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**REGULATIONS OF THE AUDIT, CONTROL AND  
CONFLICTS OF INTEREST COMMITTEE**

**BANCO INTERATLÂNTICO, S.A.**

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## TABLE OF CONTENTS

1. Subject Matter .....	3
2. Composition of the Committee .....	3
3. Competences .....	3
4. Activity Plan and Report.....	5
5. Meetings .....	6
6. Resolutions.....	7
7. Minutes .....	7
8. Articulation with the Board of Directors, Executive Committee, Special Committees of the Board of Directors, Supervisory Board and Management Body .....	7
9. Support Structures .....	8
10. Conflicts of Interest .....	8
11. Amendments .....	8
12. Final Provisions.....	9



## 1. SUBJECT MATTER

These regulations set out the rules for the composition and appointment, competence, organisation and operation of the Audit, Control and Conflict-of-Interest Committee ('ACIC' or 'Committee') of Banco Interatlântico ('BI'), in addition to all legal and statutory provisions, with which its interpretation shall comply.

## 2. COMPOSITION OF THE COMMITTEE

- 2.1. The Audit, Control and Conflict-of-Interest Committee is composed of at least 3 (three) members, as set out by the Board of Directors, who can not be members of the Executive Committee.
- 2.2. The members of the Audit, Control and Conflict-of-Interest Committee shall be appointed by the Board of Directors, which shall also appoint its Chairman.
- 2.3. The members of the Audit, Control and Conflict-of-Interest Committee must have the appropriate professional qualifications and experience to carry out the respective duties.
- 2.4. CGD Group's Head of Audit or their representative will be a permanent invitee of BI's ACIC.

## 3. COMPETENCES

- 3.1. Without prejudice to the legal competences attributed to the Supervisory Board and the competences of the Financial Risk Committee, the Audit, Control and Conflict-of-Interest Committee is responsible for:
  - a) Monitoring the activity of BI's Executive Committee of the Board of Directors;
  - b) Promoting and monitoring compliance with all legal and regulatory provisions, BI's by-laws, rules and recommendations issued by supervisory authorities, as well as internally instituted general policies, standards and practices;
  - c) Monitoring (i) the preparation and disclosure of financial information; (ii) the adequacy and compliance with the policies, criteria and accounting practices adopted by BI, in accordance with the applicable accounting standards; (iii) the statutory audit and other works performed by the External Auditor;
  - d) Assessing and promoting the effectiveness and efficiency of the Internal Audit Function, ensuring the direct reporting of this function;
  - e) Performing a critical appraisal of BI's Internal Control System, following the complementary autonomous assessments that are attributed to the Internal Audit Function provided for by law and by the corporate standards and by ensuring that its effectiveness and completeness contribute to the very effectiveness and efficiency of the Internal Control System;



- f) Assessing the independence of the Statutory Auditors, namely monitoring the hiring of additional services other than auditing to be provided by them to BI;
- g) Being informed of the situations of conflict of interest identified and the management measures adopted;
- h) Promoting the establishment, promotion and control of measures to detect and prevent situations deemed conflicts of interest in the Bank's regular activity.

3.2. In order to perform the competences set out in section 3.1(b), the Audit, Control and Conflict-of-Interest Committee is responsible for, namely:

- a) Promoting, at BI, the pursuit of the basic objectives set in terms of internal control and risk management by the Bank of Cape Verde, as well as in the supervisory directives aimed at credit institutions and financial companies, and the corporate standards applicable to the BI;
- b) Being informed of the prudential reports relating to BI's activity;
- c) Being informed of all the Inspections carried out at BI by the Bank of Cape Verde and other competent entities;
- d) Being informed of the annual reports provided for by law and corporate standards;
- e) Being informed of the annual opinion(s) issued by the Supervisory Board on the adequacy and effectiveness of the internal control system and the opinion(s) of the Statutory Auditors on the internal control system underlying the process of preparation and disclosure of financial information, pursuant to the BCV Notice and the BdP Notice;
- f) Being informed of the activity plans of the Compliance and Risk Management Functions, after their approval by the Risk Management Committee;

3.3. In order to perform the competences set out in section 3.1.(c), the Audit, Control and Conflict-of-Interest Committee will monitor and assess:

- a) BI's financial statements and the Opinions of the External Auditor on them;
- b) The reliability of the accounting information to be disclosed internally and externally;
- c) The calculation of income taxes;
- d) External audit activities, issuing an opinion on the activity plans, to be reviewed and approved by the Supervisory Board.

3.4. In order to perform the competences set out in section 3.1.(d), the Audit, Control and Conflict-of-Interest Committee is responsible for:

- a) Approving the Internal Audit Function's plan of activities, after appraisal and prior opinion from CGD's Internal Audit Department, and appraisal and prior opinion from the Executive Committee and the Supervisory Board, and monitor its implementation;



- b) Obtaining regular and updated information on the areas or subjects covered by the audits carried out by the Internal Audit Function;
  - c) Reviewing the activities carried out each semester by the Internal Audit Function;
  - d) Being informed about developments in the main processes under the responsibility of the Internal Audit Function, particularly those regarding the adequacy and qualification of resources and technological innovation;
  - e) Reviewing the conclusions of the respective audit actions and conveying to the Executive Committee and the Supervisory Board any recommendations it may deem appropriate regarding the matters audited;
  - f) Following up on the recommendations issued to remedy the shortcomings reported in the audit reports regarding the internal control system's effectiveness certification.
- 3.5. In order to fulfil the competence set out in section 3.1.(f), the Audit, Control and Conflict-of-Interest Committee is responsible for:
- a) Monitoring and supervising the activity of the External Auditor;
  - b) Issuing an opinion to be submitted to the Supervisory Board, about contracting the External Auditor and Entities of their Network, of additional services other than auditing to be provided to BI, ensuring the safeguarding of independence and compliance with the law and regulations to which the activity of chartered accountants is subject.
- 3.6. The Audit, Control and Conflict-of-Interest Committee shall immediately report to the Board of Directors any situations detected deemed to be of high-risk.
- 3.7. The Audit, Control and Conflict-of-Interest Committee shall establish internal communication procedures with the Board of Directors, the Executive Committee, the remaining Special Committees and the Supervisory Board.

#### **4. ACTIVITY PLAN AND REPORT**

- 4.1. Every year, the Audit, Control and Conflicts of Interest Committee shall approve the activity plan for the following year, which it shall present to the Board of Directors by 15 December.
- 4.2. Every year, the Audit, Control and Conflict-of-Interest Committee shall prepare an activity report, providing the Board of Directors with information about its activity.
- 4.3. The Activity Report shall include, namely, the assessment of the degree of fulfilment of the Activity Plan, main constraints and possible action measures, and shall be submitted to the Board of Directors in the first quarter of each year.



## 5. MEETINGS

- 5.1. The Audit, Control and Conflict-of-Interest Committee shall meet once quarterly and whenever convened by its Chairman or at the request of any of its members.
- 5.2. Audit, Control and Conflict-of-Interest Committee meetings shall be convened at least five days in advance, or less if necessary, provided that such notice time is sufficient to allow the participation of all Committee members. Notice may be sent in writing, by any means of communication and sent to the address (e-mail or other) provided by Committee members, or by simple verbal communication by the Chairman. The scheduling of meetings, with date and time, approved at an Audit, Control and Conflict-of-Interest Committee meeting or notified by the Chairman of the Committee, shall be equivalent to a notice of such meetings.
- 5.3. The notice convening each meeting to be held under the terms of the preceding paragraph shall be accompanied by information on the meeting's Agenda.
- 5.4. The agenda shall be determined by the Chairman of the Audit, Control and Conflict-of-Interest Committee, and any member of the Committee may request the inclusion of any item on the agenda, addressing such request as early as possible in relation to the date of the meeting and accompanied by the respective supporting documents.
- 5.5. Supporting documents regarding the various items on the agenda shall be distributed to all members of the Audit, Control and Conflict-of-Interest Committee 5 (five) days in advance in relation to the date of the meeting, preferably with the notice of the meeting, or, if this is not possible, with enough time to allow for their analysis in due time by the members of the Audit, Control and Conflict-of-Interest Committee.
- 5.6. Unless otherwise stated in the respective notice and without prejudice to the use of telematic means, Audit, Control and Conflict-of-Interest meetings shall be held at BI's registered office.
- 5.7. Audit, Control and Conflict-of-Interest meetings may be held using telematic means, such as video-conference or conference call, provided that BI ensures the authenticity of the declarations and the security of the communications, while registering their contents and the respective intervening parties.
- 5.8. Audit, Control and Conflict-of-Interest Committee meetings shall be presided by the respective Chairman or, in case he cannot attend, by a member of the committee elected by the other members for that purpose.
- 5.9. The Secretary, or the person appointed for that purpose, shall support the functioning of the Audit, Control and Conflict-of-Interest Committee and the holding of its meetings.
- 5.10. In addition to the members of the Audit, Control and Conflict-of-Interest Committee, Directors, company staff or even third parties may be present at the respective meetings, provided that they are invited or authorised by the Chairman or whoever replaces them at that meeting, depending on the convenience of the matters to be analysed.



## **6. RESOLUTIONS**

- 6.1. The Audit, Control and Conflict-of-Interest Committee cannot resolve without the majority of its members being present or represented.
- 6.2. The resolutions of the Audit, Control and Conflict-of-Interest Committee shall be taken by simple majority of the votes issued, and the Chairman, or whoever may substitute them, shall have a casting vote in the event of a tie.

## **7. MINUTES**

- 7.1. Minutes of all Audit, Control and Conflict-of-Interest Committee meetings shall be drawn up, which shall include the mentions provided for in the applicable rules, namely the company identification, the place, date, time and duration of the meeting, mention of the Members and other participants present at the meeting, their participation at the meeting, the proposals submitted and the votes issued, the discussions, comments and contributions made by its Members and by all participants from BI Divisions during the meeting, the resolutions adopted, expressly stating the respective basic justification/reason and any explanations of vote made by the Members during the meeting.
- 7.2. Minutes shall be drawn up, approved and signed by the members participating in the meeting and by its secretary as soon as possible after the meeting or at the immediately following meeting.
- 7.3. All minutes of the Audit, Control and Conflict-of-Interest Committee meetings shall be kept in the corresponding minutes book, in hard-copy or digital format, as determined by the company organisation, and a digital copy of those minutes must also be kept in a secure and restricted-access file.
- 7.4. Minutes shall be drawn up in Portuguese, without prejudice to the possibility, where necessary, of preparing translations into English.

## **8. ARTICULATION WITH THE BOARD OF DIRECTORS, EXECUTIVE COMMITTEE, SPECIAL COMMITTEES OF THE BOARD OF DIRECTORS, SUPERVISORY BOARD AND MANAGEMENT BODY**

- 8.1. Coordination between the Audit, Control and Conflict-of-Interest Committee and the Board of Directors, the Executive Committee, the other Special Committees of the Board of Directors and the Supervisory Board shall be ensured by the Chairman of the Audit, Control and Conflict-of-Interest Committee and by the Chairmen of each of the bodies in question.
- 8.2. Coordination with the other Special Commissions can also be ensured through:



- a) the participation of members of the Audit, Control and Conflict-of-Interest Committee in those Committees;
- b) the occasional presence of members of the Audit, Control and Conflict-of-Interest Committee at the meetings of other Committees;
- c) The sharing of the agendas and minutes of the meetings of the Audit, Control and Conflict-of-Interest Committee with other Special Committees.

8.3. Without prejudice to the other procedures established, whenever deemed convenient, the Audit, Control and Conflict-of-Interest Committee may request from the heads of the various BI Divisions the information it deems necessary to perform its duties including information regarding the Group's activities.

## **9. SUPPORT STRUCTURES**

- 9.1. The Audit, Control and Conflict-of-Interest Committee may propose to the Chairman of the Board of Directors, according to the previously budgeted amount, the hiring of services of technicians and experts deemed necessary for the performance of its duties.
- 9.2. The Audit, Control and Conflict-of-Interest Committee may appoint, when it deems it necessary, one or more supporting elements with experience in the areas of their competence, to provide information and perform works with a view to substantiating its analyses and conclusions.

## **10. CONFLICTS OF INTEREST**

The Global Policy for the Prevention and Management of Conflicts of Interest in force at BI and published in the Internal Regulations System shall apply to the prevention and management of situations constituting actual or possible conflicts of interest.

## **11. AMENDMENTS**

- 11.1. Amendments to these Regulations shall be approved by a majority of the Members of the Board of Directors.
- 11.2. Without prejudice to the competence of the Board of Directors, the Audit, Control and Conflict-of-Interest Committee shall submit proposals to revise these Regulations whenever it may deem necessary.





## 12. FINAL PROVISIONS

- 12.1. The provisions of the Regulations of the Board of Directors shall apply in all situations not provided for in these Regulations.
- 12.2. In case of conflict between any of the precepts of these Regulations and those of the Regulations of the Board of Directors, the provisions of the latter shall prevail.