

**ANNEX I**  
**to the Assessment Report**  
**of Banco Finantia's Remuneration Committee on**  
**Remuneration Policy and Procedures**

**REMUNERATION POLICY FOR THE MEMBERS**  
**OF THE MANAGEMENT AND SUPERVISORY BODIES**

*(May 2022)*

**1. SCOPE**

This Remuneration Policy applies to the executive and non-executive members of the management body and to the members of the supervisory body of Banco Finantia, S.A. ("Banco Finantia").

This Remuneration Policy applies to the corporate bodies of Finantia UK Limited and may also be applied to members of the corporate bodies of Banco Finantia's remaining subsidiaries, irrespective to their geographic location, and Banco Finantia shall in such circumstances promote the observance of the policies and procedures established, with the necessary adaptations, namely due to the application of the principle of proportionality, to the extent required to ensure compliance with national legislation or due to the adoption of specific policies as duly justified.

**2. DEFINITION AND EVALUATION OF THE REMUNERATION POLICY**

The Remuneration Policy must be adequate and proportional to the nature, characteristics, size, internal organization and complexity of the activities of Banco Finantia.

It is in the first instance for the Shareholders' General Meeting to define the Remuneration Policy for the members of the Bank's management and supervisory bodies and this duty has been delegated to the Remuneration Committee for purposes of setting the remuneration of the members of the management and supervisory bodies.

The Remuneration Committee shall, in conjunction with the units responsible for the internal control and the human resources department of Banco Finantia, conduct an annual analysis and evaluation of the Remuneration Policy and its implementation, to further submit to the Shareholders' General Meeting, with a view of verifying compliance with applicable legal and regulatory provisions and to monitor the impacts of the remuneration practices adopted, especially determining if as result of their application there is any negative effects on risk, capital and liquidity management. Making, if deemed necessary, recommendations for possible revision or proposing adjustment measures to be adopted.

**Banco Finantia, S.A.**

Lisboa - Rua General Firmino Miguel 5 1º 1600-100 Lisboa Portugal +351 21 720 2000 (Sede)  
- Av. Fontes Pereira de Melo 14-14 A 1050-121 Lisboa Portugal +351 21 193 4070  
Porto - Rua S. João de Brito 605 E 2º 4100-455 Porto Portugal +351 22 610 0927  
finantia@finantia.com www.finantia.com

**ANNEX I**  
**to the Assessment Report**  
**of Banco Finantia's Remuneration Committee on**  
**Remuneration Policy and Procedures**

### **3. REMUNERATION STRUCTURE**

#### **3.1 Remuneration of Members of the Management Body**

##### **Remuneration of executive members of the Board of Directors**

The determination of the remuneration of the executive members of the Board of Directors should take into account (i) the strategy of Banco Finantia; (ii) the economic and financial environment, the performance of the Bank and its sustainability; (iii) not to be disproportionate to the remuneration earned by other employees; and (iv) the responsibilities and individual merit of each member.

The remuneration of the executive members of the Board of Directors is determined by the Remuneration Committee at the beginning of the term of office, and is composed of a fixed remuneration, and the possibility of attribution of a variable remuneration, under the terms set forth below. The amount of the fixed remuneration may be reviewed annually by the Remuneration Committee, if it considers it relevant.

The fixed and variable components of the remuneration must always be adequately balanced, and the fixed remuneration must represent a significantly higher portion of the total remuneration, to allow a fully flexible remuneration policy, with the possibility of not being paid any variable remuneration.

The fixed component of remuneration must take into account the history and size of the institution and the responsibility associated with the functions undertaken.

The variable remuneration component must take into account the overall results obtained by Banco Finantia in the financial year to which it relates, the individual performance of each member and the fulfillment of the objectives set for in the relevant areas.

The variable remuneration may be composed solely of pecuniary remuneration.

The variable component of the remuneration may not exceed in any circumstance the value of the fixed component of the remuneration and 40% (forty percent) of the variable component shall be subject to a deferral period, as defined in accordance with the applicable situation, aiming at the balance between the short and medium term.

The right to receive the variable remuneration subject to deferral shall be granted on a proportional basis throughout the relevant deferral period, and such right shall be conditional on Banco Finantia maintaining a sustainable financial situation and the maintenance of a and a positive assessment of the performance of the member in question.

**Banco Finantia, S.A.**

Lisboa - Rua General Firmino Miguel 5 1º 1600-100 Lisboa Portugal +351 21 720 2000 (Sede)  
- Av. Fontes Pereira de Melo 14-14 A 1050-121 Lisboa Portugal +351 21 193 4070  
Porto - Rua S. João de Brito 605 E 2º 4100-455 Porto Portugal +351 22 610 0927  
finantia@finantia.com www.finantia.com

*[free translation into English for information purposes only]*

**ANNEX I**  
**to the Assessment Report**  
**of Banco Finantia's Remuneration Committee on**  
**Remuneration Policy and Procedures**

The deferred portion of variable remuneration is also subject to reduction and reversal mechanisms, as provided for in and defined in paragraphs 9 and 10 of article 115- E of the RGISCF, whenever the Shareholders' General Meeting, upon proposal of the Remuneration Committee, concludes on the basis of a reasoned opinion that the executive member of the Board of Directors:

- a) has participated in or was responsible for a conduct which resulted in significant losses for the Bank, during the period of three years after payment of the variable remuneration;
- b) no longer meets the standards of fitness and propriety to perform executive functions as member of the Board of Directors;
- c) has committed a serious breach of the code of conduct and other internal procedures of Banco Finantia.

The amount and terms of attribution of variable remuneration to each executive member of the Board of Directors shall be fixed by the Remuneration Committee until the end of the second quarter of the immediately following financial year.

The executive members of the Board of Directors may also be remunerated by other companies within the Group, in which case the abovementioned principles should be observed and applied.

**Remuneration of non-executive members of the Board of Directors**

The non-executive members of the Board of Directors may only receive a fixed remuneration component, which should take into account the importance of the function performed, the history and the size of the institution.

**3.2 Remuneration of Members of the Supervisory Body**

The Remuneration Committee shall determine, at the beginning of the respective mandate of the supervisory body, the remuneration of the members of the supervisory body, which shall only be composed of a fixed component of remuneration, ensuring that it is not dependent on the fulfillment of the pre-defined objectives or the performance of the institution, in order to ensure the independence of the members of the supervisory body.

**Banco Finantia, S.A.**

Lisboa - Rua General Firmino Miguel 5 1º 1600-100 Lisboa Portugal +351 21 720 2000 (Sede)  
- Av. Fontes Pereira de Melo 14-14 A 1050-121 Lisboa Portugal +351 21 193 4070  
Porto - Rua S. João de Brito 605 E 2º 4100-455 Porto Portugal +351 22 610 0927  
finantia@finantia.com www.finantia.com

*[free translation into English for information purposes only]*

**ANNEX I**  
**to the Assessment Report**  
**of Banco Finantia's Remuneration Committee on**  
**Remuneration Policy and Procedures**

**4. DISCLOSURE AND ANNUAL STATEMENT OF THE REMUNERATION POLICY**

Banco Finantia annually discloses information regarding the remuneration of the members of the management and supervisory bodies in an autonomous document entitled "Report on the Structure and Practices of Corporate Governance", which is attached to the Report of the Board of Directors and is an integral part of its Annual Report.

This Remuneration Policy is disclosed on Banco Finantia's intranet and its institutional website ([www.finantia.pt](http://www.finantia.pt)).

**Banco Finantia, S.A.**

Lisboa - Rua General Firmino Miguel 5 1º 1600-100 Lisboa Portugal +351 21 720 2000 (Sede)  
- Av. Fontes Pereira de Melo 14-14 A 1050-121 Lisboa Portugal +351 21 193 4070  
Porto - Rua S. João de Brito 605 E 2º 4100-455 Porto Portugal +351 22 610 0927  
[finantia@finantia.com](mailto:finantia@finantia.com) [www.finantia.com](http://www.finantia.com)