

Table of Contents

1. Legal Framework
2. Scope and powers of application
3. Purpose
4. Participants and Responsibilities
5. Internal Procedure
6. Types of Succession
7. Approval and review
8. Publication
9. Diversity
10. Appendix I – Job description for Management and Supervisory body members
11. Appendix II – Job description for Key function holders
12. Glossary

SUCCESSION POLICY FOR MEMBERS OF MANAGEMENT AND SUPERVISORY BODY AND KEY FUNCTION HOLDERS IN BISON BANK, S.A. ("BISON BANK", "BANK" OR "COMPANY")

1. Legal Framework

The Succession Policy for members of Management and Supervisory Body and Key function holders in Bison Account, S.A. ("The Bank"), ensures that the Bank follows the national and European regulations regarding internal governance and the criteria and principles related with business continuity.

This Policy considers the applicable legal and regulatory framework, that includes:

- The recommendations on internal governance systems, processes and mechanisms arising from the joint Guidelines of European Banking Authority ("EBA") and the European Securities and Markets Authority ("ESMA") on the evaluation of the adequacy of the members of the Management Body and holders of essential functions issued with the number EBA/GL/2017/12, paragraph no. 134, the EBA Guidelines with reference number EBA/GL/2017/11, and EBA/GL/2021/06 applicable as of 31.12.2021, regarding internal governance.

These guidelines establishes that the Management and Supervisory Body must identify and select qualified and experienced members and ensure appropriate succession planning for the Management and Supervisory Body that is consistent with all legal requirements considering due composition, nomination, and succession.

- The Banco de Portugal Notice no. 03/2020, Article no. 5, 6) and 7) Diário da República [Portuguese Official Journal], DR, 2nd series, number 136, Part E, from 15-07-2020.

This establishes that each institution has a Succession Policy and that is in accordance with the "Selection and Assessment Policy for the Suitability of Management and Supervisory Body members and of Key function holders in Bison Account S.A".

The Succession Policy includes the detailed identification and description of the job profiles, including organizational role in the Bank, main responsibilities and interactions, academic background, professional experience and management and other relevant skills.

Furthermore, the Succession Policy should specify the description of internal and external processes, if applicable, that support the selection and evaluation of potential successors, the main responsible for the process, the timeline of each phase and the elaboration of a list, permanently updated, with the potential candidates to members of the Management and Supervisory body positions, that can be submitted to General Meeting.

Following this, we hereby disclose the Succession Policy for members of Management and Supervisory Body and Key function holders of the Bank. (the “Policy”).

2. Scope and powers of application

The present Policy applies to the following Bank senior officers:

2.1. Management and Supervisory Body members.

2.2. Key function holders of the Bank.

The “Key functions holders” include all responsible persons whose suitable performance impact the sound and prudent management of credit institutions and who are not members of the governing bodies. These are the Internal Control functions that include responsible heads for the Compliance, Risk Management and Internal Audit Departments and were identified on a risk-based approach by the Bank.

The Bank prepared the job descriptions for the Management and Supervisory body members described in Appendix 1 and the job descriptions for the Key function holders described in Appendix 2 for.

3. Purpose

This Policy that aims to ensure business continuity, growth, and risk mitigation in case of the need for sudden changes, from Management and Supervisory bodies and Key

function holders, due to resignation, contract termination, retirement, or any other sudden event.

The Bank ensures the identification and selection of internal or external future successors needed for the business-critical positions and the development actions to prepare them for the future leadership roles.

4. Participants and Responsibilities

This Policy is materialized through the Succession Planning, that requires the participation of several intervenient, with different responsibilities, including:

4.1. Human Resources Department

- Support the Management body and NRC, with the yearly assessment of Succession Planning subject to approval of the Board of Directors.
- Support in the process of identification and evaluation of employees with high potential, that can be constituted as the successors.
- Support in the elaboration and implementation of specific development plans for high potentials.
- Support the preparation and periodically monitoring of the list of external candidates, including the liaison with external recruitment agencies.

4.2. Nomination and Remuneration Committee ("NRC")

Following the Regulations of the Nomination and Remuneration Committee of the Bank, in regard to powers and functions, it is highlighted the following ones:

- Identify potential candidates, in a timely manner, with the high profile necessary to carry out the duties as Management and Supervisory body member.
- Ensure competent and independent evaluation, initial and successive, and selection of management and supervisory body members.

- To advise and support the Board of Directors and the General Meeting in relation to matters of nominations, assessments, and remunerations of the members of the Management and Supervisory Board, and of the Bank's key function holders.
- To identify external partners that support the definition of candidate's profile, selection of the methods for the identification of candidates, initial evaluation, and selection.
- Advise and support the Board of Directors in definition of the profiles of each function.

4.3. Management Body

- Approval of the succession plan of the members of Management and Supervisory body members and key function holders, after the conclusion of the assessments referred in 4.1.
- Be aware of the results of internal evaluation processes of employees with high potential and external evaluation of candidates.
- Ensure the development of specific development plans for identified high potential employees, with the support of Human Resources Department ("HRD").
- Yearly evaluation and approval of the Succession Policy.

5. Internal Procedure

HRD conducts the Talent Mapping exercise, on a yearly basis, considering the outcome of the annual performance review process and identification of potential, conducted by the Management Body for the Heads of departments and Heads of departments for their team members.

This process involves four phases:

- Phase 1: Identification of high potentials employees
- Phase 2: Talent Meetings
- Phase 3: Approval of candidates and development plans

- Phase 4: Implementation of development plans

5.1. Phase 1: Identification of high potentials employees

This phase is held in January of each year and includes:

5.1.1. Previous identification, from HRD, of employees with high potential and high performers, high impact of leaving, high risk of loss and Incumbents targeted for succession planning, based on the results from the annual performance review process and identification of potential.

5.2. Phase 2: Talent meetings

This phase is held in January of each year, that includes:

5.2.1 Talent meetings:

- Led by Head of departments, regarding their team members, segmented by business, control and support areas. HRD supports the Heads of department, in the calibration and discussion exercise, with a previous structure based on the results of the annual performance review process and potential.

- Led by the Management Body regarding the Heads of departments. HRD supports the Management Body, in the calibration and discussion exercise, with a previous structure based on the annual performance review process and potential.

5.2.2 Identification and confirmation of the following employees:

- *High performers* (Following the *Nine Grid matrix*, the result is the positioning in terms of performance vs potential; capacity to do specialized, senior, or broader roles).

- *High impact of leaving* (Impact for the Bank in terms of loss of knowledge, reputation, and relationship management with clients).

- *High risk of loss* (Probability of leaving, such as employability level, competencies, payment conditions, multicultural mindset, or deficit market).

- *Incumbents targeted for succession planning* (High performers), that possess the capabilities and skills to replace the Heads of department, Management and Supervisory body members and key function holders and assessment of readiness for the role, on an emergent event or for the future. This information will then constitute the list of potential candidates for each key position on each business area.

5.2.3 Proposal of possible development plans, for employees and Heads of department, identified as either Emergency Successors, Natural Successor Short time (Readiness now) and Natural Successor Mid/Long Term (3-5 years).

5.3. Phase 3: Approval of candidates and action and development plans

This phase is held in February of each year, that includes:

5.3.1 Approval of the targeted candidates: On yearly basis, HRD will provide an updated list of possible candidates to the positions of Management and Supervisory body member, Key function holders, Head of Departments, and other key positions, that will be subject to approval of the Board of Directors.

This list is permanently updated with possible candidates that can be submitted to the General Meeting.

Vacancies will be filled from within or, in the event of no suitable candidate is available, on an “acting” basis while an external recruitment effort is conducted.

5.3.2 External Candidates: In case replacements are not identified within the Company, a high-level list of potential external candidates should be prepared and monitored periodically by the HRD.

External candidates’ suitability should be assessed in a simple way, based on the available information (*LinkedIn* profile, for example) to evaluate if legal and internal requirements are met. They will not be contacted to confirm availability, except if Succession is necessary, and in this case, external candidates will be subject to prior approval of Board of Directors with the support of the NRC.

In case an External candidate is selected to be the successor, NRC will proceed with the collection of relevant information for the initial evaluation, through the Assessment Questionnaire.

It is advisable that candidates to the positions of non-executive members of Management Body, should preferably come from more than one external recruitment agency to promote independency of the candidates.

It is advisable that for the selection and evaluation of potential candidates to Management Body positions, preferably should be considered an equal proportion of internal and external candidates, to promote the diversity of experience, mindset and added value to current management body.

5.3.3 Approval of development plans by the Board of Directors, that includes succession planning to prepare identified individuals to assume a greater role of responsibility in the future. The Development plans for either Emergency Successors, Natural Successor Short time (Readiness now) and Natural Successor Mid/Long Term (3-5 years) will be followed up by HRD. This can include, not exclusively, Training sessions, External Coaching, Mentoring, 360° Feedback, Job rotation, exposure to Board of Directors in strategic projects or to other business areas.

The Management Body must ensure the continuity of decision-making processes and, as far as possible, under HRD recommendation, prevent the replacement of many members at the same time and transitory measures to be applicable.

5.4. Phase 4: Implementation of development plans

This phase is held in March of each year and may be concluded until the end of each year.

HRD will ensure the implementation of development plans and will periodically follow up with the Management Body and Heads of department regarding the development progress of each targeted candidate and will provide a report with the outcomes to Management Body.

6. Types of Succession

6.1. Succession in case of end of mandate

In case of end of mandate, three months before the date of expiry of the mandate, the NRC proceeds with the necessary diligences to find the members of the Management and Supervisory Body more fitted for the function, considering expected performance of the existing ones and attraction of new talents for the improvement of the management and supervision efficiency. The NRC should consider the opportunity of refreshing and the diversity of the team on the search, getting the support of professional firms on hunting talents if necessary.

6.2. Succession in case of unexpected events

In case of an unexpected event that causes immediate termination of mandate by a member of the Management and Supervisory Body, the succession process will occur in the following terms:

- The Management and Supervisory Body members, together with the NRC, analyze the need for replacement.
- In case it is concluded the need for replacement, the NRC will proceed according to the point 6.1.

7. Approval and review

The present Policy is reviewed on a yearly basis or whenever deemed necessary and approved by the Board of Directors.

8. Publication

The present Policy is published on the Company's website.

9. Diversity

The Bank promotes the diversity of gender, age, geographical provenance, and educational and professional background within the Management and Supervisory Body, to ensure a broader range of experience, knowledge, skills and values, to reduce the

phenomenon of groupthink and to facilitate independent opinions and constructive challenging in the process of decision-making.

The Bank promotes no discrimination based on race, color, ethnic or social origin, genetic features, religion or belief, membership of a national minority, property, birth, disability, or sexual orientation.

10. Appendix I – Job description for Management and Supervisory body members

The members of Management and Supervisory body shall be considered to have suitability, honesty and integrity, independency, and availability for the full exercise of the competences attributed to them, the size of the company and the complexity of their activity.

10.1. Job Profile of Management body members

10.1.1. Organizational Structure

The Management Body has overall responsibility for the Bank, with all the powers of representation and management.

10.1.2. Main Responsibilities

- Defines and oversees the implementation of the key policies of the institution within the applicable legal and regulatory framework, considering the institution's long term financial interests and solvency.
- To build and develop cross-border business opportunities.
- Defines the internal organization of the Bank and the preparation of the necessary regulations and instructions to ensure the implementation of internal control, risk management, reporting, supervision, and budget structures.
- In accordance with Article 88 (1) of Directive 2013/36/EU, the Management Body must have ultimate and overall responsibility for the institution and defines, oversees and is accountable for the implementation of the governance arrangements within the institution that ensure effective and prudent management of the institution.

- Promotes an adequate and effective internal governance and internal control framework that includes a clear organizational structure and well-functioning independent internal risk management, compliance and audit functions that have sufficient authority, stature, and resources to perform their functions.
- Defines and implements a prudent risk strategy suitable to the Company's overall strategy, size, and complexity, including the institution's risk appetite and its risk management framework, as well as a sound AML/ CFT related risk matrix, policies and procedures.
- Defines the internal rules and procedures that promote an institutional risk culture of ethical integrity, internal scrutiny and organizational transparency and robustness. which addresses the institution's risk awareness and risk-taking behavior.
- Defines the amounts, types and distribution of both internal capital and regulatory capital to adequately cover the risks of the institution.
- Defines the Company's assessment and control processes for capital and liquidity adequacy, capital and liquidity management and respective plans.
- Ensures that compliance duties and policies, and the internal control system are well understood, implemented, and monitored.
- Proceeds with arrangements aimed at ensuring the internal functioning of each committee of the Management Body, when established, detailing the: i) role, composition, and tasks of each of them; ii) appropriate information flow, including the documentation of recommendations and conclusions, and reporting lines between each committee and the Management Body, competent authorities, and other parties.
- Ensures the integrity of the accounting and financial reporting systems, including financial and operational controls and compliance with the law and relevant standards.
- Manages corporate affairs and carry out actions related with the corporate purpose.
- Oversees the process of disclosure and communications with external stakeholders and competent authorities.

- To be informed about the performance of each business unit and the risks related to the pursuit of the interests of the Bank, the duties of Head of Departments, as well the Committees in force.

10.1.3. Academic Qualifications

- Bachelor's degree or master's degree in a relevant discipline or MBA.

10.1.4. Experience and Knowledge

- Substantial experience in senior management or management or supervision positions of at least five years of relevant management experience in a regulatory environment/company.
- Substantial experience in the activity area of the Bank or similar area.
- Robust banking experience.
- Experience in building business strategies around the concepts of banking-as-a-service and business to business.
- Strategic planning and understanding of the Bank's strategy or business plan and its execution. Defining and implementing business plans and budgets and medium- and long-term strategic plans.
- Risk management (identification, evaluation, monitoring, control, and mitigation of the Bank's main types of risk) and compliance (AML/ CFT, financial intermediation, conflict of interest and internal documentation).
- Evaluation of the effectiveness of the Bank's mechanisms, creation of effective governance, oversight, controls, and measures.
- Finance, accounting, and financial reporting.
- Audit and Internal Control.
- Technologies and information systems.
- Relevant areas of sectoral / financial competence, including financial and capital markets, solvency, and models.
- Liquidity and capital management.

- Human resources management and remuneration policies.
- Communication and internal and external disclosure of information.
- Legal requirements and regulatory framework.
- Governance systems

10.1.5. Competencies

- Business oriented
- Strong entrepreneurial drive.
- Highly ethical behavior.
- Ability to inspire and to promote leadership.
- Excellent communication skills with stakeholders and shareholders.
- Constructively challenge the decisions of the Board of Directors and effectively oversee the management function.
- Proven negotiation skills.
- Ability to resist to “group thinking”, with proven independence of mind.
- Exceptional interpersonal skills.
- Good planning and organizational skills.

10.2. Job Profile of Supervisory body members

10.2.1. Organizational Structure

The Supervisory Board is the supervising body of Bison Bank, created pursuant to the provisions of Article 23 of the Articles of Association of Bison Bank, as stipulated in subparagraph a), no. 1 of Article 278 of the Portuguese Companies Act, together with subparagraph b), no. 1 of Article 413 and no. 1 of Article 3 of Law 148/2015, of 9 September, with the powers established namely in Article 420 of the Companies Act, in Article 115-A of the Legal Framework of Credit Institutions and Financial Companies (RGICSF –Regime Geral das Instituições de Crédito e Sociedades Financeiras).

In exercising these powers, the Supervisory Board shall supervise the activities related to audit, internal control, risk management, compliance control and accounting, as well as the Statutory Auditor's activity and independence.

10.2.2. Main Responsibilities

- Supervising the management of Bison Bank.
- Ensuring compliance with the law and Articles of Association of Bison Bank, as well as the regulatory provisions and standards issued by the Supervisory Authorities and the internal policies, standards and practices.
- Checking that the ledgers, accounting records and documents substantiating them are all in order.
- Checking the accuracy of the financial reporting documents.
- Drafting the annual report on its supervisory activities and issuing an opinion on the report, accounts and proposals presented by the Board of Directors, as well as on internal control functions reports under the provision of the Notice of Bank of Portugal nº. 3/2020, Articles 27/4, 28/4 and 32/5.
- Calling the General Meeting, when the Chairperson of the respective board fails to do so, when he/she should have.
- Receiving irregularity reports from shareholders or employees of Bison Bank or others.
- Supervising the statutory audit of the accounts of Bison Bank.
- Prepare an annual assessment of the adequacy and effectiveness of the organizational culture in the institution and its government and internal control systems.
- Ensure the preparation of prior opinions on matters relating to conduct, organizational structure, internal control function regulations and activity plans, policies and procedures for support of risk management, related parties, conflicts of interest and subcontracting of operational tasks of internal control functions, policy of selection and appointment of the statutory auditor or audit firm and hiring of non-

audit services not prohibited by law or regulations applicable to the performance of the activity of statutory audit of public-interest entities (according to the definition of article 3.º of legal framework of audit supervision, approved by the Law 148/2015), as well as the adequate implementation of said policy and periodical revision.

- Monitoring the adequacy and effectiveness of the internal control, risk management and compliance control systems of the institution.
- Monitoring the process of preparation and disclosure of financial information and presenting recommendations or proposals to ensure its integrity.
- Informing the Board of Directors on the results of the statutory audit and explaining how it contributed to the integrity of the process of preparation and disclosure of financial information, as well as the role of the Supervisory Board in the process.
- Monitoring the statutory audit of annual accounts, taking into consideration any findings and conclusions of the Portuguese Securities Market Commission (CMVM – Comissão do Mercado de Valores Mobiliários), as the competent authority for audit supervision.
- Selecting the Statutory Auditor or Audit Firm of Bison Bank and proposing their appointment to the General Meeting, as well as previously approving the provision of services other than audit and the conditions for the provision of statutory audit and audit services within the Bison Bank Group and other services.
- Supervising the independence of the Statutory Auditor or Audit Firm, namely by jointly examining the threats to their independence and the safeguarding measures applied to mitigate those threats, as well as the adequacy of the services provided.
- Approving the statutory audit plan, as well as the plan for the audit of the internal control system of Bison Bank and supervising their implementation.
- Appraising the adequacy of the annual plans of the Departments of Compliance and Internal Audit, in addition to appraising with the Management and each Senior Officer of these areas the respective responsibilities, allocation of resources, action methods and annual reports.
- Supervising the internal audit activities of Bison Bank and issuing a prior opinion to the Board of Directors on the appointment, replacement, and dismissal of those in charge of internal audit operations.

- Ensuring that those in charge of the units exercising internal control duties are capable of acting with independence.
- Perform control actions within its legal and regulatory powers, maintaining a multiannual activities plan approved and updated.
- Ensure periodic and independent evaluations, to be carried out by an external entity, on the conduct and values of the supervisory body.
- Promote the existence of an organizational culture based on high standards of ethical requirement, ensuring an integrated risk culture in order to ensure the identification, assessment, monitoring and control of the risks to which the institution is or may be exposed.
- Promote responsible and prudent professional conduct, to be observed by all employees and members of the governing bodies in the performance of their duties, guided by high standards of ethical requirement.
- Participate in the process of assessment of the internal control functions assessment and of the respective heads.
- Prepare a summary of the self-assessment report mentioned in the article 55.º of the Notice 3/2020 from Bank of Portugal, which is disclosed in attachment to the annual financial reports of the Bison Bank
- Carrying out other duties established by law, the Articles of Association and the applicable regulatory provisions, namely of the Portuguese Central Bank and CMVM.

10.2.3. Academic Qualifications

- Bachelor's degree or master's degree in a relevant discipline or MBA.

10.2.4. Experience and Knowledge

- Substantial experience in the financial area in top management or supervision positions, with preference on banking sector.
- Substantial experience in the activity area of the Bank or similar area.
- Strategic planning and understanding of the Bank's strategy or business plan and its execution. Defining and implementing business plans and budgets and medium- and long-term strategic plans.

- Risk management (identification, evaluation, monitoring, control, and mitigation of the Bank's main types of risk).
- Evaluation of the effectiveness of the Bank's mechanisms, creation of effective governance, oversight, controls, and measures.
- Finance, accounting, and financial reporting. and Auditing.
- Audit, Internal Control and Compliance.
- Technologies and information systems.
- Relevant areas of sectoral / financial competence, including financial and capital markets, solvency, and models.
- Liquidity and capital management.
- Human resources management and remuneration policies.
- Communication and internal and external disclosure of information.
- Legal requirements and regulatory framework.
- Governance systems

10.2.5. Competencies

- Highly ethical behavior.
- Excellent communication skills with stakeholders.
- High level of critical thinking.
- Constructively challenge the decisions of Management Body.
- Efficient impartiality when supervising management function.
- Ability to resist to “group thinking”.
- Good planning and organizational skills

11. Appendix II – Job description for Key function holders

11.1. Job Profile of Key functions holders – Internal Audit Department Head

11.1.1. Organizational structure

The Internal Audit Department (IAD) is at the first line of the organizational structure of the Bank. It has a hierarchical reporting line to the Chief Executive Officer (merely administrative) and a functional reporting line to the Board of Directors and the Supervisory body as a whole.

11.1.2. Main Responsibilities

- Contributes to the initial training/continuous improvement of knowledge of the Employees in relation to the techniques and practices of audit and of all competences derived from the attributions that are committed to the Head.
- Suggests internal rules and procedures and/or participates in the elaboration / issuance of opinions on internal regulation, to contribute to the continuous improvement of the processes, namely regarding the mitigation of risks.
- Analyzes the new processes and controls implemented, analyzing their effectiveness, and suggesting changes for improvement when pertinent.
- Ensures the review and continued appropriateness of audit procedures to be used in line with recognized and accepted national and international standards and internal audit principles.
- Shares and coordinates Internal Audit activities with External Auditors and Supervisory Bodies, within the limits of access to information, minimizing duplication of efforts.
- Prepares and keeps updated a Pluriannual Audit Plan to examine and assess the adequacy and effectiveness of the Institution's organizational culture and internal governance structures and internal control system, ensuring its implementation according to the proposed schedule, proposing change whenever necessary.
- Identifies and discusses with Management and Supervisory bodies the main priorities to be addressed in the Pluriannual Audit Plan.
- Submits the Pluriannual Audit Plan, as well as their periodic reviews and possible amendments, for the Management and Supervisory bodies' appraisal, on an annual

basis, as to its adequacy in ensuring a comprehensive risk-orientation of all the Bank's activities, systems and processes, so as to allow for an overall assessment of the adequacy and effectiveness of the Bank's organizational culture, internal governance structure and internal control system, and for its subsequent approval.

- Regularly reviews (bi-annually or whenever necessary) the Pluriannual Audit Plan and its respective adequacy to the risk profile of all the activities, systems and processes of the Institution.
- Regularly reports to the Management and Supervisory bodies (on a quarterly basis) on the activity carried out by the Internal Audit Department on the evolution and compliance of the Annual Audit Plan, on the main internal control deficiencies identified, on the status of implementation of recommendations for the identified deficiencies and on the subsequent evolution of the Bank's risk profile.
- After the completion of each audit work, prepares a report which contains the conclusions on the overall assessment with the identification of the internal control weaknesses/deficiencies and its respective classification as different levels of deficiencies, taking into consideration the classification methodology set by the Bank of Portugal's instructions and subsequent issued recommendations.

11.1.3. Academic Qualifications

- A degree in Finance, Economics, Business or Accounting.
- Post-degree or master's degree in Audit is a plus.
- MBA with specialization in Management, Finance, Audit or Risk Management is a plus.

11.1.4. Experience and Knowledge

- Consolidated experience in Auditing, especially in internal control, improvement of processes and operational risk reduction.
- Experience in banking area.
- Experience in External Audit is a plus

11.1.5. Competencies

- Independent and impartial approach
- Prudent and competent while performing its duties.
- Positive influencer of the Institution, leading by example.
- Promotes communication between several departments as a facilitator, towards one single objective of improving the Institution's performance.
- Professional ethics and reliability.
- Proactivity
- Rigorous and critical analysis.
- High attention to detail and excellent analytical skills.
- Positive behavior and efforts to achieve goals.

11.2. Job Profile of Key functions holders – Compliance Department Head

11.2.1. Organizational structure

The Compliance Department (COD) is at the first line of the organizational structure of the Bank. It has a hierarchical reporting line to the Board of Directors, through its responsible Director.

11.2.2. Main Responsibilities

- Prepares, keep updated and obtain Management Body sign off to: (I) The Organizational and Functional Statute of the COD, (ii) the Compliance Risk Universe, (iii) the Compliance Plan and the Compliance Training Plan.
- Prepares, keeps updated and provides awareness to the Management Body of a regular report containing at least a summary of the main activities carried out by the Department, a description of the existing control environment and a description of

the main risks and identified breaches for the period and send it also to the Supervisory Body; the Compliance's Regulation, Policies and Norms, the COD's management information, and all reference documentation on Compliance duties and keep updated.

- Coordinates the process of identifying and assessing compliance risks within the Bank's activity and carried out by the bodies subordinated, to mitigate them effectively and efficiently, as in the Compliance's Regulation, Policies and Norms; the process of assessing the policies in place, ethical principles, rules of conduct and compliance rules as approved by the Management Body; the response to Public Consultations related to the Bank's activities and the activities developed by the COD.
- Keeps Employees informed about Laws & Trends and internal rules in accordance with the process defined within the Compliance's Regulation, Policies and Norms.
- Cooperates with HRD in the identification and preparation of Compliance Training & Awareness programs on matters of compliance (Function and Risk) and Financial Crime, ensuring compliance with the Financial Crime Training Policies.
- Proposes to Board of Directors the attribution or amendment of powers of attorney for COD's team in strict compliance with the internal rule in place.
- Act as support department, as per request by the Supervisory Board, for issues related to irregularities (i.e. whistleblowing).
- Supervises: The preparation of the Report on the Conflict of Interests and External Engagements; the preparation of the Depositary Report of the Custodian Bank; the preparation of the Internal Control Report; the analysis of the IAD reports on the COD's activity and the implementation of the applicable recommendations.
- Advises the Governance Bodies, the Company Secretariat, and other Departments on matters of compliance and reputational risk management.
- Provides the Management Body with information on signs of the breach of duties that may cause the Bank to incur in serious or very serious administrative infractions.
- Conducts the formal and informal relationship with the Supervisory Authorities on matters of its responsibility.

- Participates or is represented in Bank-wide projects that have implications on the Organizational Division's structure and/or operations.
- Participate in the Risk and Compliance Committee.

11.2.3. Academic Qualifications

- A degree in Finance, Business, Accounting, Law (or similar).
- MBA with additional specialization in Risk Management or Corporate Governance is a plus.

11.2.4. Experience and knowledge

- Experience in banking area (more than 5 years).
- Experience in Compliance, Legal or Audit Matters (more than 3 years).
- Knowledge of relevant regulatory requirements.
- Updated on the latest tactics and trends in financial crime and money laundering.

11.2.5. Competencies

- Ethics and integrity.
- Rigor and critical analysis.
- High attention to detail and excellent analytical skills.
- Effective problem solving.
- Attention to the big picture.
- Risk assessment capabilities.
- People skills.
- Communication skills, at all levels of the organization.

11. Job Profile of Key functions holders – Risk Department Head

11.3.1. Organizational structure

The Risk Department is at the first line of the organizational structure of the Bank. It has a hierarchical reporting line to the Board of Directors, through its Director.

11.3.2. Main Responsibilities

- Advise the Management Body on the drawing up of the Institution's risk policies/risk strategy, in line with its strategic and business objectives proposing general and specific rules. / Participate in the definition and implementation of the risk management policies and respective procedures, ensuring the coherency and alignment with the defined risk strategic goals, in close conjunction with other areas (management or business), safeguarding the mapping of the several risks.
- Develop practices that allow the identification, assessment, monitoring and control of all materially relevant risks to which the Bank is subject, both internally and externally, so that they remain within the limits established by the Management Body, and do not affect materially the Bank's financial situation.
- Disseminate the defined risk policies and supervises its application and implementation, while carrying out the required reporting.
- Ensure the regular reporting of the assessment on the global risk profile to the BoD and Supervisory Board (SB), through reports on risk management, which includes qualitative and quantitative information, about the global risk exposure and evolution of the main categories of risks assumed according to the established periodicity.
- Report on a timely basis to the BoD and SB the occurrence of relevant non-compliances in relation to the approved risk management policies (namely regarding limits and risk tolerance defined), as well as any potential non-compliance

situation, and recommending any mitigation measures that may be triggered by previously established measures.

- To ensure the elaboration of the prudential reporting for which it is responsible, within its scope of action, namely within Common Reporting (solvability ratio - COREP OF, leverage ratio-COREP LR, large exposures-COREP_LE. as well as liquidity ratios - Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR) and Additional Liquidity Monitoring Metrics (ALMM)/ ensure the elaboration of interest rate risk report (IRRBB).
- Analyze and advise the Management and Supervision bodies regarding the decision related to the assumption of relevant risks.
- Participate in implementing internal control measures that ensure compliance with the Regulatory and Supervisory Authorities' requirements and recommendations, within risk management and reporting.
- Coordinate the annual Risk self-assessment exercise, in order to allow the identification and assessment of all relevant risks in the institution (preparation of risk matrices), the controls in place, as well as the definition of appropriate mitigation when necessary.
- Coordination of the ICAAP and ILAAP exercises.
- Coordination of the Asset and Liability and Risk Management Committee meetings regarding risk management matters.
- Participate in the Risk and Compliance Committee.
- Participate in the regular meeting with the SB.
- Prepare, keep updated and obtain Management Body sign off to: (i) The Organizational and Functional Statute of RID, (ii) Risk Management Function Universe, (iii) and RID Department Activity Plan.

- Participate or be represented in Institution-wide projects that have implications on the Organizational Division's structure and/or operations.
- To ensure the relationship with supervisory bodies and other external entities in his area of competence.

11.3.3. Academic Qualifications

- A degree in Management or Business studies, Finance, Economics or Accounting.
- MBA or specialization in Risk Management is a plus.

11.3.4. Experience and knowledge

- Consolidated experience in Risk Management.
- Experience in the banking area or as consultant in risk management area.
- Good understanding / knowledge of governance practices, internal control systems and ability to monitor risk management activities.

11.3.5. Competencies

- Analytical risk assessment skills.
- High attention to detail and excellent analytical skills.
- Ability to understand broader business issues.
- Problem-solving.
- Proactivity.
- Strategic thinking.
- Regulation rigor.

- Ability to influence a culture of risk awareness in the organization.
- Planning and organizational skills.
- Adaptable to new concerns and changing environments.
- Professional ethics and reliability.
- Positive behavior and efforts to achieve goals.
- Communication and presentation skills.

12. Glossary

- **Succession Policy:** The present document.
- **Succession Planning:** The document referent to the identification of employees or third ones for the Management and Supervisory bodies and Key function holders' positions.
- **Talent Mapping exercise:** Human Resources exercise that allows Management body and Heads to assess current performance of employee's vs potential, capacity to do other roles and readiness for any future role changes, as well as the strategic plan to fill identified skills and talent gaps.
- **Nine Grid matrix:** A talent management and succession planning tool in which employees are divided into nine groups. When assessing employee performance, Management body and Heads will evaluate current performance level (Horizontal axis - below expectations, meet expectations and above expectations) and how likely they will perform in the future (Vertical axis - No change, promotable and future leader).