulation required to comply with FATCA. Under the referred legislation the Issuer is required to obtain information regarding certain accountholders and report such information to the Portuguese Tax Authorities, which, in turn, will report such information to the United States Internal Revenue Service.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations which are subject to change or may be implemented in a materially different form. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Covered Bonds.

TO ENSURE COMPLIANCE WITH IRS CIRCULAR 230, EACH TAXPAYER IS HEREBY NOTIFIED THAT: (A) ANY TAX DISCUSSION HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY THE TAXPAYER FOR THE PURPOSE OF AVOIDING U.S. FEDERAL INCOME TAX PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER; (B) ANY SUCH TAX DISCUSSION WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) THE TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

The Proposed Financial Transaction Tax

The European Commission has published a proposal for a Directive for a common financial transaction tax (FTT) in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the participating Member States). However, Estonia has since stated that it will not participate.

The proposed FTT has very broad scope and could, if introduced in its current form, apply to certain dealings in Covered Bonds (including secondary market transactions) in certain circumstances. The issuance and subscription of Covered Bonds should, however, be exempt.

Under current proposals the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Covered Bonds where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The FTT proposal remains subject to negotiation between the participating Member States and is the subject of legal challenge. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of Covered Bonds are advised to seek their own professional advice in relation to the FTT.

SUBSCRIPTION AND SALE AND SECONDARY MARKET ARRANGEMENTS

The Dealers have, in the Programme Agreement dated 28 November 2023, agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Covered Bonds.

In the Programme Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Covered Bonds under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

United States

The Covered Bonds have not been and will not be registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from or in a transaction not subject to the registration requirements of the US Securities Act. The Covered Bonds are initially being offered and sold only outside the United States in reliance on Regulation S under the US Securities Act. Terms used in this paragraph and the following paragraph have the meanings given to them by Regulation S under the US Securities Act.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Covered Bonds (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of all Covered Bonds of the Tranche of which such Covered Bonds are a part, except in accordance with Rule 903 of Regulation S under the US Securities Act. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to any Covered Bonds, and that it and they have complied and will comply with the offering restrictions requirement of Regulation S. Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that, at or prior to confirmation of sale of Covered Bonds, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Covered Bonds from it during the distribution compliance period a confirmation or notice to substantially the following effect:

> "The Securities covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the "**US Securities Act**") or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Securities and except in either case in accordance with Regulation S under the US Securities Act. Terms used above have the meanings given to them by Regulation S."

The Covered Bonds are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and Treasury regulations promulgated thereunder.

In addition, until 40 days after the commencement of the offering of any Series of Covered Bonds, an offer or sale of such Covered Bonds within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the US Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the US Securities Act.

Japan

The Covered Bonds have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended or superseded from time to time; the "**FIEA**"). Each of the Dealers has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Covered Bonds in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended or superseded from time to time)), or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Prohibition of Sales to EEA Retail Investors

Unless the Final Terms in respect of any Covered Bonds specify the "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Covered Bonds which are the subject of the offering contemplated in this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

(1) the expression "**retail investor**" means a person who is one (or more) of the following:

  a. a retail client as defined in point (11) of Article 4(1) of **MiFID II**; or

  b. a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

  c. not a qualified investor as defined in the Prospectus Regulation; and

(2) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe the Covered Bonds.

If the Final Terms in respect of any Covered Bonds specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", in relation to each Member State of the European Economic Area (each, a "**Relevant State**"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Covered Bonds which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in that Relevant State except that it may make an offer of such Covered Bonds to the public in that Relevant State:

(a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

(b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(c) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Covered Bonds referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Covered Bonds to the public**" in relation to any Covered Bonds in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Covered Bonds, and the expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129, as amended or superseded from time to time.

United Kingdom

Prohibition of Sales to UK Retail Investors

Unless the Final Terms in respect of any Covered Bonds specify the "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Covered Bonds which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the UK. For the purposes of this provision:

the expression "**retail investor**" means a person who is one (or more) of the following:

(a) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law in the UK by virtue of the EUWA;

(b) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of UK MiFIR; or

(c) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and

the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Covered Bonds.

If the Final Terms in respect of any Covered Bonds specifies "Prohibition of Sales to UK Retail Investors" as

"Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Covered Bonds which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in the UK, except that it may make an offer of such Covered Bonds to the public in the UK:

(a) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;

(b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the UK subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(c) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Covered Bonds referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Covered Bonds to the public**" in relation to any Covered Bonds in the UK means the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Covered Bonds; and the expression "**UK Prospectus Regulation**" means the Prospectus Regulation, as amended or superseded from time to time as it forms part of domestic law in the UK by virtue of the EUWA.

Other regulatory restrictions

Each Dealer has represented and agreed that:

it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000, as amended or superseded from time to time (the "**FSMA**")) received by it in connection with the issue or sale of any Covered Bonds in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Covered Bonds in, from or otherwise involving, the United Kingdom.

Italy

The offering of the Covered Bonds has not been registered pursuant to Italian securities legislation and, accordingly, no Covered Bonds may be offered, sold or delivered, nor may copies of this Base Prospectus or of any other document relating to the Covered Bonds be distributed in the Republic of Italy, except:

(i) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2 of Regulation (EU) No. 1129 of 14 June 2017 (the "**Prospectus Regulation**") and any applicable provision of Legislative Decree No. 58 of 24 February 1998, as amended (the "**Financial Services Act"**) and Italian CONSOB regulations; or

(ii) in other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation, Article 34-*ter* of CONSOB Regulation No. 11973 of 14 May 1999, as amended from time to time, and the applicable Italian laws.

Any offer, sale or delivery of the Covered Bonds or distribution of copies of this Base Prospectus or any other document relating to the Covered Bonds in the Republic of Italy under paragraph (i) or (ii) above must be:

(A) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. No. 20307 of 15 February 2018 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended from time to time (the "**Banking Act**"); and

(B) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

Please note that, in accordance with Article 100-bis, where no exemption from the rules on public offerings applies under (i) and (ii) above, the subsequent distribution of the Covered Bonds on the secondary market in Italy must be made in compliance with the public offer and the prospectus requirement rules provided under the Financial Services Act and Regulation No. 11971. Failure to comply with such rules may result in the sale of such Covered Bonds being declared null and void and in the liability of the intermediary transferring the financial instruments for any damages suffered by the investors.

France

Each Dealer and the Issuer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it undertakes to comply with applicable French laws and regulations in force regarding the offer, the placement or the sale of the Covered Bonds and the distribution in France of the Base Prospectus or any other offering material relating to the Covered Bonds.

Belgium

Other than in respect of Covered Bonds for which "Prohibition of Sales to Belgian Consumers" is specified as "Not Applicable" in the applicable Final Terms, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that an offering of Covered Bonds may not be advertised to any individual in Belgium qualifying as a consumer within the meaning of Article I.1 of the Belgian Code of Economic Law, as amended from time to time (a **Belgian Consumer**) and that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Covered Bonds, and that it has not distributed, and will not distribute, any prospectus, memorandum, information circular, brochure or any similar documents in relation to the Covered Bonds, directly or indirectly, to any Belgian Consumer.

Singapore

Unless the Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) in respect of any Covered Bonds specifies "Singapore Sales to Institutional Investors and Accredited Investors only" as "Not Applicable", each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that the Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed that it has not offered or sold any Covered Bonds or caused the Covered Bonds to be made the subject of an invitation for subscription or purchase and will not offer or sell any Covered Bonds or cause the Covered Bonds to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, the Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Covered Bonds, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

If the Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) in respect of any Covered Bonds specifies "Singapore Sales to Institutional Investors and Accredited Investors only" as "Not Applicable", each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Covered Bonds or caused the Covered Bonds to be made the subject of an invitation for subscription or purchase and will not offer or sell any Covered Bonds or cause the Covered Bonds to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Covered Bonds, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

General

No action has been taken in any jurisdiction that would permit a public offering of any of the Covered Bonds, or possession or distribution of the Base Prospectus or any other offering material or any Final Terms or Pricing Supplement, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will, to the best of its knowledge, comply with all relevant securities laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Covered Bonds or has in its possession or distributes the Base Prospectus, any other offering material or any Final Terms or Pricing Supplement and neither the Issuer nor any other Dealer shall have responsibility therefor.

Secondary Market Arrangements

The Issuer may enter into agreements with Dealers or other persons in relation to a Tranche or Series of Covered Bonds whereby such Dealers may agree to provide liquidity in those Covered Bonds through bid and offer rate arrangements. The relevant Dealers or relevant persons in such agreements may agree to quote bid and offer prices for the relevant Covered Bonds at such rates and in such sizes as are specified in the relevant agreement and the provision of such quotes may be subject to other conditions as set out in the relevant agreement. Not all issues of Covered Bonds under the Programme will benefit from such agreements.

GENERAL INFORMATION

Authorisation

The original establishment of the Programme in compliance with the Covered Bonds Law was duly authorised by a resolution of the Board of Directors of the Issuer dated 31 October 2006, and the Programme has been subsequently updated as authorised by the Issuer-s relevant management bodies. The Issuer applied to the CMVM to convert its existing covered bonds programme to a covered bonds programme compliant with the Legal Regime of Covered Bonds as authorised by a resolution of the Executive Commission of the Issuer dated 15 November 2023. The CMVM authorised such conversion on 28 November 2023.

Listing

In respect of Covered Bonds which are intended to be listed, application will be made to Euronext for the admission of Covered Bonds issued under the Programme to trading on the regulated market Euronext Lisbon.

Registration and Settlement

The Covered Bonds have been accepted for registration and settlement through Interbolsa, specified in the applicable Final Terms. The appropriate common code and ISIN for each Tranche of Covered Bonds will be specified in the relevant Final Terms.

Significant or Material Change

There has been no significant change in the financial performance or financial position of the Issuer since 30 September 2023 and there has been no material adverse change in the prospects of the Issuer since 31 December 2022.

Litigation

Save as disclosed in "*Litigation and Conduct risks*" in the risk factors' section, there have been no governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Base Prospectus, which or have had a significant effect on the Issuer's or CGD Group's financial position or profitability.

Third party information

Where information has been sourced from a third party the Issuer confirms that this information has been accurately reproduced and that, as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The Issuer calculates its market share data using official sources of information, governmental or otherwise (as applicable). Where no official sources exist, the Issuer relies on its own estimates.

Accounts

The auditor of the Issuer for the financial statements of the Issuer for the financial years ended 31 December

2021 and 31 December 2022 was Ernst & Young, (which is a member (number 178) of the Portuguese Institute of Statutory Auditors (*Ordem dos Revisores Oficiais de Contas*), was represented by Ana Rosa Ribeiro Salcedas Montes Pinto. Ernst & Young is registered with the CMVM with registration number 20160841, with registered office at Avenida da República, 90-6º, 1600-206 Lisboa, Portugal, who has audited the Issuer's consolidated accounts in accordance with IFRS for each of the two financial years ended on 31 December 2021 and 31 December 2022.

The financial statements of the Issuer for the financial years ended 31 December 2021 and 31 December 2022 are incorporated by reference in this Base Prospectus. The financial statements of the Issuer for the financial year ended 31 December 2022 were approved by the competent bodies and by the General Meeting of Shareholders held on 31 May 2023.

CGD's financial statements were prepared on a going concern basis from its books and accounting records, which are maintained in accordance with the accounting principles set forth in the International Financial Reporting Standards as adopted by the EU ("**IFRS-EU**"), Regulation (EC) 1606/2002 of 19 July 2002 of the European Parliament and the Council, as amended, implemented in Portugal by Decree-Law 35/2005, of 17 February 2005, amended by Decree-Law 158/2009, of 13 July 2009 and Regulation 1/2005 of 21 February 2005, as amended.[6]

The financial statements of the Issuer for the financial years ended 31 December 2021 and 31 December 2022 were audited in accordance with the generally accepted auditing standards issued by the Institute of Statutory Auditors, which require that the examination be planned and performed with the objective of obtaining reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement.

Documents Available

For the period of 12 months following the date of this Base Prospectus, copies of the following documents will, when published, be available for inspection at https://www.cgd.pt/English/Investor-Relations/Debt-Issuances/Prospectus/Pages/CGD-Covered-Bonds.aspx:

(a) the audited consolidated financial statements of the Issuer (together with an English translation thereof) in respect of the financial years ended 31 December 2021 and 31 December 2022;

(b) the unaudited condensed consolidated financial statements of the Issuer for the first semester of 2023 (together with an English translation thereof);

(c) the unaudited financial results of the Issuer for the first nine months of 2023 (together with an English translation thereof);

(d) the by-laws of the Issuer (together with an English translation thereof);

(e) the Agency and Payments Procedures (as more recently amended and restated) originally dated 23 November 2006;

[6] Regulation 1/2005 of 21 February was revoked by Regulation 5/2015 of 30 December 2015, which entered into force on 1 January 2016.

(f) the Common Representative Appointment Agreement (as more recently amended and restated) originally dated 23 November 2006;

(g) this Base Prospectus, and any supplement thereto; and

(h) any offering circulars, information memoranda and supplements, including the Final Terms (other than the Final Terms relating to Covered Bonds which are not listed on any stock exchange), to this Base Prospectus and any other documents incorporated herein or therein by reference.

In relation to the documents referred to in (a) to (d) above, the Issuer confirms that the corresponding translations are true and accurate; however, in case of a discrepancy between the original document and the English translation thereof, the original document will prevail.

Electronic copy of this Base Prospectus

Electronic copies of this Base Prospectus (and any supplements thereto, and Final Terms pertaining to Covered Bonds listed on Euronext Lisbon) are available on the official website of the CMVM (www.cmvm.pt) and of the Issuer (www.cgd.pt). Copies of this Base Prospectus and any other documents incorporated herein shall remain publicly available in electronic form for at least 10 years after its publication. Copies of the documents referred to in items (a) to (h) above may be obtained from the Issuer's website.

Validity of base prospectus and base prospectus supplements

For the avoidance of doubt, the Issuer is under no obligation to supplement this Base Prospectus after the end of its 12-month validity period.

Post-issuance information

Any information which the Issuer is required by law or regulation to provide in relation to itself or securities issued by it, including the Covered Bonds, will be made available at www.cmvm.pt.

The Issuer publishes quarterly investor reports on the outstanding Covered Bonds, including information on the Cover Pool and the applicable Overcollateralisation Percentage. Such reports are available at https://www.cgd.pt/English/Investor-Relations/Debt-Issuances/Prospectus/Pages/CGD-Covered-Bonds.aspx.

Dealers transacting with the Issuer

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in the ordinary course of their business activities, in lending, advisory, corporate finance services, investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business and/or for companies involved directly or indirectly in the sector in which the Issuer and/or its affiliates operate, and for which such Dealers have received or may receive customary fees, commissions, reimbursement of expenses and indemnification. Certain of the Dealers may also have positions, deals or make markets in the Covered Bonds issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. The Dealers and/or their affiliates may receive allocations of the Covered Bonds (subject to customary closing conditions), which could affect future trading of the Covered Bonds issued under the Programme. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Covered Bonds issued under the Programme. Any such positions could adversely affect future trading prices of Covered Bonds issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

DEFINITIONS

In this Base Prospectus, the following defined terms have the meanings set out below:

"**2006 ISDA Definitions**" means, in relation to a Series of Covered Bonds, the 2006 ISDA Definitions published by ISDA, as amended or supplemented from time to time, as at the Issue Date of the first Tranche of Covered Bonds of the relevant Series.

"**2021 ISDA Definitions**" means, in relation to a Series of Covered Bonds, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions published by ISDA or any successor thereto, as amended or supplemented from time to time, as at the Issue Date of the first Tranche of Covered Bonds of the relevant Series.

"**Acceleration Notice**" means a notice served on the Issuer pursuant to Condition 9 (*Insolvency Event and Enforcement*).

"**Adjustment Spread**" means either a spread (which may be positive, negative or zero) or formula or methodology for calculating a spread, which the Independent Adviser or, as the case may be, the Issuer (following consultation with the Independent Adviser (if any)), in each case acting in good faith and in a commercially reasonable manner, determines is required to be applied to the Successor Rate or the Alternative Reference Rate (as the case may be) to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to holders of Covered Bonds as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Reference Rate (as the case may be) and is the spread, formula or methodology which:

1) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or

2) (if no such recommendation has been made, or in the case of an Alternative Reference Rate), the Independent Adviser or, as the case may be, the Issuer (following consultation with the Independent Adviser (if any)), in each case acting in good faith and in a commercially reasonable manner, determines is customarily applied to the relevant Successor Rate or the Alternative Reference Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate;

3) (if the Independent Adviser or, as the case may be, the Issuer (following consultation with the Independent Adviser) determines that no such spread is customarily applied), the Independent Adviser or, as the case may be, the Issuer (following consultation with the Independent Adviser (if any)) determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as the case may be); or

4) (if the Independent Adviser or, as the case may be, the Issuer (following consultation with the Independent Adviser) determines that no such industry standard is recognised or acknowledged) the Independent Adviser or, as the case may be, the Issuer (following consultation with the Independent Adviser), in its discretion, acting in good faith and in a commercially reasonable manner, determines to be appropriate.

“**Affiliate Member of Interbolsa**” means any authorised financial intermediary entitled to hold control accounts with Interbolsa on behalf of its customers and includes any depository banks appointed by Euroclear and Clearstream, Luxembourg for the purpose of holding accounts on behalf of Euroclear and Clearstream, Luxembourg.

“**Agency and Payments Procedures**” means the set of agency and payments procedures (such agency and payments procedures as amended and/or supplemented and/or restated from time to time) dated 23 November 2006 and made and agreed by Caixa Geral de Depósitos, S.A. (acting in its capacity as Agent, which expression shall include any successor) and by any subsequent agent, paying agent, transfer agent, agent bank and/or registrar appointed by the Issuer.

“**Agent**” means Caixa Geral de Depósitos, S.A., with its head office at Av. João XXI, no. 63, 1000-300 Lisboa, or any successor Agent(s), in each case together with any additional Agent(s), appointed from time to time by the Issuer in connection with the Covered Bonds and under the Agency and Payment Procedures.

“**Alternative Reference Rate**” means the rate that the Independent Adviser or, as the case may be, the Issuer determines is customary in market usage in the international debt capital markets for the purposes of determining floating rates of interest (or the relevant component part thereof) in respect of bonds denominated in the same Specified Currency as the Covered Bonds and with an interest period of a comparable duration to the relevant Interest Period.

“**Arranger**” means Barclays Bank Ireland PLC and any other entity appointed as an arranger for the Programme and references in this Agreement to the Arranger shall be references to the relevant Arranger.

“**Auditor**” means Ernst & Young Audit & Associados, SROC, S.A., member of the Portuguese Institute of Statutory Auditors (*Ordem dos Revisores Oficiais de Contas*) with registration number 178, registered with the CMVM with registration number 20161480, with registered office at Avenida da República, no. 90, 6, 1600-206, Lisboa.

“**Base Prospectus**” means this base prospectus dated 28 November 2023, as supplemented, prepared in connection with the Programme.

“**Benchmark Event**” means:

1) the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist or to be administered; or

2) a public statement by the administrator of the Original Reference Rate that it will, by a specified date within the following six months, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or

3) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued; or

4) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either

generally, or in respect of the Covered Bonds, in each case within the following six months; or

5) it has or will, by a specified date within the following six months, become unlawful for the Paying Agent, Calculation Agent, the Issuer or other party to calculate any payments due to be made to any holder of Covered Bonds using the Original Reference Rate.

"**Business Day**" means a day which is both: (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and Lisbon and any Additional Business Centre(s) specified in the applicable Final Terms; and (ii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than London and Lisbon and any Additional Business Centre(s)) or (2) in relation to any sum payable in euro, a day on which the T2 System is open.

"**Calculation Agent**" means the Agent or such other person specified in the relevant Final Terms as the party responsible for calculating the rate(s) of interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Final Terms.

"**CBD**" means Directive (EU) 2019/2162 of the European Parliament and of the Council of 27 November 2019 on the issue of covered bonds and covered bond public supervision and amending Directives 2009/65/EC and 2014/59/EU.

"**CVM**" means the Portuguese Centralised System of Registration of Securities.

"**CGD**" means Caixa Geral de Depósitos, S.A..

"**CGD Group**" means CGD and its subsidiaries taken as a whole.

"**Clearstream, Luxembourg**" means Clearstream Banking S.A..

"**CMVM**" means the Comissão do Mercado de Valores Mobiliários, the *Portuguese Securities Market Commission*.

"**CMVM Regulation**" means CMVM's Regulation no. 2/2023 regarding covered bonds.

"**Co-Arranger**" means Caixa – Banco de Investimento, S.A. and, together with the Arranger, the "**Arrangers**".

"**Common Representative**" means Deutsche Trustee Company Limited, in its capacity as representative of the holders of the Covered Bonds pursuant to Article 28 of the Legal Regime of Covered Bonds in accordance with the Terms and Conditions and the terms of the Common Representative Appointment Agreement, having its registered office at Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom.

"**Common Representative Appointment Agreement**" means the agreement dated 23 November 2006 entered into between the Issuer and the Common Representative and which sets out the terms and conditions upon and subject to which the Common Representative has agreed to act as Common Representative, as amended and restated on 28 November 2023, and as may be further amended and restated.

"**Condition**" means a reference to a particular numbered condition set out in the "Terms and Conditions".

"**Cover Pool**" means the pool of assets maintained by the Issuer and allocated to the issue of Covered Bonds under the Programme, held to the benefit of the holders of Covered Bonds and the Other Preferred Creditors, and which comprises the Primary Assets, the Substitution Assets and Liquidity Assets, as specified in the Register.

"**Cover Pool Monitor**" means PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda., member of the Portuguese Institute of Statutory Auditors (*Ordem dos Revisores Oficiais de Contas*) under the number 183, registered with the CMVM with registration number 20161485, with its registered office at Palácio SottoMayor, Rua Sousa Martins, no. 1, 3rd, 1069-316 Lisbon, Portugal.

"**Cover Pool Monitor Agreement**" means the agreement dated 28 November 2023 entered into by and between the Issuer and the Cover Pool Monitor, as amended and restated.

"**Covered Bond**" means any covered bond issued by the Issuer and subject to the Legal Regime of Covered Bonds in the form specified in the applicable Final Terms and "**Covered Bonds**" shall be construed accordingly.

"**Covered Bonds Law**" means the Portuguese legal framework applicable to the issuance of covered bonds, enacted by Decree-Law no. 59/2006, of 20 March, as amended from time to time, which has been revoked by Decree-Law no. 31/2022, of 6 May.

"**CRA Regulation**" means Regulation (EC) no. 1060/2009, of the European Parliament and of the Council, of 16 September, as amended from time to time.

"**CRD IV**" means Directive 2013/36/EU of the European Parliament and of the Council of 26 June, on access to the activity of credit institutions and the prudential supervision of credit institutions and investments firms, as amended from time to time.

"**CRR**" means Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and amending Regulation (EU) No. 648/2012, as amended, including by Regulation (EU) 2019/2160 of the European Parliament and of the Council of 27 November 2019 amending Regulation (EU) No. 575/2013 as regards exposures in the form of covered bonds.

"**CSD**" means a central securities depository.

"**Current Property Value**" means, in relation to a Property securing a Mortgage Credit, the updated Property Valuation of such Property.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest for any Interest Period:

(i) if "**Actual/Actual (ICMA)** is specified in the applicable Final Terms, the actual number of days in the

Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

(ii) if "**Actual/Actual (ISDA)**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (I) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (II) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

(iii) if "**Actual/365 (Fixed**)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;

(iv) if "**Actual/365 (Sterling**)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

(v) if "**Actual/360**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;

(vi) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360 calculated on a formula basis as follows:

$$\frac{[360 \text{ x } (Y_2 - Y_1)] + [30 \text{ x } (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Day Count Fraction =

where:

"Y1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D1" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D2 will be 30; and

(vii) if "**30E/360**" or "**Eurobond Basis**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D1" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30.

(viii) if "**30E/360 (ISDA)**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D1" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30.

"**DBRS**" means DBRS Ratings GmbH, which is established in the EEA and registered under the CRA Regulation and is, as of the date of this Base Prospectus, included in the list of credit rating agencies published by the ESMA on its website in accordance with the CRA Regulation, or any of its affiliates or successor.

"**Dealers**" means Barclays Bank Ireland PLC, BNP Paribas, BofA Securities Europe SA, Caixa–Banco de Investimento, S.A., Citigroup Global Markets Europe AG, Commerzbank Aktiengesellschaft, Crédit Agricole Corporate and Investment Bank, Deutsche Bank Aktiengesellschaft, HSBC Continental Europe, S.A., ING Bank, N.V., J.P. Morgan SE, Mediobanca – Banca di Credito Finanziario S.p.A., Morgan Stanley Europe SE, Natixis, NatWest Markets N.V., Nomura Financial Products Europe GmbH, Société Générale, UBS Europe SE and UniCredit Bank AG, and any other Dealer(s) appointed from time to time by the Issuer in accordance with the Programme Agreement.

"**Determination Period**" means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date).

"**Distribution Compliance Period**" means, in respect of Covered Bonds held through Euroclear and Clearstream, Luxembourg, the period that ends 40 days after the completion of the distribution of each Tranche of Covered Bonds, as certified by the relevant Dealer (in the case of a non-syndicated issue) or the relevant Lead Manager (in the case of a syndicated issue'.

"**EBA**" means the European Banking Authority.

"**EC**" means the European Commission.

"**ECB**" means the European Central Bank.

"**EEA**" means the European Economic Area.

"**ESMA**" means the European Securities and Markets Authority.

"**EU**" means the European Union.

"**Euro**", "**€**" or "**euro**" means the lawful currency of Member States of the EU that adopt the single currency introduced at the start of the third stage of European economic and monetary union, and as defined in Council Regulation (EC) no. 974/98, of 3 May, on the introduction of the euro, as amended from time to time.

"**Euroclear**" means Euroclear Bank S.A./N.V..

"**Euronext**" means Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A..

"**Euronext Lisbon**" means the regulated market managed by Euronext.

"**Eurosystem**" means the central banking system for the euro.

"**Extended Maturity Date**" means the date so specified in the applicable Final Terms, extending the maturity of the relevant Series of Covered Bonds if the conditions foreseen in Condition 6.7 (*Extension of Maturity up to Extended Maturity Date*) are met.

"**Extension Cessation Date**" has the meaning given in Condition 6.6(F) of the Terms and Conditions.

"**Extension Legal Requirements**" means the legal requirements applicable to an extension of maturity of covered bonds, as foreseen in article 21(1) and (2) of the Legal Regime of Covered Bonds.

"**Final Terms**" means the final terms issued in relation to each Tranche of Covered Bonds and giving details of that Tranche of Covered Bonds and, in relation to any particular Tranche of Covered Bonds, applicable Final Terms means the Final Terms applicable to that Tranche of Covered Bonds.

"**Fitch**" means Fitch Ratings Ireland Limited, which is established in the EEA and registered under the CRA Regulation and is, as of the date of this Base Prospectus, included in the list of credit rating agencies published by the ESMA on its website in accordance with the CRA Regulation, or any of its affiliates or successor.

"**Fixed Interest Period**" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

"**GBP**", "**£**"or "**pounds sterling**" means pounds sterling, the lawful currency of the United Kingdom.

"**GDP**" means gross domestic product.

"**Hedge Counterparties**" means the party or parties that, from time to time, will enter into Hedging Contracts with the Issuer in accordance with the Legal Regime of Covered Bonds (and the relevant terms of Article 129 of the CRR).

"**Hedging Contracts**" means the hedging contracts entered into by the Issuer in accordance with the Legal Regime of Covered Bonds for the purpose of hedging risks in relation to the Cover Pool.

"**Independent Adviser**" means an independent financial institution of international repute or an independent financial adviser with appropriate expertise in the international capital markets, in each case selected and appointed by the Issuer.

"**Insolvency Event**" means the winding-up and dissolution of the Issuer under any applicable laws and regulations (including under Decree-Law no. 199/2006, of 25 October, Decree-Law no. 298/92, of 31 December and/or (if applicable) under the Code for the Insolvency and Recovery of Companies introduced by Decree-Law no. 53/2004, of 18 March.

"**Interbolsa**" means Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A. as management entity of the CVM.

"**Interest Amount**" means, as applicable, the amount of interest payable on the Floating Rate Covered Bonds in respect of each Specified Denomination, calculated by the Calculation Agent pursuant to Condition 4 (*Interest*).

"**ISDA**" means the International Swaps and Derivatives Association Inc.

"**Issue Date**" means the date so specified in the applicable Final Terms being, in respect of any Covered Bond, the date of issue and purchase of such Covered Bond pursuant to and in accordance with the Programme Agreement or any other agreement between the Issuer and the relevant Dealer(s).

"**Issuer**" means Caixa Geral de Depósitos, S.A..

"**Legal Regime of Covered Bonds**" means the Portuguese legal regime applicable to the issuance of covered bonds, annexed to Decree-Law 31/2022, of 6 May (transposing Directive (EU) 2019/2162 of the European Parliament and of the Council of 27 November 2019 on the issue of covered bonds and covered bond public supervision and amending Directives 2009/65/EC and 2014/59/EU), as amended from time to time.

"**Liquidity Assets**" means the assets which may compose the Liquidity Buffer in accordance with the Legal Regime of Covered Bonds, as described below:

(a) Assets qualifying as level 1, level 2A or level 2B assets pursuant to the applicable delegated regulation adopted pursuant to article 460 of the CRR, that are valued in accordance with such regulation, and are not issued by the issuing credit institution itself, its parent undertaking, unless it is a public sector entity that is not a credit institution, its subsidiary or another subsidiary of its parent undertaking or by a securitisation special purpose entity with which the credit institution has close links; and

(b) Short-term exposures to credit institutions that qualify for credit quality step 1 or 2 (as defined in the CRR), or claims, including deposits, that are short-term to credit institutions that qualify for credit quality step 1, 2 or 3 (as defined in the CRR), in accordance with article 129(1)(c) of the CRR, provided that any such assets comply with any applicable requirements under sub-paragraph (b) of paragraph (A) (Eligible Assets) of Condition 14.3 (Issuer Covenants), subject to Condition 14(1)(iii).

For the avoidance of doubt, and provided that the requirements under b) above are met, the assets under b) above can include short term deposits held with the Bank of Portugal or the Issuer, segregated and allocated to the Cover Pool as part of the Liquidity Assets.

"**Liquidity Buffer**" means the liquidity buffer included in the Cover Pool in accordance with article 19 of the Legal Regime of Covered Bonds and Condition 14.2 (*Liquidity Buffer*).

"**Margin**" means the margin specified as such in the relevant Final Terms.

"**Maturity Date**" means the maturity date of a Series of Covered Bonds, as specified in the applicable Final Terms.

"**Moody's**" means Moody's Investors Service Ltd., or any other affiliate or successor as specified in the relevant Final Terms.

"**Mortgage**" means, in respect of any Mortgage Credit, the charge by way of legal mortgage over the relevant Property (together with all other encumbrances or guarantees) the benefit of which is vested in the Issuer as security for the repayment of that Mortgage Credit.

"**Mortgage Credit**" means a pecuniary loan receivable granted by the Issuer secured by a Mortgage which is registered as being comprised in the Cover Pool for the amount and with the characteristics required to be met pursuant to the Legal Regime of Covered Bonds, provided that it complies with any applicable requirements under paragraph (A) (Eligible Assets) of Condition 14.3 (Issuer Covenants).

“**Net Liquidity Outflows**” means all payment outflows falling due on one day, including principal (if applicable, as it will only be considered due for this purposes on the relevant Extended Maturity Date in accordance with Condition 14.2 (*Liquidity Buffer*)) and interest payments under the Covered Bonds and payments under the Hedging Contracts, net of all payment inflows falling due on the same day for assets in the Cover Pool.

“**Non-Performing Mortgage Credits**” means, with respect to a Mortgage Credit, that such Mortgage Credit:

(a) is in the course of being foreclosed or otherwise enforced; or

(b) has one or more payments of principal or interest past due more than 90 days.

“**Original Reference Rate**” means the benchmark or screen rate (as applicable) originally specified for the purpose of determining the rate of interest (or any component part thereof), as applicable, on the Covered Bonds in respect of any Interest Period(s).

“**Other Preferred Creditors**” means the Hedge Counterparties.

“**Overcollateralisation Percentage**” has the meaning given to it in Condition 14.1 (*Overcollateralisation*) of the Terms and Conditions.

“**Paying Agent**” means Caixa Geral de Depósitos, S.A., with head office at Av. João XXI, no. 63, 1000-300 Lisboa or any successor or additional paying agent appointed from time to time in connection with the Covered Bonds under the Agency and Payments Procedures.

“**Paying Agents**” means the paying agents named in the Agency and Payments Procedures together with any successor or additional paying agents appointed from time to time in connection with the Covered Bonds under the Agency and Payments Procedures.

“**Portuguese Companies Code**” means the commercial companies code approved by Decree-Law no. 262/86, of 2 September, as amended from time to time.

“**Portuguese Resolution Fund**” means the Portuguese resolution fund, as created by Decree-Law no. 31-A/2012, of 10 February.

“**Portuguese Securities Code**” means the securities code approved by Decree-Law no. 486/99, of 13 November 1999, as amended from time to time.

“**Principal Amount Outstanding**” means in respect of a Covered Bond the principal amount of that Covered Bond on the relevant Issue Date thereof less principal amounts received by the relevant holder of Covered Bonds in respect thereof.

“**Primary Assets**” means the dominant cover assets that determine the nature of a cover pool of covered bonds, under the Legal Regime of Covered Bonds. In particular in respect of the Cover Pool, the Primary Assets are Mortgage Credits, corresponding to the type of assets foreseen in article 129(1), paragraphs (d) and (f) of the CRR.

"**Programme**" means the €15,000,000,000 covered bonds programme established for the issuance of Covered Bonds by the Issuer in accordance with the Covered Bonds Law for the issuance of Covered Bonds by the Issuer and as converted on 28 November 2023 for the issuance of "European Covered Bond (Premium)" in compliance with the Legal Regime of Covered Bonds, and as updated from time to time.

"**Programme Agreement**" means the agreement entered into between the Issuer and the Dealers on 23 November 2006, as amended from time to time.

"**Programme Documents**" means the Base Prospectus, the Programme Agreement, the Agency and Payments Procedures, the Common Representative Appointment Agreement, the Cover Pool Monitor Agreement and any other agreement or document entered into from time to time by the Issuer pursuant thereto and in relation to the Programme.

"**Programme Resolution**" means any Resolution directing the Common Representative to accelerate the Covered Bonds pursuant to Condition 9 (*Insolvency Event and Enforcement*) or directing the Common Representative to take any enforcement action.

"**Property**" means, in relation to any Mortgage Credit, the property upon which the repayment of such Mortgage Credit is secured by the corresponding Mortgage and "**Properties**" means all of them.

"**Property Valuation**" means, in relation to any Property the amount determined as such Property's market value (which means, in accordance with point (76) of article 4(1) of the CRR, the estimated amount for which the Property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion), in accordance with the most recent independent valuation of such Property, at the time or after the relevant Mortgage Credit was originated, in accordance with the Legal Regime of Covered Bonds and article 208 of the CRR, provided that, in accordance with the foregoing, the Issuer may use statistical methods to monitor the value of the Property and identify if it needs revaluation.

"**Prospectus Delegated Regulations**" means Commission Delegated Regulation (EU) no. 2019/980 of 14 March 2019, supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004, as amended, together with Commission Delegated Regulation (EU) 2019/979 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus, and the notification portal, and repealing Commission Delegated Regulation (EU) No 382/2014 and Commission Delegated Regulation (EU) 2016/301.

"**Prospectus Regulation**" means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended.

"**Rating**" means the then current rating of rated Covered Bonds given by the relevant Rating Agency and "**Ratings**" means all of such Ratings.

"**Reference Banks**" means those banks whose offered rates were used to determine a quotation when such quotation last appeared on the Relevant Screen Page or, if applicable, those banks whose offered quotations last appeared on the Relevant Screen Page when no fewer than three such offered quotations appeared.

"**Reference Price**" means the reference price appearing in the relevant Final Terms.

"**Rating Agencies**" means Moody's, Fitch and DBRS, which are registered with the European Securities and Markets Authority under the CRA Regulation.

"**Register**" means the register of the Cover Pool and associated collateral maintained by the Issuer in accordance with the Legal Regime of Covered Bonds and CMVM Regulation.

"**Regulation S**" means the United States Regulation S under the Securities Act.

"**Relevant Date**" means the date on which a payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Agent, on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the holders of Covered Bonds in accordance with Condition 11 (*Notices*).

"**Relevant Nominating Body**" means, in respect of an Original Reference Rate:

(a) the central bank for the currency to which the Original Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Original Reference Rate; or

(b) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (A) the central bank for the currency to which the Original Reference Rate relates, (B) any central bank or other supervisory authority which is responsible for supervising the administrator of the Original Reference Rate, (C) a group of the aforementioned central banks or other supervisory authorities or (D) the Financial Stability Board or any part thereof.

"**Relevant Screen Page**" has the meaning ascribed to it in the Final Terms.

"**Reserved Matter**" means any proposal: (i) to change any date fixed for payment of principal or interest in respect of the Covered Bonds of all or of a given Series, (ii) to reduce the amount of principal or interest due on any date in respect of the Covered Bonds of all or of a given Series or to alter the method of calculating the amount of any payment in respect of the Covered Bonds of all or of a given Series on redemption or maturity; (iii) to effect the exchange, conversion or substitution of the Covered Bonds of all or of a given Series into shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed; (iv) to change the currency in which amounts due in respect of the Covered Bonds of all or of a given Series are payable; (v) to alter the priority of payment of interest or principal in respect of the Covered Bonds of all or of a given Series; (vi) to amend this definition; or (vii) any other matter required by law to be approved by the majorities set out in Condition 12(C)(ii) of the Terms and Conditions.

"**Resolution**" means a resolution adopted at a duly convened meeting of holders of Covered Bonds and approved in accordance with the applicable provisions.

"**RGICSF**" means the General Regime for Credit Institutions and Financial Companies, as enacted by Decree-Law no. 298/92, of 31 December, as amended.

"**Securities Act**" means the United States Securities Act of 1933, as amended from time to time.

"**Series**" means a Tranche of Covered Bonds together with any further Tranche or Tranches of Covered Bonds which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates, interest rates and/or Issue Prices.

"Single Resolution Board" means resolution authority within the Banking Union established by the SRM Regulation.

"Single Resolution Mechanism" means the central institution for bank resolution in the EU, which is the second pillar of the banking union and which applies to banks covered by the Single Supervisory Mechanism.

"SRM Regulation" means Regulation (EU) no. 806/2014, of 15 July 2014 of the European Parliament and of the Council of 15 July 2014, establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of the Single Resolution Mechanism and the Single Resolution Fund and amending Regulation (EU) no. 1093/2010, as amended or replaced from time to time (including by SRM Regulation II).

"**SRM Regulation II**" means Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No. 806/2014 as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms.

"**SRF**" or "**Single Resolution Fund**" means the single resolution fund, established in accordance with SRM Regulation.

"**Stabilisation Manager**" means the Dealer or Dealers (if any) named as the stabilisation manager(s) for a particular Tranche of Covered Bonds.

"**Stock Exchange**" means Euronext Lisbon or any other stock exchange where Covered Bonds may be listed as per the relevant Final Terms and references herein to the **relevant Stock Exchange** shall, in relation to any Covered Bonds, be references to the stock exchange or stock exchanges on which such Covered Bonds are from time to time, or are intended to be, listed.

"**Substitution Assets**" means the cover assets that contribute to the coverage requirements in relation to covered bonds other than Primary Assets, under the Legal Regime of Covered Bonds, provided that they comply with the relevant requirements foreseen in article 129 of the CRR.

"**sub-unit**" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent.

"**Successor Rate**" means the rate that the Independent Adviser or, as the case may be, the Issuer determines is a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

"**T2 Day**" means any day on which the T2 System is open.

"**T2 System**" means the new Trans-European Automated Real-time Gross Settlement Express Transfer Payment System which utilises a single shared platform and which was launched on 20 March 2023 (which has replaced the previous settlement payment system, TARGET 2) or any successor or replacement for that system.

"**Tax**" shall be construed so as to include any present or future tax, levy, impost, duty, charge, fee, deduction or withholding of any nature whatsoever (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) imposed or levied by or on behalf of any Tax Authority and "Taxes", "taxation", "taxable" and comparable expressions shall be construed accordingly.

"**Tax Authority**" means any government, state, municipal, local, federal or other fiscal, revenue, customs or excise authority, body or official anywhere in the world exercising a fiscal, revenue, customs or excise function including the Irish Revenue Commissioners and H.M. Revenue and Customs and the Portuguese Tax Authorities.

"**Tax Deduction**" means any deduction or withholding on account of Tax.

"**Terms and Conditions**" means in relation to the Covered Bonds, the terms and conditions applicable to the Covered Bonds and any reference to a particular numbered Condition shall be construed in relation to the Covered Bonds accordingly.

"**Tranche**" means Covered Bonds which are identical in all respects (including as to listing).

"**Treaty**" means the treaty on the Functioning of the European Union, as amended from time to time.

"**U.S.**", "**USA**" or "**United States**" means the United States of America.

"**US Securities Act**" means the United States Securities Act of 1933, as amended from time to time.

"**U.S.$**", "**USD**" or "**U.S. dollars**" means United States dollars, the lawful currency of the United States of America.

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