

corporate governance

5.1. Shareholder Structure

The share capital of novobanco is €3,345,000,000.30 (three thousand three hundred and forty five billions and thirty cents) represented by 500.000.000 (five hundred million) nominative shares with scriptural form, with no nominal value and fully subscribed and paid up.

Qualified holdings in novobanco's share capital as at the date of this report:

Shareholder	Number of shares	% of share capital
Nani Holdings S.à.r.l	375 000 000	75.00
Resolution Fund	67 692 083	13.54
Directorate General for the Treasury and Finance	57 307 917	11.46

5.1.1. Equity holders with special rights

There are no shareholders with special rights.

5.1.2. Restrictions on voting rights

Due to the commitments assumed by the Portuguese State before the European Commission in the context of the approval of the sale of a 75% holding in novobanco's share capital under European Union rules on State aid, the shareholder Resolution Fund should refrain from exercising its non-economic rights, namely its voting rights.

5.2 Corporate Bodies: Composition and Functioning

5.2.1 Composition and functioning of the management and supervisory bodies and changes in the Company's Articles of Association

Under the terms of the Company's Articles of Association, the corporate and statutory bodies of novobanco are the General Shareholders Meeting, the General and Supervisory Board (GSB), the Executive Board of Directors (EBD), the Statutory Auditor, and the Company Secretary. The members of the corporate bodies are elected for four-year term of office, except for the Statutory Auditor, whose mandate has a minimum duration of two years and a maximum of four years, and they may be re-elected once or more than once.

Also, according to the Articles of Association, the members of the Board of the General Shareholders Meeting and the GSB are elected by the General Shareholders Meeting. The General Shareholders Meeting also has the powers to appoint and replace the bank's Statutory Auditor, acting upon a proposal of the GSB, based on a proposal of the Financial Affairs (Audit) Committee.

The members of the Executive Board of Directors are appointed by the GSB.

The Company Secretary and the Alternate Secretary are appointed by the Executive Board of Directors, upon consultation with the GSB.

5.2.2 Amendments to the Articles of Association

Changes to novobanco's Articles of Association are the responsibility of the General Shareholders Meeting.

In June 2024, the Articles of Association were amended in order to change novobanco's registered office, as well as Article 4 (Share Capital and Shares) as follows:

"1. The share capital of novobanco is of €3,345,000,000.30 (three billion three hundred and forty-five million and thirty cents), represented by 500,000,000 (five hundred million) nominative and dematerialised shares with no nominal value, fully subscribed and paid up."

In December 2024, following the early cessation of the Contingent Capital Agreement, the Articles of Association were amended to reflect the extinction of that mechanism, including the extinction of the Monitoring Committee.

5.2.3 General and Supervisory Board (GSB)

The General and Supervisory Board (GSB) is the supervisory body of novobanco and its members are elected by the General Shareholders Meeting.

In October 2020, the General Shareholders Meeting of novobanco appointed the GSB for the 2021-2024 four-year period, which, by reference to the date of this Report, is composed of 9 (nine) members, 6 (six) of whom are independent.

As at 31 December 2024, the Committees of the GSB had the following composition:

Chairman (C)	Vice-President	Member	Name	M/F	Independent	Date of first mandate	End of current mandate	Financial Affairs	GSB Committees			
									Risk	Compliance	Nominations	Remunerations
•			Byron James Macbean Haynes	M	•	18-10-2017	31-12-2024	•	•			C
	•		Karl-Gerhard Eick	M	•	18-10-2017	31-12-2024	C	•			•
		•	Kambiz Nourbakhsh	M		18-10-2017	31-12-2024	•	•			
		•	Mark Andrew Coker	M		18-10-2017	31-12-2024			•	•	
		•	Carla Antunes da Silva	F	•	06-06-2018	31-12-2024				•	
		•	William Henry Newton	M	•	29-04-2021	31-12-2024		C			
		•	Monika Wildner	F	•	21-06-2023	31-12-2024			C		
		•	Evgeniy Kazarez	M		07-11-2023	31-12-2024		•			•
		•	Susana Gomez Smith	F	•	31-05-2024	31-12-2024			•	C	

In the General Shareholders Meeting of 20 December 2024 was approved the nomination of the current members of the General and Supervisory Board (GSB) for the 2025-2028 mandate, being that nomination subject to Fit & Proper approval by the competent authorities.

The GSB meets monthly, or whenever necessary, and has the functions entrusted by law, the bank's Articles of Association, and its internal regulation, including the ultimate and overall responsibility for supervising the bank and implementing governance systems that ensure effective and prudent management, supervising all matters relating to risk management, compliance and internal audit. Its main function is to regularly advise and supervise the Executive Board of Directors in the management of the bank and the companies of novobanco Group, particularly regarding compliance with regulatory requirements relating to banking activity.

Additionally, the GSB has specific powers to elect the members of the Executive Board of Directors and responsibilities for approving certain matters established in the Articles of Association, namely with regard to the approval of (i) credit, risk and accounting policies, (ii) business plan, budget and activity plan, (iii) change of registered address, and closure or changes to representation structures abroad, (iv) capital expenditure, debt or refinancing, disposals or acquisitions, creation of liens or granting of loans above certain limits and within certain conditions and (v) hiring

of employees with annual remuneration above certain thresholds.

The Chairman of the GSB and the Chief Executive Officer maintain regular dialogue and communication between them.

In its activity, the GSB is directly supported by 5 (five) Committees: Financial Affairs (Audit) Committee, Risk Committee, Compliance Committee, Nomination Committee, and Remuneration Committee, which have their own legally established powers and responsibilities and others delegated by the General and Supervisory Board.

These Committees are composed of at least 3 (three) members of the GSB, the majority of whom must be independent, including its Chairman. The members of the Executive Board of Directors that are responsible for the areas covered by the activities of these Committees can participate in their meetings.

The committees work in close collaboration with each other and coordinate their activities, maintaining a fluid and ongoing dialogue with the GSB, to which they report on their activity and decisions taken.

In general terms, and among others that may be delegated to them by the GSB, the Committees have the following powers and responsibilities:

Financial Affairs (Audit) Committee

The Financial Affairs (Audit) Committee advises and supports the GSB in the fulfilment of its responsibilities with regard to overseeing the effectiveness of the bank's internal control, risk management and internal audit systems, monitoring and supervising the financial performance of the bank and other financial entities included in the prudential consolidation perimeter, the accounting policies and reporting processes, and monitoring the statutory auditor's activity. In particular, it has the powers and duties set out in Article 441(1)(f) to (o) by virtue of Article 444(2) of the Portuguese Companies Code.

Risk Committee

The Risk Committee advises and supports the GSB in monitoring the bank's current and future global risk appetite and risk strategy, supervising the implementation by the bank's senior management of the risk prevention model, as well as the effectiveness of the internal control system and risk management system of the bank and the financial companies included in its prudential consolidation perimeter.

The Committee also has the powers and duties laid down by law, the applicable regulations and its internal regulation, which include, among others, supervising the implementation of capital and liquidity management strategies, assessing and approving materially relevant lending operations, and monitoring compliance with credit and risk policies.

Compliance Committee

The Compliance Committee advises and supports the GSB, including with regard to the bank's financial subsidiaries, in monitoring the bank's compliance and anti-money laundering and terrorist financing matters, including, but not limited to, compliance by the bank (including its employees and corporate bodies) with legal and regulatory requirements as well as its relevant policies and processes related to those matters, and its policies on business conduct and ethics, conflicts of interest, related-party transactions, market abuse, anti-bribery and anti-corruption, as well as in monitoring compliance risk.

Nomination Committee

The Nomination Committee supports the GSB in overseeing the Executive Board of Directors in its role of ensuring that appointment policies are consistent and well-integrated in the bank and its financial subsidiaries, namely by identifying and recommending candidates to fill positions on the GSB and Executive Board of Directors and key function holder positions, setting objectives for the promotion of the under-represented gender as well as ensuring the means to achieve them, drawing up and monitoring succession plans, reviewing the selection and evaluation policy for members of the Management and Supervisory Bodies and Key Function Holders and monitoring its application, annually assessing the knowledge, skills and experience of each member of the GSB and Executive Board of Directors, among other duties assigned to it under the terms of the law, applicable regulations and its internal regulation.

Remuneration Committee

The Remuneration Committee advises and supports the GSB in defining and establishing appropriate, consistent and well-integrated remuneration structures for the bank, including its financial subsidiaries, in monitoring and implementing remuneration policies, and in defining variable remuneration on the basis of established criteria, taking into account the long-term interests of shareholders, investors and relevant stakeholders.

The company documents and main regulations can be accessed at www.novobanco.com > About us > Policies and corporate documents > Company Documents: <https://www.novobanco.com/us/en/about-us/policies-and-corporate-documents.html>

5.2.4. Executive Board of Directors (EBD)

The Executive Board of Directors (EBD) is the corporate body responsible for managing the bank. Under the terms of the law and the Articles of Association, and respecting the powers of the other corporate bodies, it is responsible for defining the bank's and the Group's general policies and strategic objectives, in compliance with banking standards and good practices. The EBD meets whenever necessary and at least once a week.

The EBD has no powers to resolve on capital increases, or on the issuance of securities convertible into shares or securities granting subscription rights, such decisions being the exclusive responsibility of the General Shareholders Meeting and requiring the prior opinion of the GSB.

The members of the EBD are appointed by the General and Supervisory Board, which is also responsible for appointing the Chief Executive Officer (CEO). As to the composition of the EBD, at 31 December 2024, its members for the 2022-2025 mandate were the following:

- Mark George Bourke - Chief Executive Officer ("CEO")
- Benjamin Friedrich Dickgiesser - Chief Financial Officer ("CFO")
- Luís Miguel Alves Ribeiro - Chief Commercial Officer (Corporate) ("CCOC")
- João José Martín Moreno da Paixão Moreira – Chief Commercial Officer Retail ("CCOR")
- Rui Miguel Dias Ribeiro Fontes - Chief Credit Officer ("CCO")

- Patrícia Afonso Fonseca - Chief Legal, Compliance & Sustainability Officer ("CLCSO")¹
- Carlos Jorge Ferreira Brandão - Chief Risk Officer ("CRO")²

During 2024, the composition of novobanco's Board of Directors changed with the beginning of the exercise of functions of João Paixão Moreira (CCOR) on 19 September 2024, as well as the cessation of functions of Andrés Baltar (CCOC) on 6 May 2024 and Luísa Soares da Silva (CLCSO) on 31 October 2024. Following the resignation of Andrés Baltar and pending the ECB's decision of non-opposition to the nomination of João Paixão Moreira as CCOR, Luís Ribeiro accumulated the CCOR and CCOC positions (the last in an interim basis).

Committees of the Executive Board of Directors

Under the terms of its internal regulation, the EBD may approve the establishment of Committees to oversee certain specific matters of the bank's activity, define and approve their powers and duties, appoint their members, and establish their rules of procedure.

In this context, the EBD has established Committees to deal with specific matters or areas of activity, with powers delegated by the EBD to take decisions in accordance with the defined rules, and Sub-Committees established under the Committees, with powers delegated by the respective Committee, with participants who may or may not be different from those of the respective Committees, without prejudice to other internal discussion forums of an advisory and/or monitoring nature on specific topics.

As at 31 December 2024 the Committees of the EBD had the following composition:

¹ Subject to Fit & Proper.

² The CRO ceased his functions on 7 January 2025, with immediate effects.

Committee	Main responsibilities	Composition
Capital, Assets and Liabilities Committee	Responsible for the definition of balance sheet management policies (capital, pricing, interest rate, liquidity) and for monitoring their impact at novobanco Group level. The Committee also monitors crisis indicators (early warning indicators) with regard to the Recovery Plan, as well as liquidity, proposing mitigation measures, and if necessary, triggering the recovery plan and/or the liquidity contingency plan.	Chairman Benjamin Friedrich Dickgiesser (CFO) Members: Mark George Bourke (CEO), Rui Fontes (CCO), Luís Ribeiro (CCOC), João Paixão Moreira (CCOR), Carlos Brandão (CRO)
Risk Committee	Responsible for issuing an opinion on, approving, under delegation of powers from the Executive Board of Directors, and monitoring novobanco Group's policies and risk levels. In this context, it is responsible for monitoring the evolution of novobanco Group's integrated risk profile, and for analysing and proposing methodologies, policies, procedures and instruments to assess all types of risk, namely credit, market, liquidity, IRRBB, non-financial, and ESG.	Chairman Carlos Manuel Ferreira Brandão (CRO) Members: Mark Bourke (CEO), Benjamin Dickgiesser (CFO), Rui Fontes (CCO), Luís Ribeiro (CCOC), João Paixão Moreira (CCOR)
Credit Committee	Responsible for deciding the main credit operations in which the novobanco Group participates, based on the risk policies defined by and implemented in novobanco Group.	Chairman Rui Miguel Dias Ribeiro Fontes (CCO) Members: Carlos Brandão (CRO), Luís Ribeiro (CCOC)
Internal Control System Committee	The Committee monitors all issues related to novobanco Group's Internal Control System, without prejudice to the responsibilities attributed in this regard to the EBD, Risk Committee, Operational Risk Subcommittee and Compliance and Product Committee. This committee is responsible, among others, for the overall monitoring of internal control deficiencies, analysing the control environment quality indicators and proposing improvements, and monitoring Quality Assurance activities.	Chairman Carlos Manuel Ferreira Brandão (CRO) Members: Mark Bourke (CEO)
Compliance and Product Committee	Responsible for the approval, from a compliance perspective, of products and services to be produced and/or distributed by the bank, issuing an opinion on all of them as part of the product "sign-off" process, as well as monitoring issues relating to compliance control, regulatory control and the promotion of the fulfilment of legal obligations, among others.	Chairman Carlos Manuel Ferreira Brandão (CRO) Members: Mark Bourke (CEO), Luís Ribeiro (CCOC), João Paixão Moreira (CCOR)
Transformation Committee	The Transformation Committee is responsible for developing novobancos' strategic objectives for digital transformation, efficiency and simplification of operations.	Chairman Mark George Bourke (CEO) Members: Benjamin Dickgiesser (CFO), Rui Fontes (CCO), Luís Ribeiro (CCOC), João Paixão Moreira (CCOR), Carlos Brandão (CRO)
Investment and Costs Committees	Responsible for approving the execution of expenditure, within the limits of its defined remit. Its objectives include defining the annual spending plan and reviewing the procurement strategy.	By delegation of the EBD, decision making by the CCI(1) is joint between the COO and the Head of DPGC(2)
Extended Impairment Committee	Responsible for defining the amount of impairment to be allocated to each Client taking into account novobanco's exposure to the client or group of clients.	Chairman Carlos Manuel Ferreira Brandão (CRO) Members: Benjamin Dickgiesser (CFO), Rui Fontes (CCO), Luís Ribeiro (CCOC)

(1) CCI: Comité de Custos e Investimento.

(2) DPGC: Departamento de Planeamento e Gestão de Capital.

The EBD has also established three (3) Sub-Committees - the Non-Performing Assets (NPA) Sub-committee, the Model Risk Extended Sub-committee and the Non financial risks Sub-committee - and various Steering Committees, such as for the areas of Retail, Corporate, Human Capital, IT and Data, Investment and Activity Monitoring, and Sustainability (ESG).

5.2.5 Statutory Auditor

The Statutory Auditor and Alternate Statutory Auditor are elected and removed by the General Shareholders Meeting, under a proposal of the Financial Affairs (Audit) Committee, and they have the powers and responsibilities provided for in the law.

5.3 Internal Control System

Definition and Objectives

The Internal Control System of novobanco's Group is integral to the running of the organisation, combining strategies, policies, processes, systems and procedures to ensure the medium- and long-term sustainability of the institution and the prudent exercise of its activity.

An appropriate and effective Internal Control System is key for the organisation to ensure:

- the fulfilment of the objectives set out in strategic planning, through the efficient execution of operations, the thoughtful use of the institution's resources and the safeguarding of its assets;
- the proper identification, assessment, monitoring and control of the risks to which the institution is or may come to be exposed;
- the existence of comprehensive, relevant, reliable, and timely financial and non-financial information;
- the adoption of solid accounting principles;
- compliance with the legislation, regulations and guidelines applicable to the institution's activity, issued by the competent authorities, with the institution's own internal regulations, and with professional and ethical standards and practices and with rules on conduct and relationship with clients.

Internal Control concerns to all the members of the Institution's management and supervisory bodies and employees, who perform their duties in accordance with internal policies and standards of ethics, integrity and professionalism, and with the responsibilities assigned to the structural units and all business areas, outsourced activities and product distribution channels. Each employee has a role to play as well as duties and responsibilities, which contribute to ensure the efficiency and effectiveness of Internal Control.

The EBD has ultimate and overall responsibility for the institution, and defines, supervises and promotes the implementation of an adequate Internal Control System with a clear organisational structure and independent risk management, compliance and audit functions.

For its part, the GSB is responsible for ensuring that the EBD establishes and maintains adequate, independent and effective Internal Control System, in compliance with the law, regulations and internal policies.

novobanco Group's Internal Control System is consistently implemented across all the financial entities of the Group over which it exercises management control, without prejudice to additional requirements of the applicable legislation and specificities of the functions involved in the System.

General Principles

In order to effectively achieve the defined objectives, novobanco Group's Internal Control System is based on the following principles:

- An appropriate control environment that reflects the importance attached by novobanco Group to the Internal Control System, whose organisation is supported by a three lines of defence model that defines the levels of responsibility in terms of governance and risk management for the different functions that make up each line, including permanent, independent and effective internal control functions; a robust risk management system designed to identify, assess, monitor and control all risks that may affect the strategy, risk appetite and objectives of the novobanco Group;
- Efficient information and communication system that ensures the timely collection, processing and exchange of relevant, reliable, complete, comprehensive and consistent information to enable effective and timely management and control of the activity and the inherent risks;
- Effective monitoring process, implemented to ensure the adequacy and effectiveness of the

Internal Control System over time, ensuring in particular the timely identification of any deficiencies and opportunities for improvement allowing to strengthen the Internal Control System, and triggering corrective action.

Under novobanco Group’s Internal Control System, policies, processes, procedures, systems and controls are formalised in internal standards, process catalogues, internal control manuals, presentations supporting the main committees involved in the management of risk, information and communication, control function reports, and the Annual Self-Assessment Report itself.

3 Lines of Defence Model

The Internal Control System is supported by the 3 lines of defence model, which defines and distinguishes the levels of intervention and responsibility in risk management and control implementation to ensure the overall adequacy and effectiveness of Internal Control System across the organisation.



The 1st line of defence is ensured by the organisational units that assume and manage the risk of their activities, of the IT processes and systems they sponsor, and of the outsourced activities under their responsibility, on a daily basis and within pre-established limits set by the EBD.

These units are responsible for the identification, assessment and control of risks in the activities under their scope of action and framed within the defined levels of risk tolerance, on an ongoing basis. It is up to them to implement mechanisms to ensure that the assumed risks are timely reported to the internal control functions. Implementing, maintaining and executing effective internal controls and conducting established control procedures is also their responsibility.

The mission of the 2nd line of defence is to keep the bank within its risk limits by controlling, measuring and monitoring risks and reporting any deviations from the applicable risk policies. This line of defence comprises the "Risk Management" and "Compliance" Internal Control Functions, the first performed by the Global Risk Department and the Compliance Department, complemented by activities carried out by other departments of the bank (e.g. Accounting, Consolidation and Information Department, Chief Information Security Officer).

It defines risk management and control policies, methodologies and tools, functionally supervises and monitors the effectiveness of the 1st Line, controls legal and regulatory compliance, and reports to the bank's management and supervisory bodies as well as to the relevant external authorities, where applicable.

The 3rd line of defence is held by the Internal Audit Department, and its mission is to make an independent and risk-based assessment of the adequacy and effectiveness of the entity's organisational culture and its governance and internal control systems.

To ensure its necessary independence, the internal audit function:

- Reports functionally to the Financial Affairs (Audit) Committee of the General and Supervisory Board and administratively (i.e. daily operations) to the Chief Executive Officer (CEO);
- Performs its activity in accordance with a pre-established plan and a risk-based approach. This plan is approved by the General and Supervisory Board;

- Cannot have any kind of responsibility or authority over the design, implementation and execution of the control procedures which it audits.

The EBD may request information and opinions from the internal audit function, namely in matters of risk, internal control and compliance.

Additionally, and as external participant in the defence of the Internal Control System (4th line of defence):

- the Statutory Auditor acts as an additional line of defence, given its duties, which are essentially to supervise the accounts, including the Self-Assessment Report;
- the Supervision Authorities (ECB, BoP, CMVM, ASF, CNPD, CSSF) act as the last line of defence, monitoring and promoting compliance with prudential rules at financial level and at the level of people, incentives schemes, governance structures, systems and processes. The intervention of the Supervision Authorities does not exempt the institution from its responsibility of ensuring sound and prudent management and compliance with the prudential rules.

This line of defence external to the organisation promotes a strong risk culture as well as a more efficient risk management within the parameters institutionally defined for the purpose. In this context, these entities contribute in the following manner: (i) they provide guidelines/recommendations and supervise the governance of the organisation, namely through detailed assessments and regular interaction with the EBD and senior management and (ii) they request improvements and remediation measures, when and if necessary.

Independence of the Control Functions

The independence of the control functions is ensured through implementation of the following mechanisms:

- Internal authority: the control functions are established at an appropriate hierarchical level and report hierarchically to the EBD and functionally to the GSB and respective committees, regularly participating in the meetings of these bodies;
- Head of function: the person responsible for the control function does not carry out activities in business or support areas that are subject to control;
- Human Resources: the employees allocated to these functions only perform control functions and are independent from the negotiation and support units that they supervise and control. However, they are not isolated from them, and are familiar with their activity. The control functions have an adequate number of qualified staff (both in the bank and in its subsidiaries and branch);
- Remuneration: the remuneration of employees in control functions is not linked to the results of the activities they supervise and control, nor does it otherwise compromise their objectivity;
- Technical resources and organisation: the functions have adequate technical resources at their disposal and are organisationally independent from each other;
- Scope: the novobanco's supervisory functions develop activities of supervision and liaise with the supervisory functions of its subsidiaries and branch.

5.4 Main Policies

For novobanco Group, the legal framework that regulates its activities is decisive for its actions, but so is the assumption of a framework of values, principles and good practices that steer its actions and define the standards that shape the manner in which the Group does business and carries out its activities. For this reason, the existence and application of the Code of Conduct, the Conflicts of Interest Policy, the Whistleblowing Policy and the Anti-Bribery and Corruption Policy are of particular importance throughout the novobanco Group.

Additionally, but no less important, the scrutiny and transparency requirements of the Related-Party Transactions Policy, the strict application of the Law and Policies on the Prevention, Detection and Combat of Financial Crime, the care and transparency towards clients and investors derived from the Investor Protection and Market Transparency Policies, and the sound and prudent management ensured by the Remuneration Policies for the Management and Supervisory Bodies and for the Employees, altogether provide evidence of the importance that novobanco attaches to a culture of compliance.

The novobanco Group's commitment focuses on the prevention, detection, reporting and management of situations involving risks of conduct or irregular conduct, based on principles of integrity, honesty, diligence, competence, transparency and fairness.

Code of Conduct

Novobanco Group's Code of Conduct, revised and updated in 2024, establishes the essential principles of conduct that guide novobanco Group, aiming to disclose the main principles by which the novobanco Group's entities and activities must be governed, to promote in the leaders and staff an ethical conduct aligned with the Mission and Values of novobanco Group, to promote the respect and compliance with all the legislation and regulation applicable, to inform about the compromises of action with related parties and promote a transparent

regime of relations among novobanco Group and staff and the exterior.

It applies to all the members of the administrative and supervisory bodies of the entities of novobanco Group, to the employees of novobanco and to the novobanco Group entities. The Code of Conduct is also applicable to subcontracting suppliers of goods and services if such is contractually and mandatorily laid down according to defined conditions in the Risk Policy of Subcontracting Service Providers.

The Code of Conduct is available at novobanco's website, in Portuguese and English, at www.novobanco.com > About us > Policies and corporate documents > Company Documents

<https://www.novobanco.com/us/en/about-us/policies-and-corporate-documents.html>

The Compliance Department, in coordination with the Human Resources Department, is responsible for monitoring the application of the Code of Conduct at novobanco and clarifying its content and application to employees.

In 2024, in the novobanco Group, as a consequence of non-compliance with internal norms at the exercise of their functions, there were 8 (eight) employees with applied sanctions, namely: 2 (two) suspension without retribution and loss of antiquity sanctions, 1 (one) loss of vacations days sanction, and 5 (five) registered reprehensions.

Conflicts of Interest Policy

The Conflicts of Interest Policy establishes the rules for identifying, managing and monitoring potential conflicts of interest in the various activities of novobanco and the novobanco Group, as well as its corporate bodies and employees and, to the extent possible, its suppliers and subcontractors. It ensures compliance with the applicable legal and regulatory provisions, and seeks to ensure that the Group, the bank and its agents identify, assess and, where appropriate, mitigate, or at least abstain from, any potential conflict of interest situation.

The Conflicts of Interest Policy is available at novobanco's website, in Portuguese and English, at www.novobanco.com > About us > Policies and corporate documents > Company Documents

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Related-Party Transactions Policy

novobanco's Related-Party Transactions Policy sets down rules aimed at identifying transactions concluded between novobanco and its Related Parties and at ensuring that the bank complies with the applicable legal provisions and regulations, namely Bank of Portugal's Notice no. 3/2020, the European Banking Authority Guidelines (EBA/GL/2021/05), and Articles 85 and 109 of the Legal Framework of Credit Institutions and Financial Companies ("RGICSF").

In this context, the control system implemented identifies the parties involved in transactions contracted with the bank, in strict compliance with the applicable legislation. The process of identification, analysis and validation is described in the internal regulations. Certain assessments and approvals are mandatory prior to the conclusion of transactions (loan granting, placement or subscription of securities, real estate operations, acquisition or disposal of equity holdings or other contractual relationships). Specifically, proposals for related-party transactions must be submitted for analysis and opinion to the Global Risk Department and the Compliance Department and to the previous opinion of the Compliance Committee of the GSB, for subsequent approval by the EBD and subsequent ratification by the GSB (or in accordance with the rules of the GSB).

The Related-Party Transactions Policy is available at novobanco's website, in Portuguese and English, at www.novobanco.com > About us > Policies and corporate documents > Company Documents

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During 2024 were approved transactions of credit, provision of services and other contracts with 17

(seventeen) Related Parties in which the credit transactions, including the extension and renewal of limits, with people and entities, that to the date of 3 December 2024 were Related Parties of novobanco, completing a total of €614 million euros.

Article 85 of the RGICSF states that credit institutions may not grant credit in any form or by any means, including the provision of guarantees, to members of their management or supervisory bodies, to members of their families, or to companies or other legal entities directly or indirectly controlled by them. However, Article 85(8) allows credit to be granted to companies or other legal entities, other than those referred to in paragraph 1, of which they are managers or in which they hold qualifying holdings. In this context, the Compliance Department issued favourable opinions on two (2) credit transactions under Article 85(8) of the RGICSF, which subsequently received the favourable opinion and consent of the Compliance Committee of the GSB, the approval of the Executive Board of Directors, and finally, ratification by the GSB.

In addition, under Article 109 of the RGICSF, lending to qualifying shareholders, or entities directly or indirectly controlled or in a group relationship with them is allowed, subject to certain limits. During 2024 novobanco did not conclude any credit transactions with qualifying shareholders under this legal provision.

Whistleblowing Policy

novobanco remains firmly committed to promoting a culture of compliance, which includes the communication and reporting of improper conduct and behaviour that violates the law, regulations, good practices and the bank's internal policies.

The Whistleblowing Policy regulates, through specific, independent and autonomous means, the reporting of irregularities by the bank's employees, service providers or any third parties, and aims to preserve the bank's reputation, effectively protect its assets and those of its clients, and prevent or detect early irregularities at an early stage.

This Policy also aims to ensure compliance with the provisions of the RGICSF, Bank of Portugal Notice No. 3/2020, the Portuguese Securities Code, Law No. 83/2017 of 18 August establishing measures to combat money laundering and terrorist financing (the "LBCFT"), and Law no. 93/2021 of 20 December establishing the general regime for the protection of whistleblowers, in its current version.

Whistleblowing communications are submitted through the following channels:

- Reports of irregularities from employees and members of the corporate bodies are submitted through the "Somos novobanco" intranet platform.
- Other reports of irregularities will be submitted through the following channels, at the choice of the whistleblower:
 - a) Letter addressed to the Compliance Officer at Campus do novobanco, Avenida Doutor Mário Soares, Taguspark, Edifício 1, Piso 2, Ala C, 2740-119 Porto Salvo;
 - b) Form available at www.novobanco.pt;
 - c) E-mail to: irregularidades@novobanco.pt;
 - d) Orally, in a meeting scheduled through the above channels.

The whistleblower who makes his/her report in written form may freely choose to do it anonymously, or else to sign it / identify him/herself, in which case he/she may request that his/her anonymity be maintained.

The Compliance Department is the structural unit that, in coordination with the Compliance Committee of the GSB, is responsible for monitoring the implementation of this Policy and for ensuring that the procedure for analysing and handling whistleblowing reports is properly implemented and that the measures deemed appropriate are effectively adopted.

In 2024 there were 17 (seventeen) communications of irregularities, 16 (sixteen) of which were object of analysis or investigation, and 2 (two) resulted in applied sanctions.

The Whistleblowing Policy is available at novobanco's website, in Portuguese and English, at www.novobanco.com > About us > Policies and corporate documents > Company Documents

<https://www.novobanco.com/us/en/about-us/policies-and-corporate-documents.html>

Anti-Bribery and Anti-Corruption Policy

Bribery and corruption are among the greatest challenges facing modern societies, and preventing, detecting and combating them requires the combined efforts of all sectors of society, including the banking sector, which has an important role to play in promoting a culture of public integrity. Preventing, detecting and combating bribery and corruption has become everyone's responsibility, requiring the development of a new set of preventive duties and methodologies across organisations and public and private entities. The Anti-Bribery and Corruption Policy, approved by the Compliance Committee of the GSB and the EBD, aims to prevent and mitigate the risk of bribery and corruption and related practices, reaffirming novobanco's commitment to building a more integrity-driven society.

In 2024, and to ensure the exercise of its activity in accordance with legal frameworks, always with the underlying goal of combating corruption, novobanco Group made approximately 570 (five hundred and seventy) communications to judicial entities, also collaborating with over 1300 (one thousand and three hundred) responses to these entities.

The Anti-Bribery and Anti-Corruption Policy is available at novobanco's website, in Portuguese and English, at www.novobanco.com > About us > Policies and corporate documents > Company Documents

<https://www.novobanco.com/us/en/about-us/policies-and-corporate-documents.html>

Policy on the Prevention of Money Laundering and Terrorism Financing

A bank's ability to prevent, detect and combat activities that may constitute money laundering derives directly from its knowledge of its counterparties and their transactions.

The novobanco Group, through its Compliance Department, has a line of action that creates the conditions for the bank to prevent, detect and combat, through the implementation of appropriate policies, procedures and controls, the possibility of the bank and the novobanco Group being used as a vehicle for money laundering or terrorist financing activities, bearing in mind the significant prevalence of these risks in the financial system.

Aware of the challenge posed by this control and preventive action, the novobanco Group maintains an ongoing reassessment of the risks it incurs due to its business, operations and geographic areas of operation, endeavouring to identify weaknesses and areas of greater exposure, in order to ensure it has in place adequate methods to control and mitigate risks of money laundering or terrorist financing. The ability to prevent and, if possible, detect and combat activities capable of constituting such crimes is directly linked to the bank's knowledge about its clients, their counterparties and the transactions they engage in, particularly at the following moments:

- opening of a contract or changing the ownership of an existing contract through what is known as KYC (know your customer), i.e., verifiable identification of owners, agents and beneficial owners;
- monitoring contract transactions - KYT (Know Your Transactions), namely spotting unusual situations, either beforehand or by contacting the client after the situation was detected.
- analysis of counterparty risk in investment and divestment transactions, and of transaction and source of funds circuits, under the terms of the Law.

To that end, novobanco Group, using IT tools with recognised results at international level that complement the experience of its human capital, has created and developed assessment models that ensure that enhanced scrutiny is applied where it is most needed.

In order to comply with its regulatory obligations, novobanco Group conducts training sessions on the prevention of money laundering and terrorist financing for all its employees (commercial and central structures, including senior management and members of management and supervisory bodies). Training can be remote or face-to-face, the latter being mainly aimed at new employees, to provide them with the skills to work with the control functions to mitigate the risks associated with the performance of their duties.

In 2024, novobanco maintained its training in the prevention of money laundering and terrorist financing, providing 11,631 hours of online training (including 1,248 hours of training for senior managers).

Training is a fundamental tool for employees to correctly identify potential money laundering and terrorist financing situations and is also critical to the proper fulfilment of the bank's legal and regulatory obligations.

The prevention of money laundering and terrorist financing is one of the foundations of trust in the financial system and will continue to deserve special and ongoing operational and strategic attention.

The bank's Policies on the Prevention of Money Laundering and Terrorist Financing are available at novobanco's website, in Portuguese and English, at [About novobanco > Governance > Compliance > Policies on the Prevention of Money Laundering and Terrorist Financing](#).

<https://www.novobanco.pt/english/about-novobanco/governance/compliance>

Policy on the Investor Protection and Market Transparency

Directive on Markets in Financial Instruments no. 2014/65/EU, of 15 May 2014 (“MiFID II), and related regulations, which came into force in January 2018, aim to reinforce investor protection and increase the transparency and quality of the financial market operation and services provided, covering all persons and entities operating in the markets in financial instruments. In addition, national legislation on financial intermediation activities (in particular the Portuguese Securities Code) and insurance mediation (in particular Law 7/2019 of 16 January) provides the basic reference framework for fair and transparent action by operators in the financial markets and, as such, for the novobanco Group.

Given the international trend towards strengthening the obligations of financial intermediaries in terms of transparency, lawfulness, completeness of information, due diligence and investor protection, and to address the changes in the rules on the marketing of financial instruments, novobanco has adopted the best practices in terms of product and service governance, ensuring the prior assessment and subsequent monitoring of its offer, with the Compliance Department having broad responsibilities in this area.

In compliance with the legal framework, novobanco has approved its standards and policies arising from these regulations and discloses them in a dedicated area of its website, at [novobanco > Investimento > Temas úteis > Informação ao Investidor](#).

<https://www.novobanco.pt/particulares/investimento/informacao-investidor>

The most relevant aspects of these standards and policies are summarised below:

Recording and registration of communications

Novobanco is obliged to keep recordings and registers of all communications with Clients and potential Clients regarding all services, activities and operations it carries out.

Customer classification

Novobanco classifies its customers for the purpose of transactions in financial instruments into one of three categories: non-professional, professional and eligible counterparty. These classifications have implications on the level of protection afforded to the investor. The lower the knowledge and experience of the customer about markets and financial instruments the greater the level of protection.

Assessment of suitability

In order to ensure the suitability of the financial instruments or investment services offered by novobanco to the client's investment profile, novobanco asks its Clients and potential Clients to complete investor profile questionnaires in order to obtain a more complete and detailed understanding of, among other things, their experience and knowledge in investment matters, their financial situation, their investment objectives (including their capacity to bear losses) and their risk tolerance. This sharing of information and knowledge permits to assess whether a given investment product or service is suitable to the specific situation of the investor client.

Safeguard of Customer Assets

The Portuguese Securities Code stipulates that the financial intermediary must adopt procedures and take measures to ensure that, in all the transactions it carries out, as well as in the accounting and transaction records, a clear distinction is made between the assets belonging to it and those belonging to each of its clients, so that the opening of insolvency proceedings, the reorganisation of the company or the reorganisation of the financial intermediary does not affect the transactions carried out by the financial intermediary on behalf of its clients. The financial intermediary may not, in its own interest or in the interest of third parties, use its clients' financial instruments or exercise the rights attached to them without the consent of the holders. novobanco has in place procedures that ensure compliance with these rules.

Offer screening process

Novobanco has established procedures that govern the design, approval, distribution and monitoring of the products and services offered. These procedures include the screening of new offers, incentive schemes, internal campaigns and advertising of products and services, as well as the monitoring of existing offers.

Advertising screening process

Novobanco has established proceedings that govern the production, including the approval and updating of commercial advertising parts, as well as its monitoring.

Remuneration Policies for the Management and Supervisory Bodies and Staff Members

Novobanco's Remuneration Policies were drawn up in accordance with the legislation in force, in particular with the Legal Framework, Notice No 3/2020 of Banco de Portugal and the EBA Guidelines 2021/04 on sound Remuneration Policies and other related legislation, which reflect the guiding principles of meritocracy and transparency and take into account (i) the objectives, long-term strategy and interests, (ii) the corporate nature and structure, (iii) the corporate culture and values, (iv) the risk strategy and culture (including environmental, social and governance risk factors), (v) the long-term interests of shareholders; (vi) the avoidance of conflicts of interest; and (vii) the bank's focus to not assume and take-on excessive risks.

Pursuant to and for the purposes of the Legal Framework, Notice No 3/2020 of Banco de Portugal, and in order to comply with the disclosure duties relating to the remuneration policies set out therein, the Remuneration Committee carried out an annual assessment of the implementation of the remuneration policies and remuneration practices and processes. The Remuneration Committee acknowledged the update of the Remuneration Policies, during the period under review to further enhance the remuneration practices of novobanco and assure compliance with applicable regulation.

The Remuneration Committee and the relevant departments for this exercise (e.g. Human Capital, Legal Affairs, Compliance and Risk) reviewed the remuneration policies of the Management and Supervisory Bodies and of the Employees, ensuring full alignment of the established practices with the applicable regulatory requirements. As a result of this assessment, some adjustments were made to the Remuneration Policies, namely:

- To clarify responsibilities and scope of each of the participants in the remuneration process, with focus on the various GSB Committees and Control Functions of the bank;
- To recognize in more depth the connection between employee conduct, novobanco's values, and variable remuneration;
- To clarify rules and procedures for the selection of Identified Staff and the responsibilities of the Control Functions in this context;
- To recognize the need of direct supervision by the Remuneration Committee of the remuneration of the Heads of Control Functions;
- To make clearer the role of control functions in the process of defining the Bonus Pool and aligning risk appetite with performance and variable remuneration;
- To review deferral rules and retention periods and to differentiate between various categories of employees;
- To enhance criteria where ex-post adjustments are applicable;
- To enhance performance indicators associated with ESG and how they affect the variable remuneration of the management team;
- To clarify that variable remuneration regarding compensation for the buyout of a previous contract is subject to risk adjustment mechanisms (Malus and Clawback).

The Remuneration Committee, after the approval of the above-mentioned adjustments, understands that the Remuneration Policies are appropriate to novobanco's current situation and considers that the incentives defined for the members of the Executive Board of Directors and for the different categories of Employees, as well as the structure of these incentives, are in line with the long-term objectives of the institution and the various stakeholders.

The report prepared by the Remuneration Committee shall be submitted to the General and Supervisory Board, the General Shareholders' Meeting, and the Executive Board of Directors, which shall ensure the implementation of any measures identified.

Description of the Remuneration Policy of the Management and Supervisory Bodies

Competencies for Policy Approval. The approval of the Remuneration Policy of the Management and Supervisory Bodies is the responsibility of the General Shareholders' Meeting, upon proposal of the Remuneration Committee of the General and Supervisory Board, which is also among other responsibilities responsible for:

- Decide on the remuneration to be awarded to the members of the Executive Board of Directors and the Heads of Control Functions, as well as the setting and evaluation of their respective KPIs;
- Define and approve the budget for the total variable remuneration of novobanco group, based, among other factors, on the operational results of the period and the ex-ante risk adjustment criteria, aligned with the bank's risk appetite;
- Verify that existing remuneration policies are up-to-date and, if necessary, propose appropriate changes;
- Assess the mechanisms and systems put in place to ensure that remuneration systems are consistent with sound and effective risk management and assess the criteria used to define remuneration and

the ex-post risk adjustment based on the actual risk outcomes (Malus or Clawback).

General and Supervisory Board. Only the independent members of the General and Supervisory Board receive remuneration from novobanco, approved by the General Shareholders' Meeting, which has only a fixed component and is paid 12 times a year.

Executive Board of Directors. The remuneration of the Executive Board of Directors has a fixed component and a variable component. Fixed compensation is established according to the complexity, level of responsibility and skills required for the role, and is paid 14 times a year. The variable component of remuneration is discretionary and is based on an individual and collective assessment of performance, taking into account quantitative and qualitative criteria. These criteria shall be defined by the Remuneration Committee, communicated to the members of the Executive Board of Directors in due course and aligned with the institution's long-term objectives.

The following criteria are also considered in the process of awarding variable remuneration:

- It may only be allocated if it does not jeopardise the bank's ability to maintain a sound capital base, the bank has achieved a positive operational performance and provided that the allocation is consistent with sound and effective risk management practices;
- It has a maximum cap of 100% of the fixed annual remuneration, or another value up to 200% as long as it is pre-approved in the General Shareholders' Meeting;
- Carried out within a multi-year framework, deferred over a period of 5 years from the year of the award, with 50% rights acquired in the first year and 10% in the following 5 years. The rights acquired in the first year will be only 40% in situations of particularly high variable remuneration (above 1M€);
- 50% of the variable remuneration amounts awarded will be in the form of "Remuneration Units" of €1 each, whose terms and conditions of attribution, acquisition and payment are defined in the

Remuneration Units Regulations, complying with the 12-month retention period. The value of each Remuneration Unit at time of payment is determined by the Remuneration Committee, in accordance with the bank's financial indicators, prior to the settlement of any of these deferred amounts;

- Any severance payments for termination of mandate must be defined by the Remuneration Committee and must comply with all the requirements defined for variable remuneration, such as deferral periods and maximum level of the ratio between the variable and the fixed component of remuneration.

Apart from any commitment agreed in the contracting process in the form of a sign-on bonus, no other type of variable remuneration can be guaranteed.

Amounts paid or deferred, regardless of whether they constitute acquired rights, are subject to the application of ex-post adjustment based on risk, i.e. Malus and/or Clawback.

With regard to other benefits and other allowances, such as health insurance, rent subsidies or mobile phone, the bank's internal policies defined for this purpose apply.

Description of the Remuneration Policy for Employees

Competencies for Policy Approval. The approval of the Employee Remuneration Policy is the responsibility of the Executive Board of Directors, on a proposal from the Remuneration Committee.

Identified Staff

Selection of Identified Staff. The bank's Employee Remuneration Policy includes specific chapters applicable to employees who have or may have a significant impact on novobanco's risk profile, and are classified as Identified Staff, in accordance with the provisions of the Policy.

The control functions actively participate in this process, both from the perspective of identifying roles and business units that impact the bank's risk profile, and in terms of regulatory compliance and the application of the quantitative and qualitative criteria detailed in the policy and applicable regulations.

The list of Identified Staff employees is reviewed annually and reported at the same frequency to Banco de Portugal, pursuant to Instruction No 18/2020 of Banco de Portugal.

Compensation Components. Fixed remuneration should reflect the competence, experience, and responsibility inherent in the role performed, and should not be dependent on performance. The allocation of variable remuneration to the Identified Staff employees, as well as its amount, depends on the decision of the Remuneration Committee and the Executive Board of Directors. If there is a variable remuneration, it is calculated according to an individual and collective performance evaluation (both at the level of the business unit to which it belongs and at the bank level), and must consider the following principles:

- Performance should be evaluated considering quantitative and qualitative criteria and through financial and non-financial variables;
- The period of performance evaluation and attribution of variable remuneration must be multi-year, which implies that a substantial part of the amount awarded is deferred to take into account economic cycles, risk management and promote the retention of Identified Employees. The Remuneration Policies of novobanco stipulate that variable remuneration for Senior Management (which includes part of the Identified Staff employees) must be deferred over a period of 5 years from the year of the award, with 60% vested in the year of the award and 8% in each of the following 5 years. For the remaining Identified Staff, the deferral period is 4 years, with 60% vested in the year of the award and 10% in each of the following 4 years.
- The variable remuneration of the Identified Staff employees may be excluded from deferral if the award is less than €50,000 and represents less than

one third of the employee’s total annual remuneration;

- The awarded amount is limited to 100% of the annual fixed remuneration, or another value up to 200% as long as it is pre-approved by the General Shareholders’ Meeting;
- 50% of the variable remuneration amounts awarded will be in the form of “Remuneration Units” of €1 each, whose terms and conditions of attribution, acquisition and payment are defined in the Remuneration Units Regulations, complying with the 12-month retention period. The value of each Remuneration Unit at the time of payment is determined by the Remuneration Committee, in accordance with the bank’s financial indicators, prior to the settlement of any of these deferred amounts;
- Apart from commitments agreed in the hiring process in the form of a sign-on bonus payable in the first year or retention bonus under an approved Retention Program, no other form of variable remuneration is guaranteed;
- Amounts of variable remuneration paid or deferred, regardless of whether they constitute vested rights, are subject to the application of ex-post adjustment based on risk, Malus and/or Clawback, as described in the Remuneration Policy.

Disclosure of Remuneration

Refer to point 5.6 Remuneration of the Members of the Corporate Bodies and Identified Staff.

Policy for Selection and Assessment of the Management and Supervisory Bodies and Key Function Holders

Novobanco has a Policy for the Selection and Assessment of Management and Supervisory Bodies and Key Function Holders ("Policy"), thus complying with the existing legal and regulatory framework and ensuring the application of the standards required in terms of internal governance for significant financial institutions.

This Selection and Assessment Policy was approved by the Nomination Committee of the General and Supervisory Board, the General and Supervisory Board, the Executive Board of Directors and the General Shareholders' Meeting.

The Policy aims to ensure that the holders of members of the management and supervisory bodies and key function holders (namely heads of risk, audit, compliance functions, branch managers and other functions that the bank identifies on a risk-based approach, such as Chief Operating Officer and those responsible for Treasury and Marketing) meet all the adequacy criteria, either at the time of their appointment or during their term of office or performance of duties.

This adequacy essentially translates into the ability to constantly ensure the sound and prudent management of the institution, taking into account the following requirements to be assessed: i) experience; (ii) reputation; (iii) absence of conflicts of interest and independence; iv) availability, v) collective adequacy (not applicable to key function holders).

The Policy was approved by the General Shareholders Meeting in 22 March 2024, under the proposal of the Nomination Committee of the General and Supervisory Board, being previously approved by the General and Supervisory Board and the Executive Board of Directors.

Policy for the Selection and Evaluation of novobanco' Statutory Auditor and the Contracting of Non-prohibited Non-audit services.

Novobanco approved in 2018 and revised in 2024 its Policy for the Selection and Evaluation of novobanco' Statutory Auditor and the Contracting of Non-prohibited Non-audit services, in compliance of the applicable regulations. This Policy was reviewed and approved by the GSB's Financial Affairs (Audit) Committee, the General and Supervisory Board and novobanco's General Shareholders Meeting.

The Policy applies to the selection, appointment, and assessment of novobanco's Statutory Auditor and aims to ensure that the Statutory Auditor fulfils the necessary requirements of suitability ("fit and proper"), professional experience, independence and availability, taking into account the nature, scope and complexity of novobanco and its financial subsidiaries' activity and the responsibilities inherent to the specific tasks to be performed.

To achieve its purpose, the Policy defines the assessment criteria, stipulates an obligation to monitor the Statutory Auditor's activity and establishes the internal responsibilities and the procedures that must be followed in this regard.

In addition, the policy sets out the criteria and procedures to be followed when engaging the Statutory Auditor to perform non-audit services and defines which services are permitted and which are prohibited.

The activity of novobanco' Statutory Auditor in 2023 was assessed in 2024, in accordance with this Policy.

Shareholders' Distribution Policy

Novobanco's shareholder distribution policy defines the principles, conditions and framework governing the decision-making process with regard to the dividends distribution to shareholders. Distribution to shareholders is, as a rule, made in the form of dividends arising from the results of the financial year, and is subject to approval by the General Shareholders' Meeting, based on a proposal from the Executive Board of Directors (EBD), or approval by the latter in the case of interim dividends.

The shareholder distribution policy defines a level of distribution of ordinary dividends of between 40% and 60% of the consolidated net profit, provided that it respects the principles defined in the Policy, regulatory requirements, management buffers and restrictions resulting from company law, as well as the recommendations of the competent regulatory authorities.

Setting the ordinary dividend remuneration at between 40% and 60% of the consolidated net profit strikes a balance between guaranteeing an adequate minimum remuneration for shareholders, ensuring the maintenance of a sustainable, capital-generating business model in line with the bank's strategy and the creation of long-term value. In addition to ordinary dividends, the bank may consider other forms of shareholders' remuneration, such as special dividends or share buybacks to optimize the deployment of surplus capital accrued by the bank, subject always to the conditions set out in the Policy.

This Policy was approved in January 2025, the EBD dividend proposal regarding 2024 financial year already reflects the 60% pay-out of the net profit for the second half of the year and the Policy will apply in full to the 2025 exercise.

5.5 Credit to Members of the Corporate Bodies

At 31 December 2024 the outstanding amount of loans granted to persons and entities falling under the provisions of article 85 of the RGICSF is presented below:

Denomination	Amount (euros)
Members of the Management and Supervisory Bodies at 31st de December de 2024	
Executive Board of Directors	
Member of the Executive Board of Directors	
Closely related person	116,880.41
Member of the Executive Board of Directors	58,949.72
Member of the Executive Board of Directors	65,397.99
General and Supervisory Board	
Member of the General and Supervisory Board	
Closely related person or entity	200,363.54
Member of the General and Supervisory Board	
Closely related person or entity	82,083,935.79
Entity where a member of the Executive Board of Directors Holds a management position	
Closely related entity	194,688,689.85
Closely related entity	6,294,560.00
Closely related entity	8,125,000.00
Closely related entity	35,000,000.00

The amount of credit granted to members of the Executive Board of Directors and to person closely related to a member of the Executive Board of Directors refers to mortgage and consumer loan contracted before the corresponding nominations.

The amount of credit granted to persons or entities closely related to a member of the General and Supervisory Board concerns to corporate loans. Any existing credit card balances are not considered, providing they are payable at 100% and do not exceed the gross monthly salary.

The amounts of the credit to entities in which members of the Executive Board of Directors hold a management position refer to corporate loans, bank guarantees and bond loans.

For the disclosure purposes of article 109 (7) of the RGICSF, as at 31 December 2024 there were no outstanding loans to direct or indirect holders of qualifying holdings.

5.6 Remuneration of the Members of the Corporate Bodies and Identified Staff

Corporate Bodies

Amount (euros)	Role	Fixed and Variable Remuneration earned in 2024				Total
		Salary	Other post-Employment benefits ⁽¹⁾	Other Allowances ⁽²⁾	Variable Remuneration awarded 2024	
Executivo Board of Directors		2,851,189	35,913	403,735	1,957,500	5,248,337
Mark George Bourke	CEO	600,000	0	230,000	440,000	1,270,000
Benjamin Dickgiesser	Member EBD	500,000	0	170,000	355,000	1,025,000
Luis Miguel Alves Ribeiro	Member EBD	375,000	21,126	0	330,000	726,126
Rui Miguel Dias Ribeiro Fontes	Member EBD	375,000	14,787	0	295,000	684,787
Carlos Jorge Ferreira Brandao ⁽³⁾	Member EBD	355,000	0	0	0	355,000
Joao Jose Martin Moreno Paixao Moreira ⁽⁴⁾	Member EBD	141,725	0	3,735	125,000	270,460
Mandate Terminated During 2024						
Luisa Soares Da Silva Amaro De Mato ⁽⁵⁾	Member EBD	316,964	0	0	275,000	591,964
Andres Baltar Garcia ⁽⁶⁾	Member EBD	187,500	0	0	137,500	325,000
General and Supervisory Board		1,344,383	0	50,000	0	1,394,383
Byron James Macbean Haynes	Chairman GSB	468,000	0	50,000	0	518,000
Karl-Gerhard Eick	Vice-Chairman GSB	328,000	0	0	0	328,000
Kambiz Nourbakhsh	Member GSB	0	0	0	0	0
Mark Coker	Member GSB	0	0	0	0	0
Carla Alexandra Severino Antunes Da Silva	Member GSB	81,000	0	0	0	81,000
William Henry Newton	Member GSB	176,000	0	0	0	176,000
Monika Wildner	Member GSB	82,250	0	0	0	82,250
Evgeniy Kazarez	Member GSB	0	0	0	0	0
Susana Maria Morgado Gomez Smith ⁽⁷⁾	Member GSB	57,833	0	0	0	57,833
Mandate Terminated During 2024						
John Herbert ⁽⁸⁾	Member GSB	75,650	0	0	0	75,650
Robert Sherman ⁽⁸⁾	Member GSB	75,650	0	0	0	75,650

(1) Defined Contribution Pension Plan (eligible as employee prior from being nominated to EBD)

(2) Other allowances (including Expat allowance, other benefits).

(3) Dismissed as EBD member as of the 7th January 2025

(4) Joined the bank as of 19th September 2024. A sign-on bonus of €300,000 was paid.

(5) Termination agreement as of 30th October 2024

(6) Termination agreement as of 30th June 2024

(7) Joined the bank as of 31st May 2024

(8) Left the bank as of 28th of September 2024

In 2024, no payments were made to the members of the corporate bodies of novobanco by other companies in the group.

For the year 2024, the Variable Remuneration awarded amounted to €1,957,500 to the members of the Executive Board of Directors (including members who were no longer in office at the end of the year). These bonuses were based on the individual and collective performance of each member, evaluated by the Remuneration Committee, and will have a payment schedule as detailed below, complying with the deferral criteria applicable to the 2024 Variable Remuneration.

Variable Remuneration award 2024 - payments schedule

Amount (euros)	Role	Total ⁽¹⁾	2025	2026	2027	2028	2029
Executivo Board of Directors	Role	1,957,500	978,750	244,688	244,688	244,688	244,688
Mark George Bourke	CEO	440,000	220,000	55,000	55,000	55,000	55,000
Benjamin Dickgiesser	Member EBD	355,000	177,500	44,375	44,375	44,375	44,375
Luis Miguel Alves Ribeiro	Member EBD	330,000	165,000	41,250	41,250	41,250	41,250
Rui Miguel Dias Ribeiro Fontes	Member EBD	295,000	147,500	36,875	36,875	36,875	36,875
Carlos Jorge Ferreira Brandao ⁽²⁾	Member EBD	0	0	0	0	0	0
Joao Jose Martin Moreno Paixao Moreira	Member EBD	125,000	62,500	15,625	15,625	15,625	15,625
Mandate Terminated During 2024							
Luisa Soares Da Silva Amaro De Matos	Member EBD	275,000	137,500	34,375	34,375	34,375	34,375
Andres Baltar Garcia	Member EBD	137,500	68,750	17,188	17,188	17,188	17,188

(1) 50% to be paid as Remuneration Units

(2) Dismissed as EBD member as of the 7th January 2025, no Variable Remuneration awarded regarding 2024.

The value of the Remuneration Units at the date of the award is €1 (one) and their value is then reassessed, by the Remuneration Committee, at the time of payment. According to the Regulation of Remuneration Units, at the time of payment, the value of the Remuneration Units can only be adjusted downwards when compared to that defined at the time of award.

It should be noted that in 2024, the EBD members received various portions of Variable Remuneration (including cash and remuneration units) that were deferred from previous performance periods, as shown in the following table:

Variable Remuneration - Paid in 2024

Amount (euros)	Role	Total Paid	2023	2022	2021	2020
Executivo Board of Directors		1,546,982	938,824	202,500	244,825	160,833
Mark George Bourke	CEO	360,417	195,000	48,750	58,333	58,333
Benjamin Dickgiesser	Member EBD	41,324	41,324	0	0	0
Luis Miguel Alves Ribeiro	Member EBD	259,375	152,500	36,875	36,667	33,333
Rui Miguel Dias Ribeiro Fontes	Member EBD	243,958	137,500	33,125	36,667	36,667
Carlos Jorge Ferreira Brandao ⁽¹⁾	Member EBD	192,117	137,500	18,125	36,492	0
Joao Jose Martin Moreno Paixao Moreira	Member EBD	0	0	0	0	0
Luisa Soares Da Silva Amaro De Matos	Member EBD	239,792	137,500	33,125	36,667	32,500
Andres Baltar Garcia	Member EBD	210,000	137,500	32,500	40,000	0

(1) Payments made in 2024 are subject to ex-post risk adjustment mechanisms.

Finally, it should also be noted that the following deferred variable remuneration amounts (including cash instalments and remuneration units) are pending future payment.

Amount (euros)	Role	Total Deferred Remuneration	Variable Remuneration - Deferred ⁽¹⁾			
			2025	2026	2027	2028
Executivo Board of Directors		1,562,782	593,039	384,706	384,706	200,331
Mark George Bourke	CEO	399,583	155,833	97,500	97,500	48,750
Benjamin Dickgiesser	Member EBD	41,324	10,331	10,331	10,331	10,331
Luis Miguel Alves Ribeiro	Member EBD	299,792	111,667	75,000	75,000	38,125
Rui Miguel Dias Ribeiro Fontes	Member EBD	273,542	104,167	67,500	67,500	34,375
Carlos Jorge Ferreira Brandao ⁽²⁾	Member EBD					
Joao Jose Martin Moreno Paixao Moreira	Member EBD	0	0	0	0	0
Luisa Soares Da Silva Amaro De Matos	Member EBD	273,542	104,167	67,500	67,500	34,375
Andres Baltar Garcia	Member EBD	275,000	106,875	66,875	66,875	34,375

(1) Does not include Variable Remuneration awarded for 2024 performance

(2) Deferral payments will be postponed due to evaluation of application of ex-post risk adjustment mechanisms.

Other benefits and compensation and non-cash benefits.

Nothing to report.

> Compensation paid or due to former members of the Executive Board of Directors in relation to early contract termination in the reporting year.

In 2024, two members of the EBD left the bank before the end of their mandate, and a total of €375,000 was paid as compensation for the early termination of the contract, as previously established in their respective mandate letters.

> Plans for the attribution of shares or stock options. Nothing to report.

Identified Staff

As part of the annual procedures outlined in the Remuneration Policy, the list of Identified Staff was updated with contributions from the risk and compliance functions, approved by the Executive Board of Directors, and reviewed and approved by the Remuneration Committee. A group of 57 employees was classified as belonging to the category of 'Identified Staff,' and the table below presents the Fixed and Variable Remuneration of the Identified Staff employees for 2024.

There are 22 Identified Staff who have an individual variable remuneration award lower than €50,000 and it represents less than 1/3 of their total annual remuneration. Therefore, as defined in the remuneration policy, they are exempt from the deferral obligation and receive their entire bonus in the year it is awarded.

The following tables presents total remuneration 2024 of Identified Staff and payment schedule for 2024 Variable Remuneration:

Amount (euros)	# Identified Staff	Fixed and Variable Remuneration earned in 2024				Total
		Salary	Other post-Employment benefits ⁽¹⁾	Other Allowances ⁽²⁾	Variable Remuneration award 2024	
Total	57	7,760,278	214,492	393,710	4,719,534	13,088,014
Commercial	7	920,911	59,502	24,268	575,105	1,579,787
Control	4	480,373	1,926	7,737	246,000	736,036
Support	46	6,358,994	153,064	361,705	3,898,429	10,772,192

(1) Defined Contribution Pension Plan

(2) Other Allowances (Lunch and other allowances).

Amount (euros)	# Identified Staff	Variable Remuneration award 2024 - payments schedule					Total ⁽¹⁾
		2025	2026	2027	2028	2029	
Total	57	4,719,534	2,633,517	521,504	521,504	521,504	521,504
Commercial	7	575,105	302,053	68,263	68,263	68,263	68,263
Control	4	246,000	136,000	27,500	27,500	27,500	27,500
Support	46	3,898,429	2,195,465	425,741	425,741	425,741	425,741

(1) 50% to be paid as Remuneration Units

Amounts paid in 2024 related to performances from previous years that were deferred.

Amount (euros)	# Identified Staff	Variable Remuneration - Paid in 2024			
		Total Paid	2023	2022	2021
Total	57	3,943,067	2,862,288	294,855	785,925
Commercial	7	498,213	354,545	46,234	97,434
Control	4	212,108	159,600	22,097	30,411
Support	46	3,232,746	2,348,143	226,524	658,079

Amounts related to performances from previous years that will remain pending for future years.

Amount (euros)	# Identified Staff	Variable Remuneration - Deferred ⁽¹⁾				
		Total Deferred Remuneration	2025	2026	2027	2028
Total	57	2,365,985	665,210	665,210	665,210	370,355
Commercial	7	357,998	101,058	101,058	101,058	54,824
Control	4	156,692	44,697	44,697	44,697	22,600
Support	46	1,851,296	519,455	519,455	519,455	292,931

(1) Does not include Variable Remuneration awarded for 2024 performance

During 2024, one member of Identified Staff has left the bank and severance payments totalling €92,701.43 was agreed upon, to be paid out in accordance with the deferral periods as per the Remuneration Policy.

5.7 Securities Held by Members of the Management and Supervisory Bodies

As at 31 December 2023 and in financial year 2023, the members of the Corporate Bodies of novobanco did not hold any securities issued by novobanco or by companies in a control or group relationship with novobanco.

Additionally, no acquisitions, disposals or transmissions of securities issued by novobanco or by companies in a control or group relationship with novobanco were carried out in this period by members of the Corporate Bodies.

5.8 Non-Material Indirect Investment in novobanco

All current members of the EBD and certain members of the GSB acquired, using their own funds, shares in an indirect investment structure in novobanco, which had been set up (and is controlled) by LSF Nani GP, LLP, which owns indirectly a 75% interest in novobanco. This indirect investment represents a stake of significantly less than 1% in novobanco and has no financial impact on the bank, or in the exercise of the functions, suitability and independence of the aforesaid members, taking into account the reduced weight of the investment, as a percentage of the share capital, and also for each individual concerned. Non-material indirect investments in novobanco have been disclosed in previous annual financial statements of novobanco and reported to the relevant supervisory authorities and to the Chief Compliance Officer of novobanco. In addition, certain staff members also had the opportunity to make a non-material indirect investment in novobanco using their own funds, under the same terms referred to above.

