



**REMUNERATION POLICY FOR MEMBERS OF THE MANAGEMENT AND
SUPERVISORY BODIES OF BANCO INTERATLÂNTICO, S.A.**



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SECTION I. INTRODUCTORY PROVISIONS

1. SUBJECT MATTER

This Remuneration Policy for the Members of the Management and Supervisory Bodies of Banco Interatlântico ('**Remuneration Policy**') establishes the principles, rules and procedures aimed at setting and implementing the criteria, periodicity and people responsible for assessing the performance of the members of the management and supervisory bodies of Banco Interatlântico ('**BI**'), as indicated in Item 4.1, for remuneration purposes, as well as the respective form, structure and terms of payment.

2. VALIDITY

2.1. This Remuneration Policy replaces the one in force up to the date of its approval and shall remain in force for an indefinite period, without prejudice to its updating and review whenever it becomes necessary and during the annual assessment to be carried out under the terms of Point 8.

2.2. The update and review of the Remuneration Policy shall apply only to remuneration stipulated after its approval.

3. DEFINITIONS

For the purpose of this Remuneration Policy, the following expressions have the meaning set out hereinafter:

- a) **Executive Directors:** has the meaning set out in Item 4.1.(a);
- b) **Non-executive Directors:** has the meaning set out in Item 4.1.(b);
- c) **Remuneration:** all forms of fixed or variable remuneration, including payments and benefits in cash or in kind, directly awarded to the Members of the Management and Supervisory Bodies of BI, in consideration for the professional services rendered;
- d) **Fixed remuneration:** remuneration regarding which the awarding conditions and the amount result from an imperative standard or are based on predetermined criteria, transparent as regards the individual amount attributed; they are established for the term of office and cannot be unilaterally modified during the exercise of functions, do not constitute incentives to take risks and are not dependent on performance;
- e) **Variable remuneration:** all and any other forms of remuneration that are neither fixed remuneration nor guaranteed in advance; it constitutes a remuneration based on the sustained performance of BI within the established risk appetite framework;
- f) **Awarding Condition:**
 - i. At Entity level - compliance with the values outlined in BI's RAS, for the capital (Total Capital Ratio outlined by BCV) and liquidity (LCR) indicators;
 - ii. At Individual level - existence of a positive performance assessment; minimum of 6 months of effective work in the year under analysis.

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g) Non-Reduction Condition:

- i. At Entity level - compliance with the variation limits established in item 16.1(a), for capital indicators (Total Capital Ratio outlined by BCV) and liquidity indicator (LCR) above the upper threshold established in BI's RAS for the respective tolerance zone; absence of indicators that corroborate the observation of a subsequent significant drop in BI's financial performance; absence of significant increases, not resulting from the pursuit of activity within the approved risk appetite framework, in BI's economic or regulatory capital requirements.
- ii. At individual level: non-participation or responsibility for an action that resulted in significant losses for BI; no evidence of misconduct or serious error by the Director; no data to support a finding that BI suffered a significant risk management failure; no regulatory sanctions to which the conduct of the identified Director contributed; no loss of suitability (including reputability) to perform their functions.

h) Non-Reversal Condition: the criteria present in the Non-Reduction Condition apply.

i) Date of Awarding: the date when the total amount of the variable component of performance-based remuneration is awarded to the Executive Directors, as determined by the General Meeting upon proposal from BI's (*)Appointment, Assessment and Remuneration Committee (BI's AARC).

j) CGD Group: CGD and the entities included in CGD's scope of consolidation domiciled in Portugal or abroad, which are supervised by Central Banks or Securities and Exchange Commissions, and also Pension Fund Management Companies;

k) Reduction Mechanism: scheme through which the total or partial amount of variable remuneration which has been deferred may be reduced, on the basis of *ex post* risk-related adjustments and whose payment is not yet a vested right. This reduction applies only to the portion of variable remuneration for the period in question.

l) Reversal Mechanism: scheme through which the institution reverses the amount of variable component of remuneration in kind whose payment is already a vested right.

m) Deferral Period: means the period, counting from the Date of Awarding, over which a portion of the variable remuneration component in cash and of the variable remuneration component in kind are vested in equal proportions on each anniversary of the Date of Awarding as set out in items 14.4. and 14.7., provided that, regarding each portion, the Non-Reduction Condition is met by reference to the relevant year;

n) Retention Period: means the period of 1 year from each anniversary of the Date of Awarding, during which instruments acquired as variable remuneration on such anniversary date are retained by BI and may not be sold or accessed;

o) Remuneration Policy: has the meaning set out in Item 1.

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SECTION II. SCOPE OF APPLICATION

4. SUBJECTIVE SCOPE

4.1. The Remuneration Policy is applicable to the following members of BI's governing bodies:

- a) All executive members of BI's Board of Directors, with those who are part of the Executive Committee ('Executive Directors') being considered as such;
- b) All non-executive members of BI's Board of Directors ('Non-Executive Directors'); and
- c) All members of BI's Supervisory Board.

4.2 The Remuneration Policy for the remaining BI Employees is outlined by its Board of Directors, adopting CGD Group's corporate standards on this matter with the modifications arising from local standards, requirements and adaptations of mandatory nature applicable to BI.

5. OBJECTIVE SCOPE

The Remuneration Policy is applicable to fixed and variable remuneration components.

SECTION III. POLICY OUTLINING AND MONITORING

6. COMPETENCE

6.1. The General Meeting is responsible for outlining BI's Remuneration Policy.

6.2. BI's AARC is responsible for submitting to the General Meeting a proposal on the Remuneration Policy for Members of the Management and Supervisory Bodies of BI and any future amendments, taking into consideration the proposals addressed to it by CGD's AARC, guidelines from the regulatory authorities and the best corporate governance practices applicable to financial institutions.

6.3. BI's human resources function, in coordination with CGD's human resources function, is responsible for implementing the remuneration structure and scheme set out in the policy. The human resources function is also responsible for supervising the enforcement of this Policy at BI, and this process shall be coordinated with CGD's human resources function, which ensures consistency in the adoption of the policy at corporate level.

6.4. BI's compliance function is responsible for assessing the compliance of the Remuneration Policy with BI's legislation, regulations, internal policies and compliance risk culture, reporting all compliance risks and non-compliance issues that are identified to BI's AARC, for the purpose of their consideration, during the Remuneration Policy review and supervision processes.

6.5. BI's risk management function, in coordination with CGD's risk management function, is responsible for assessing compliance of the Remuneration Policy with BI's and CGD Group's risk profile and culture reporting the results to BI's AARC. In addition, the risk management function is responsible for helping to inform the outlining of appropriate risk-adjusted performance measures (including *ex post* adjustments), and for participating in the assessment of how the variable remuneration structure affects BI's risk profile and culture. The risk management function is invited to participate in BI's AARC meetings on this matter.

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6.6. BI's internal audit function, in coordination with CGD's internal audit function, is responsible for conducting an independent review of the implementation of the Remuneration Policy, as well as of the concept, application and effects of the Remuneration Policy on risk appetite, and on how these effects are managed. The conclusions of the audit function are reported to BI's AARC to be taken into consideration during the Remuneration Policy review and supervision process.

7. POLICY PURPOSES AND REQUIREMENTS

The Remuneration Policy takes into consideration, namely, the following purposes and requirements:

- a)** Ensuring compliance with applicable legal and regulatory provisions, national and international principles and standards governing BI's and CGD's activity, considering the existing Group relationship;
- b)** Promoting and being consistent with a sound and prudent risk management by BI;
- c)** Not encouraging risk-taking at levels higher than the level of risk tolerated by BI and the CGD Group (risk appetite);
- d)** Being compatible with the long-term strategy, purposes, values and interests of BI and of the CGD Group, as established by their corporate bodies with such competence;
- e)** Avoiding situations of conflicts of interest;
- f)** Structuring remuneration mechanisms that take into account and are appropriate and proportionate to the nature, characteristics, size, organisation and complexity of BI's activities;
- g)** Promoting the pursuit of the activity in compliance with the risk appetite outlined for BI [Risk Appetite Statement (RAS)];
- h)** Promoting BI's competitiveness taking into account the remuneration policies and practices of comparable institutions;
- i)** Being attractive, allowing the recruitment and retention of differentiated and scarce talent.

8. POLICY UPDATE AND REVIEW

8.1. BI's Remuneration Policy shall be updated and reviewed, within the corporate guidelines on this matter, annually and whenever deemed appropriate or necessary, in order to ensure, at all times, compliance with the objectives and requirements set out in the previous item.

8.2. For the purpose of the foregoing, BI's AARC shall:

- a)** Promote an annual analysis and assessment of the application of the Remuneration Policy;
- b)** Identify any effects arising from the application of the Remuneration Policy in BI's risk management, including BI's capital and liquidity that recommend a review thereof;
- c)** Identify updates, reviews and other adjustment measures deemed appropriate;

8.3. The relevant human resources, risk management, internal audit and compliance internal functions participate in the review of the Remuneration Policy to ensure alignment with BI's risk management framework and strategy and to assess compliance of policies with legislation.

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- 8.4.** BI's human resources function is responsible for supporting BI's AARC in the annual analysis of the Remuneration Policy, verifying its implementation, providing reports on the conclusion of the annual performance assessment process, with the guarantee of alignment with good management practices.
- 8.5.** BI's compliance function is responsible for supporting BI's AARC in the annual analysis of the Remuneration Policy, verifying compliance with legislation, regulations, internal policies and the institution's compliance risk culture by issuing an opinion.
- 8.6.** BI's risk management function is responsible for supporting BI's AARC in the annual review of the Remuneration Policy, verifying the alignment between the Policies and BI's risk profile and the mechanisms to adjust the remuneration structure to BI's risk and governance profile, by issuing an opinion.
- 8.7.** Compliance with the Remuneration Policy, procedures and internal rules is verified by the internal audit function and the conclusions are reported to BI's AARC through a formal and documented opinion. As part of the independent review, the internal audit function assesses the concept, application and effect of the Policy on BI's risk profile, as well as how these effects are managed, by checking the following criteria:
- a)** Compliance with the RAS limits outlined for BI;
 - b)** Compliance with national and international regulations, principles and standards; and
 - c)** Verification that the institution's ability to maintain or restore a solid capital base in accordance with the law, regulations, guidelines and other standards applicable to BI in this regard, namely through its group relationship with CGD, is not limited.
- 8.8.** The results of internal reviews, referred to in the items above, and the measures adopted to correct any deficiencies are documented through written reports or minutes of the meetings and made available to BI's AARC which, after their assessment, shall submit them to BI's General Meeting with the recommendations it deems appropriate to correct any deficiencies detected.
- 8.9.** Control functions have autonomy, freedom and independence in the performance of their duties and, to that end and as part of the Remuneration Policy, shall have access to the information necessary for the exercise of their competences.

SECTION IV. EXECUTIVE DIRECTORS

9. FIXED REMUNERATION

- 9.1.** The fixed component of the remuneration of Executive Directors and the terms of payment thereof shall be determined by resolution of the General Meeting on a proposal by BI's AARC.
- 9.2.** The fixed component of the remuneration of executive members of the Board of Directors is established at the beginning of the term of office, in accordance with the purposes and requirements set out in item 7, according to the skills required and the responsibilities inherent to the positions to be held and the time spent in office, taking into account, in particular, the remuneration practice of comparable institutions.

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10. VARIABLE REMUNERATION

- 10.1. In addition to fixed remuneration, BI's Executive Directors may receive a non-guaranteed variable remuneration, if such a decision is taken by the General Meeting on a proposal by BI's AARC, depending on BI's results.
- 10.2. Should a variable remuneration be awarded to the Executive Directors, it must comply with legal and regulatory provisions, as well as with the guidelines and recommendations of the supervisors and of national and international bodies, and it must also take into account the best practices in force on this matter in the national and international financial sector.
- 10.3. The variable component of remuneration must not limit BI's capacity to strengthen its capital base, promoting the pursuit of its activity in compliance with the risk appetite outlined for BI (RAS - Risk Appetite Statement).
- 10.4. Should a variable remuneration be awarded to the Executive Directors, its amount may not exceed the fixed annual remuneration, so as to ensure that the fixed component represents a sufficiently high proportion of total remuneration, permitting the implementation of a fully flexible Policy regarding the variable component, including the possibility of its non-payment.
- 10.5. Payment of the variable component of remuneration depends on strict verification of compliance with the criteria set forth for that purpose, which shall be determined as part of the annual performance assessment process.

11. AWARDING OF VARIABLE REMUNERATION

11.1. Decision-Making Process for the Awarding of Variable Remuneration

- 11.1.1. The risk management function verifies compliance with the Awarding Condition (*ex ante* risk-related adjustment), at BI level formalising its conclusions in an opinion.
- 11.1.2. BI's AARC* is responsible for verifying compliance with the Awarding Condition at individual level, based on the information provided by the human resources function, as well as proposing to Shareholder(s) the awarding of variable remuneration, based on the information and opinion referred to in the previous item.
- 11.1.3. The awarding of the variable remuneration component depends on compliance with the 'Awarding Condition' set forth in item 3.(f), and no variable remuneration will be awarded if any of the capital (Total Capital Ratio set forth by BCV) and liquidity (LCR) indicators present in the RAS are not complied with in the year under analysis.
- 11.1.4. Guaranteed variable remuneration constitutes an exception, being only in force when new Members of the Management Body are hired and if sustainable in light of the institution's financial situation.
- 11.1.5. In case of awarding of guaranteed variable remuneration when hiring Members of the Management Body, it is only guaranteed during the first year of activity.

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11.2. Determination of the Limit Amount of Variable Remuneration to be Awarded

- 11.2.1. The total amount of the variable remuneration component to be awarded to Executive Directors, depending on BI's performance, shall be determined following a proposal by BI's AARC at the Annual General Meeting or by Unanimous Resolution of the subsequent Shareholder(s), in accordance with the provisions of the Remuneration Policy and in accordance with the remaining rules established by the General Meeting.
- 11.2.2. The total amount of the variable remuneration of the Executive Directors cannot exceed the maximum percentage of consolidated net profits for the year, as set by the General Meeting, and its establishment shall take into account: BI's ability to maintain a solid base of own funds, performance and overall results; the evolution of the overall value set for the variable remuneration of all BI employees; and the best practices of other comparable banks and institutions.
- 11.2.3. In its proposal to be submitted to the General Meeting, BI's AARC shall take into particular consideration the safeguarding of compliance with BI's risk appetite (RAS).

12. RISK-RELATED ADJUSTMENT

12.1. The processes inherent to risk-related adjustment are based on the risk indicators contained in the RAS and take into account the purposes of BI and the CGD Group, as well as the evolution of the surrounding macroeconomic scenario.

12.2. Risk-Related Adjustment Process

Annually, by the end of the second quarter of the year in question, the risk management function carries out the Risk-Related Adjustment Process, in order to assess current and future risks and to adjust the variable remuneration component.

The Risk-Related Adjustment Process focuses on the following sub-processes:

12.2.1. Outlining and Validation of the Balanced Scorecard

The process for outlining and validating the Balanced Scorecard is annual, and BI's risk management function, in coordination with CGD's risk management function, is responsible for performing the following activities:

- a) Determine eligible risk metrics based on the indicators present in the RAS;
- b) Determine the calibration rules for risk metrics.

12.2.2. Awarding of Variable Remuneration (*ex ante* risk-related adjustment)

The risk management function analyses compliance with the Awarding Condition (*ex ante* risk-related adjustment), at BI level.

a) At Entity level:

BI's risk management function, in coordination with CGD's risk management function, analyses compliance with the cost-of-capital indicator (Total Capital Ratio outlined by BCV) and the liquidity indicator (LCR) and ensures that the overall limit of variable remuneration to be awarded to Executive Directors does not limit the Entity's ability to maintain and strengthen its capital

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base, regulatory capital, solvency margin or own funds. This analysis results in the issuance of an opinion, assessed by BI's AARC.

b) At individual level:

BI's AARC analyses compliance with the individual criteria contained in the Awarding Condition, with the support of the human resources function, which provides all necessary information.

12.2.3. Acquisition of Variable Remuneration (*ex post* risk-related adjustment)

After the variable remuneration is awarded, and during the deferral and retention period, compliance with the No Reduction Condition (during the deferral period) and the No Reversal Condition (during the retention period) is analysed annually, under the following terms:

a) At Entity level:

BI's risk management function, in coordination with CGD's risk management function, analyses compliance with the No Reduction Condition and the No Reversal Condition. This analysis results in the issuance of an opinion, assessed by BI's AARC.

b) At individual level:

BI's AARC analyses compliance with the individual criteria contained in the No Reduction Condition and in the No Reversal Condition, with the support of the human resources function, which provides all necessary information.

13. VARIABLE REMUNERATION CALCULATION

13.1. Variable Remuneration Calculation Mechanism

13.1.1. The specific amount of the variable component to be proposed to the Shareholder(s) to award to each Executive Director is determined in the General Meeting on the basis of a proposal of BI's AARC, taking into account the performance assessment, from an individual and collective perspective, of each Executive Director with reference to the financial year and the period of time elapsed since the beginning of the respective term of office.

13.1.2. The variable remuneration of Executive Directors is calculated on an individual basis, capped at 100% of the annual fixed remuneration and taking into account the following factors:

a) The assessment of BI's scorecard, as mentioned in item 12.2.

b) The individual assessment of each Director:

- i.) in terms of skills (namely cross-cutting and specific behavioural skills);
- ii.) and in terms of the individual contribution to the results obtained (qualitative assessment).

BI's AARC, in coordination with CGD's AARC*, is responsible for assigning a weighting to each of these criteria each year.

13.1.3. The assessment referred to in the previous item shall be carried out within a multiannual framework, guaranteeing the alignment between the assessment process and long-term performance and ensuring

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that the payment of the remuneration components dependent on it is spread over a period that takes into account BI's economic cycle and its business risks.

14. COMPOSITION OF THE VARIABLE REMUNERATION COMPONENT

14.1. Should the annual variable remuneration exceed the equivalent of EUR¹ 20,000 or represent more than one third of their total annual remuneration, the variable remuneration component shall be made up of:

- a) A part in cash, corresponding to 50% (fifty per cent) of the total amount of the variable component; and
- b) A part in kind, corresponding to 50% (fifty per cent) of the total amount of the variable component, paid in instruments.

14.2. The part in kind consists of an instrument with the characteristics set out by law, regulations, guidelines and other applicable legislation. The instrument is assessed by reference to the date on which the variable remuneration is awarded or the date of issue, if later.

14.3. The part in kind of the variable remuneration is subject to a retention period of one year after the vesting² date and may not be transferred or encumbered.

14.4. Should the annual variable remuneration exceed the equivalent of EUR³ 20,000 or represent more than one third of their total annual remuneration, the part corresponding to 50% of the variable remuneration (which includes a cash component corresponding to 50% and an in-kind component also of 50%) is subject to a deferral period of 5 years, with the right to payment being attributed on a pro-rata basis, annually, over this period.

14.5. In cases where the amount of the variable remuneration constitutes a particularly high amount, the variable remuneration component shall be subject to the Deferral Period regarding 60% of the respective amount.

14.6. A 'particularly high amount' means total annual remunerations equal to or higher than the amount conveyed annually for this purpose by CGD's human resources function, calculated using the method outlined in CGD Group's Corporate Policy.

14.7. The right over the first deferred portion is acquired only 12 months after the Date of Awarding.

15. REDUCTION AND REVERSAL MECHANISMS

15.1. Reduction mechanism (*malus*) means the scheme through which the institution, within a given period, reduces the total amount of variable remuneration previously awarded and deferred and whose payment

¹ For this purpose, the exchange rate in force on the reference date of the awarding of the variable remuneration shall be considered.

² Date when the Executive Director becomes the legal owner of the variable remuneration awarded, regardless of the instrument used for payment or whether or not the payment is subject to additional retention periods or reversal mechanisms.

³ For this purpose, the exchange rate in force on the reference date of the awarding of the variable remuneration shall be considered.

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has not yet become a vested right. This reduction applies only to the payment of the portion related to the period in question. The reduction applies to the variable components in kind and cash during the deferral period.

The reduction mechanism is applied in the event of non-compliance with any criterion present in the No Reduction Condition.

15.2. Reversal mechanism (*clawback*) means the scheme through which the institution reverses the amount of the variable remuneration component in kind whose payment is already a vested right.

The reversal mechanism is applied in the event of non-compliance with any criterion present in the No Reversal Condition.

15.3. By specialising BI's risk appetite at business unit or Institution level, the risk criteria used when awarding the variable remuneration ensure the connection between the initial Performance Assessment and the *ex post risk-related adjustment*.

Based on the continuous monitoring of BI's risk profile evolution, BI's risk management function is responsible for identifying significant flaws in the risk management of the Institution or of the business units that are under direct responsibility of the Executive Directors. The remaining specific criteria determined by the supervisory and regulatory entities⁴ are considered by the compliance function and by the human resources function, according to the framework in the respective areas of operation.

15.4. The variable remuneration component may be subject to reduction or reversal mechanisms, depending on whether or not the No Reduction and No Reversal Conditions are fully complied with. By proposal of BI's AARC, the Shareholder(s) decide whether or not to apply these mechanisms. BI's risk management and compliance functions issue their corresponding opinion.

15.5. BI's AARC is responsible for confirming to the Shareholder(s) the implementation of the reduction and reversal mechanisms. The significance and severity of the event shall be taken into account for the assessment of compliance with the criteria on which the No Reduction and No Reversal Conditions are based, weighting:

- a) Impact on Customers, Counterparties and market;
- b) Impact on the relationship with other stakeholders, including shareholders, employees, creditors, customers and regulators.
- c) Cost of fines and other regulatory actions;
- d) Financial losses directly or indirectly originated by the event;
- e) Reputation damages.

15.6. Executive Directors may not transfer the risks of a reduction in the variable remuneration to another Entity using risk hedging mechanisms or certain types of insurance aimed at mitigating the effects of alignment with the risk inherent to the types and components that make up their remuneration, nor may they do so

⁴ The criteria are currently set out at EBA/GL/2015/22, item 273 and described in the No Reduction Condition at individual level.

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through the payment of the variable remuneration component by means of instrumental entities or other methods that may constitute a circumvention of strict compliance with the rules in force.

- 15.7.** Executive Directors whose variable remuneration is subject to deferral and payment in kind undertake, by means of a statement, a voluntary commitment that they will not use insurance or personal risk-hedging strategies to mitigate the effects of risk-related adjustment, an obligation that remains after they leave office.
- 15.8.** The human resources function is responsible for collecting the statements referred to in the previous item. The internal audit function is responsible for conducting regular random inspections regarding compliance of the statement regarding internal book entry securities accounts. Random checks include the internal book entry securities accounts of members of the Executive Board.

16. ACQUISITION OF VARIABLE REMUNERATION

16.1. The No Reduction Condition and the No Reversal Condition are considered as met when the following criteria are cumulatively complied with:

- a)** Validation of compliance with capital indicators (Total Capital Ratio outlined by BCV) and liquidity indicators (LCR), which will be outlined by the risk management function.

For this purpose, BI's Total Capital Ratio outlined by BCV is considered. The end of the year which the premium refers to will be considered the assessment benchmark for the Total Capital Ratio, and the right to deferred remuneration is guaranteed should the ratio reduction in percentage points be:

Year	Decrease in Total Capital Ratio outlined by BCV compared to moment 0
1 st year	< 1 p.p.
2 nd year	< 1.5 p.p.
3 rd year	< 2.0 p.p.
4 th year	< 2.5 p.p.
5 th year	< 3 p.p.

In addition, those variations shall respect the following:

- i.** BI's Total Capital Ratio shall be higher than the regulatory minimum;
- ii.** the Total Capital Ratio is in line with the RAS;

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- iii. the variation in relation to the initial benchmark will be corrected from extraordinary events, such as regulatory changes, after confirmation of its non-attributability to the management, by BI's AARC.
- b) Non-participation in or responsibility for a performance that resulted in significant losses for the Entity or the CGD Group;
- c) The non-existence of evidence of misconduct or serious error by the Executive Director;
- d) The non-existence of indicators of a subsequent significant drop in the Entity's financial performance;
- e) The non-existence of data which allow us to conclude that the Entity has suffered a significant failure in terms of risk management;
- f) The absence of significant increases in the Entity's economic or regulatory capital requirements;
- g) The absence of regulatory sanctions to which the conduct of the identified Executive Director contributed;
- h) Should, as a result of the annual suitability reassessment process, the Executive Director be considered suitable to exercise their functions, namely due to the loss of the reputability requirement.

17. COMPETENCES, RIGHTS AND DUTIES OF THE AARC

17.1. As part of the annual assessment process of Executive Directors for the purpose of weighing and determining their variable remuneration component, BI's AARC monitors the evolution of BI's profit and loss throughout the year, assesses its performance and that of its governing bodies, and the criteria to be used in such process shall include the appropriate weighting of the merit, individual performance and contribution to the efficiency of the Executive Directors.

17.2. In order for it to exercise its duties, BI's AARC shall provide it with the following elements:

- a) The elements necessary for the performance of its functions, namely the Business Plan, the Budget and the Quarterly Results, for the assessment purpose.
- b) All other necessary elements to assess the achievement of the established goals.

17.3. BI's AARC shall be allowed to hire the technical and specialist services it deems necessary for the performance of its functions.

SECTION V. NON-EXECUTIVE DIRECTORS

18. STRUCTURE AND VALUE OF THE REMUNERATION OF NON-EXECUTIVE DIRECTORS

18.1. The remuneration of Non-Executive Directors is exclusively composed of a fixed component.

18.2. The remuneration of Non-Executive Directors and the terms of payment thereof shall be determined by resolution of the General Meeting based on a proposal by BI's AARC at the beginning of the term of office.

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18.3. Non-Executive Directors who are members of special committees of the Board of Directors shall also be entitled to the remuneration that may be established by resolution of the General Meeting, based on a proposal by BI's AARC, which shall also determine the corresponding terms of payment.

SECTION VI. SUPERVISORY BOARD

19. STRUCTURE AND VALUE OF THE REMUNERATION OF THE SUPERVISORY BOARD

19.1. The remuneration of members of the Supervisory Board is exclusively composed of a fixed component.

19.2. The remuneration of members of the Supervisory Board and the terms of payment thereof shall be determined by resolution of the General Meeting based on a proposal by BI's AARC* at the beginning of the term of office.

19.3. Members of the Supervisory Board who are members of advisory and support special committees of the Board of Directors shall also be entitled to the remuneration that may be established by resolution of the General Meeting, based on a proposal by BI's AARC, which shall also determine the corresponding terms of payment.

SECTION VII. COMMON PROVISIONS

20. PROFIT SHARING

BI does not remunerate the members of the Board of Directors or of the Supervisory Board through profit sharing.

21. OTHER BENEFITS

21.1. Executive Directors may enjoy the benefits, namely social benefits and pensions, under such terms as may be specified by the General Meeting or by BI's AARC.

21.2. The fulfilment of the Executive Directors' benefits shall take into consideration the practice that has been followed in the CGD Group as well as the remuneration policies and practices of other institutions comparable to BI.

22. DISMISSAL OR TERMINATION OF CURRENT OR PREVIOUS FUNCTIONS

22.1. In the event of early dismissal or termination of office of any member of BI's Board of Directors or Supervisory Board, no other indemnity or compensation shall be paid in addition to that provided for in the applicable legal provisions, and the General Meeting, based on a proposal by BI's AARC, shall be responsible for establishing the maximum amount of all compensation to be paid to members of the Board of Directors and of the Supervisory Board due to termination of office. However, the right to deferred

*Currently denominated Remuneration Committee



variable remuneration and retained remuneration in kind awarded during the exercise of functions shall be maintained, without prejudice to the respective subjection to the reduction or reversal mechanisms.

22.2. Remuneration aimed at compensating any new member of the Board of Directors for the termination of previous functions shall take into consideration BI's long-term interests, including the application of rules regarding performance, unavailability through retention, deferral and reduction and reversal mechanisms.

23. DISCRETIONARY PENSION BENEFITS

23.1. No discretionary pension benefits are granted to members of BI's management and supervisory bodies.

24. DOCUMENTATION AND PRESERVATION DUTY

24.1. The documents that incorporate the Remuneration Policy shall be kept for a period of 5 years since their public disclosure, in a durable medium that allows their faithful and integral reproduction.

24.2. The documents relating to the decision-making process, such as minutes of the relevant meetings, reports and other relevant documents, as well as the rationale underlying the definition of the Remuneration Policy, are covered by the previous item and shall be kept by the institution.

24.3. Amendments to the Remuneration Policy shall also be documented, with their specific identification, date and justification of the amendments introduced being registered, and shall be kept for the period determined in item 24.1.

SECTION VIII. DISCLOSURE

25. DISCLOSURE DUTY

The Remuneration Policy is disclosed at Banco Interatlântico's website (available at www.bi.cv) and can be accessed for consultation by anyone interested.

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