



# Corporate Governance Report

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## A. Shareholder Structure

### I. Capital structure

The share capital of Banco CTT, S.A. ("Bank" or "Banco CTT") is 286,400,000.00 euros, fully underwritten and paid-up, represented by 286,400,000 ordinary registered, book-entry shares, with no nominal value (where there are no different categories of shares).

During 2019, the Bank registered two share capital increases, fully underwritten and paid up in cash by the sole shareholder CTT-Correios de Portugal, S.A. ("CTT"), on 26 April (from €156,400.00 to €266,400.00) and on 23 December 2019 (from €266,400.00 to €286,400.00).

As mentioned above, the Bank's shares are entirely held by CTT and are not subject to any limitations (whether legal or statutory) regarding their transfer or ownership, or the number of votes that may be exercised.

Although the Bank's and CTT's shares are freely transferable, their acquisition implies, from the date of their commercial registration at Banco CTT (credit institution entirely held by CTT), compliance with the legal requirements on matters of direct or indirect qualifying holdings established in the Legal Framework of Credit Institutions and Financial Companies presented in Decree-Law 298/92, of 31 December, in its current version ("RGICSF").

In particular, and under the terms of article 102 of the RGICSF, persons wishing to hold a qualifying stake in CTT and indirectly in Banco CTT (i.e. direct or indirect stake equal to or greater than 10% of the share capital or voting rights that, for any reason, enables exerting significant influence on the management) should previously inform Banco de Portugal on their project for the purpose of its non-objection. In turn, acts or facts that give rise to the acquisition of a stake of at least 5% of the capital or voting rights of CTT and indirectly of Banco CTT, should be communicated to Banco de Portugal, within 15 days counted from its occurrence, pursuant to article 104 of the RGICSF.

As at 31 December 2019 and up to the date of this report, the Bank did not have any of its own shares, with no transactions having been carried out by the Bank relative to its own shares.

### II. Shareholdings and Bonds held

As at 31 December 2019, the members of the Bank's management and supervisory bodies did not hold any shares issued by the Bank, nor did they enter into any transactions involving those securities in 2019 relevant for the purposes of article 447 of the Portuguese Companies Code ("CSC"), in its current version.

Also under number 5 of article 447 of the CSC, during 2019 and according to the communications made to the Company, the number of shares representing the share capital of companies in a controlling or group relationship with the Bank held by members of the Bank's management and supervisory bodies and their closely related parties pursuant to that provision, as well as all their acquisitions, encumbrances or disposals of ownership, were as indicated in the following lists:

Board of Directors (a)	No. of Shares as at 31/12/2018 (j)	Date	Acquisition	Encumbrance	Divestment	Price	No. of Shares as at 31/2019 (j)
João de Almada Moreira Rato (b)	-	-	-	-	-	-	-
Francisco José Queiroz de Barros de Lacerda (c)	67,982	-	-	-	-	-	67,982
Luís Maria França de Castro Pereira Coutinho	500	-	-	-	-	-	500
Luís Miguel Agoas Correia Amado (d)	-	-	-	-	-	-	-
João Maria de Magalhães Barros de Mello Franco	-	-	-	-	-	-	-
Pedro Rui Fontela Coimbra	-	-	-	-	-	-	-
Nuno Carlos Dias dos Santos Fórneas (e)	-	-	-	-	-	-	-
José Manuel Gonçalves de Morais Cabral (f)	-	-	-	-	-	-	-
Rui Afonso Galvão Mexia de Almeida Fernandes (g)	-	-	-	-	-	-	-
João Manuel de Matos Loureiro (h)	-	-	-	-	-	-	-
Clementina Maria Dâmaso de Jesus Silva Barroso	-	-	-	-	-	-	-
Susana Maria Morgado Gomez Smith (i)	-	-	-	-	-	-	-
António Pedro Ferreira Vaz da Silva	-	Annex II	Annex II	-	Annex II	Annex II	3,500 (k)
António Emídio Pessoa Corrêa d'Oliveira	20,000	-	-	-	-	-	20,000
Guy Patrick Guimarães de Goyri Pacheco	-	Annex II	Annex II	-	-	-	6,000 (k)

Pessoa estreitamente relacionada	No. of Shares as at 31/12/2018 (j)	Date	Acquisition	Encumbrance	Divestment	Price	No. of Shares as at 31/2019 (j)
Manuel Champalimaud, SGPS, S.A. (l)	18,465,215	Annex II	Annex II	-	Annex II	Annex II	19,146,815 (k)

Revisor Oficial de Contas	No. of Shares as at 31/12/2018 (j)	Date	Acquisition	Encumbrance	Divestment	Price	No. of Shares as at 31/2019 (j)
KPMG & Associados SROC, S.A.	-	-	-	-	-	-	-
Vitor Manuel da Cunha Ribeirinho	-	-	-	-	-	-	-
Maria Cristina Santos Ferreira	-	-	-	-	-	-	-

a) Includes the members of the Executive Committee and Audit Committee.

b) Appointed as Chairman of the Board of Directors on 13 September 2019.

c) Francisco José Queiroz de Barros de Lacerda performed duties during 2019, having resigned from the position of Chairman of the Board of Directors of Banco CTT on 10 May 2019 taking effect on 30 June 2019. Neither this member of the Board of Directors nor any person closely related to him informed Banco CTT, up to that date, of any transaction of acquisition, encumbrance or termination of ownership, for any reason, of shares and bonds of the Company or companies with which Banco CTT is in a controlling or group relationship, under the terms and for the purposes of article 447 of the CSC.

d) Luís Miguel Agoas Correia Amado performed duties during 2019, having resigned from the position of Member of the Board of Directors and of the Executive Committee of Banco CTT on 13 September 2019. Neither this member of the Board of Directors nor any person closely related to him informed Banco CTT, up to that date, of any transaction of acquisition, encumbrance or termination of ownership, for any reason, of shares and bonds of the Company or companies with which Banco CTT is in a controlling or group relationship, under the terms and for the purposes of article 447 of the CSC.

e) Appointed as Member of the Board of Directors and of the Executive Committee on 13 September 2019.

f) José Manuel Gonçalves de Morais Cabral performed duties during 2019, having resigned from the position of Member of the Board of Directors and Chairman of the Audit Committee of Banco CTT on 13 September 2019. Neither this member of the Board of Directors nor any person closely related to him informed Banco CTT, up to that date, of any transaction of acquisition, encumbrance or termination of ownership, for any reason, of shares and bonds of the Company or companies with which Banco CTT is in a controlling or group relationship, under the terms and for the purposes of article 447 of the CSC.

g) Rui Afonso Galvão Mexia de Almeida Fernandes performed duties during 2019, having resigned from the position of Member of the Board of Directors and of the Audit Committee of Banco CTT on 13 September 2019. Neither this member of the Board of Directors nor any person closely related to him informed Banco CTT, up to that date, of any transaction of acquisition, encumbrance or termination of ownership, for any reason, of shares and bonds of the Company or companies with which Banco CTT is in a controlling or group relationship, under the terms and for the purposes of article 447 of the CSC.

h) Appointed as Member of the Board of Directors and Chairman of the Audit Committee on 13 September 2019.

i) Appointed as Member of the Board of Directors and of the Audit Committee on 13 September 2019.

j) Transaction in question conducted in a regulated market on shares of CTT - Correios de Portugal, S.A.

k) Annex II presents the details relative to the acquisitions and/or divestments made in 2019, as disclosed to the Company.

l) Person/entity closely related to António Emídio Pessoa Corrêa d'Oliveira (Member of the Board of Directors and of the Executive Committee (CFO) of Manuel Champalimaud, SGPS, S.A., as at 31 December 2019.

In 2019 neither Banco CTT nor the companies in a controlling or group relationship with it issued any bonds.

## B. Corporate Bodies and Committees

### I. General Meeting

Pursuant to the Bank's Articles of Association, the Board of the General Meeting is composed of a Chairman, elected at the General Meeting. Pursuant to that same provision, the Chairman of the Board of the General Meeting is assisted by the Secretary of the Company, duties performed in 2019 and currently by Catarina Morais Bastos Gonçalves de Oliveira. As at 31 December 2019, the Chairman of the Board of the General Meeting was Afonso Galvão Mexia de Almeida Fernandes, appointed for the term of office 2019/2021 at the General Meeting of 13 September 2019.

The Bank's Selection and Salary Committee, resulting from the merger of the previous Selection Committee and Salary Committee, elected at the General Meeting of 13 September 2019 had, as at 31 December 2019, the following composition (members appointed for the term of office coincident with that of the corporate bodies):

Members	Position
António Sarmento Gomes Mota	Chairman
João Afonso Ramalho Sopas Pereira Bento	Member
José Manuel Baptista Fino	Member

Pursuant to the Policy on Selection and Assessment of the Adequacy of the Members of the Management and Supervisory Bodies and of the Holders of Key Position, as approved in the General Meeting of 24 August 2015, amended by the same body on 10 March 2016 and subsequently amended by the Board of Directors and the General Meeting on 22 and 24 January 2019, respectively ("Selection Policy"), with the Remuneration Policy for Management and Supervisory Body Members and Relevant Employees approved by the General Meeting and the Board of Directors on 25 November 2015, as amended by resolutions of the same bodies on 22 July 2016, 4 April 2017, 21 March 2018 and on 10 April 2019 ("Salary Policy") and its Internal Regulation, all in force on 31 December 2019, the Selection and Salary Committee is particularly responsible for:

- Identifying, selecting and recommending possible members of management and supervisory bodies and holders of key positions, checking whether these candidates meet the necessary adequacy requisites (both individual and collective);
- Preparing the individual and collective adequacy assessment and reassessment models, preparing the adequacy assessment

and reassessment reports and preparing the processing of requests for authorisation and registration with the Bank of Portugal;

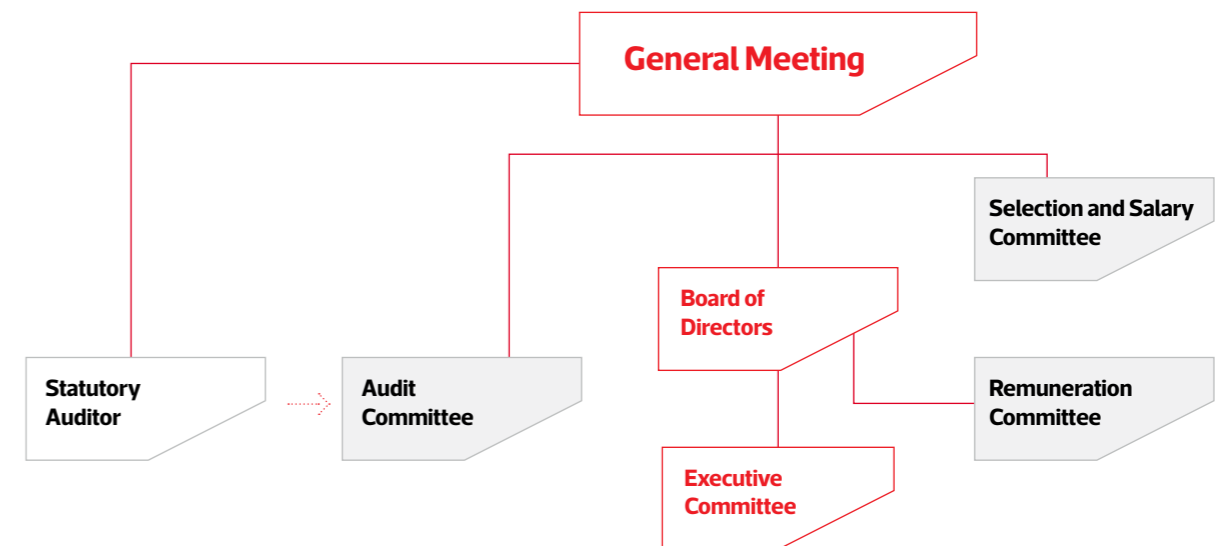
- Ensuring the representation of men and women and the diversity of qualifications and skills, professional experience, age and geographical origin necessary for the performance of their duties;
- Assessing at least annually the Selection Policy;
- Assessing at least once every two years the structure and size of the management and supervisory bodies, the suitability, professional qualification, independence, diversity and availability, as well as the performance in terms of adequacy of its members and holders of key positions;
- Assessing and discussing the annual training plan with the competent bodies and committees;
- Establishing the remuneration of the members of the Board of the General Meeting, the Board of Directors, the Audit Committee and the Statutory Auditor;
- Approving and reviewing at least annually the Remuneration Policy, namely defining its various components and possible benefits.

## II. Management and Supervision

### 1) Adopted governance model

Banco CTT has adopted a governance model of Anglo-Saxon nature, according to which the Board of Directors is responsible for the Company's administration, and the Audit Committee (composed

of non-executive and independent Directors) and the Statutory Auditor are responsible for its supervision.



This model has implemented a number of good governance practices in line with the Bank's specificities (namely its size and activity), as described in this Report. This promotes the effective performance of duties and coordination of corporate bodies, in addition to the smooth operation of a checks and balances system and the accountability of management to its stakeholders.

In this regard, the General Meeting is responsible for: (i) electing the members of the corporate bodies (including the members of the Board of the General Meeting, the Board of Directors and the Audit Committee as well as the Statutory Auditor, this last body being upon proposal of the Audit Committee), (ii) appraising the annual report of the Board of Directors and the opinion of the Audit Committee, (iii) deciding on the application of results and (iv) deliberating on amendments to the Articles of Association; and (v) establishing the remuneration of the members of the corporate bodies or, alternatively, establishing a Selection and Salary Committee and electing its members. In this sense, the General Meeting established, on 13 September 2019, a Selection and Salary Committee composed of three independent members, under the terms of the Bank's Selection Policy, and which is also responsible for identifying, selecting and assessing the adequacy of persons to be appointed as members of the management and supervisory bodies and holders

of key functions of the Bank (as described in point B.I. above).

In turn, in the context of its management duties, the Board of Directors delegated day-to-day management powers to the Executive Committee (as described in section B.II.2. below).

The Audit Committee (currently exclusively composed of independent members), together with the Statutory Auditor, perform the duties of supervision that arise from the applicable legal and regulatory provisions, where the Audit Committee is responsible for promoting the independence of the Statutory Auditor and the company's internal audit, with a view to contributing to the quality of the financial information and the efficacy of the internal control, risk management and internal audit systems (as described in point B.III. below).

The Remuneration Committee (currently exclusively composed of independent members of the Board of Directors) is responsible for making informed and independent judgements on the Bank's remuneration policy and practices that are consistent with the sound and prudent management of the risks and incentives created for the purposes of risk, capital and liquidity management (as described in point D.II. below)

## 2) Board of Directors and internal committees

Pursuant to the Bank's Articles of Association, the Board of Directors is composed of 7 to 11 members and the Executive Committee is composed of 3 to 5 Directors, appointed for three-year terms of office.

The Company's Board of Directors in office as at 31 December 2019 was composed of the following 11 Directors, appointed for the term of office of 2019/2021, whose curricula are presented in Annex I attached herewith:

Members	Board of Directors	Executive Committee	Independent Audit	Committee <sup>(1)</sup>
João de Almada Moreira Rato <sup>(2)</sup>	Chairman			Yes
Luís Maria França de Castro Pereira Coutinho	Member	Chairman (CEO)		
João Maria de Magalhães Barros de Mello Franco	Member	Member (CCO)		
Pedro Rui Fontela Coimbra	Member	Member (CFO)		
Nuno Carlos Dias dos Santos Fórneas <sup>(2)</sup>	Member	Member (COO)		
João Manuel de Matos Loureiro <sup>(2)</sup>	Member		Chairman	Yes
Clementina Maria Dâmaso de Jesus Silva Barroso	Member		Member	Yes
Susana Maria Morgado Gomez Smith <sup>(2)</sup>	Member		Member	Yes
António Pedro Ferreira Vaz da Silva	Member			
António Emídio Pessoa Corrêa d'Oliveira	Member			
Guy Patrick Guimarães de Goyri Pacheco	Member			

<sup>1)</sup> According to the criteria established in number 5 of article 414 of the CSC (applicable by virtue of number 3 of article 31-A of the RGICSF).  
<sup>2)</sup> Elected at the General Meeting of 13 September 2019

The Board of Directors is the governing body responsible for the Company's management and representation, under the legal and statutory terms, being entrusted to practice all acts and operations relative to the corporate object that are outside the competence attributed to other bodies of the Bank.

Pursuant to the Articles of Association and its Internal Regulation, the Board of Directors is responsible, among other aspects, for:

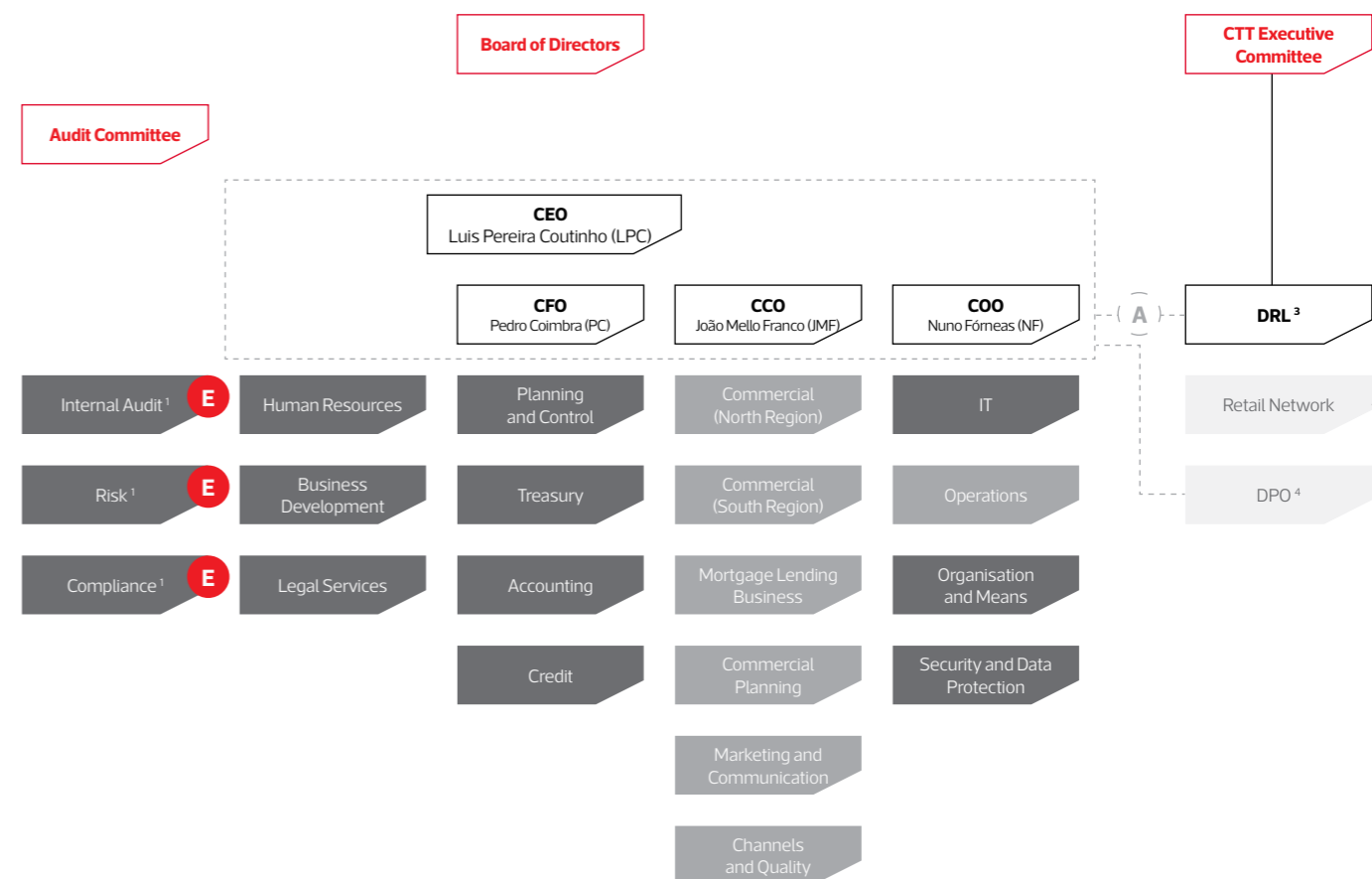
- Approving the annual, half-yearly and quarterly reports and accounts;
- Defining the strategic guidelines (including the approval of the strategic plans, activities and businesses), policies and the Bank's corporate structures;
- Approving the budgets and investment and financial plans;
- Passing resolutions on merger, demerger and transformation projects, important expansions or down-sizing of the Bank's operations, the establishment, termination or amendment of any partnership, cooperation, sharing or joint venture agreements that are long-lasting and important;
- Supervising and ensuring the Bank is equipped with effective systems for internal control and internal audit and for information processing and disclosure and compliance with information duties with the Bank of Portugal, as well as risk identification, management, control and communication processes;

f) Defining the Bank's internal governance system and organizational structure, to ensure the Bank's effective and prudent management, including the division of powers within the organization and prevention of conflicts of interest; and

g) Appointing and removing those responsible for risk management, compliance and internal audit ("Control Functions"), under recommendation of the Selection and Salary Committee and upon prior assessment of the Audit Committee, as well as stipulating their remuneration and assessing the performance of those responsible for the Control Functions, under proposal of the Salary Committee and upon prior assessment of the Audit Committee.

The Board of Directors delegated day-to-day management of the Company to the Executive Committee (having authorised one or more of its members to undertake certain matters and to sub-delegate the exercise of certain powers to one or more of its members). In line with the law and best practices, this delegation excludes, in addition to matters reserved by law and others detailed in the Internal Regulation of the Board of Directors, the matters set out in the subparagraphs of the preceding paragraph, as well as acts and operations that give rise to liabilities/obligations for the Bank above certain thresholds.

As at 31 December 2019, the areas of responsibility of the Bank's Executive Committee and its organisational structure were distributed as follows:



### Subsidiaries of Banco CTT Group

	LPC	JMF	PC	NF
321 C	(*)	Member of BD	Member of BD	-
Payshop	-	Chairman of BD (*)	Member of BD	-

(\*) Director with special responsibility for the Subsidiary



<sup>1)</sup> The line of reporting of Internal Audit, Risk and Compliance hierarchically to the BoD and operations to the CAud, as well as the current monitoring by the EC are detailed in the following pages.  
<sup>2)</sup> Special Project Units may be formed by decision of Executive Committee the when approved projects that due to their complexity and duration, justify this.  
<sup>3)</sup> RND - Retail Network Directors: corresponds to the top of the Retail Network structure with a multi-employer scheme with CTT, hierarchical relations with CEO and functional relations with all the other EC areas and control positions.  
<sup>4)</sup> DPO - Data Protection Officer of CTT Group.

After defining the governance model, the Bank's Board of Directors created six internal committees, in order to ensure better coordination among the different departments, better involvement in the decision-making process and better support for the Executive Committee's management activities. The committees are the Capital and Risk Committee, the Commercial and Product Committee, the Credit Committee, the Technology and Operational Efficiency Committee, the Costs and Investments Committee and the Internal Control Committee.

With respect to the management of relations with CTT under the contracts concluded between CTT and the Bank, on which the respective CTT / Bank engagement model is based, there are three discussion forums that are external to the Bank. These were created in the context of the referenced agreements and cover the multiple-employer arrangement, availability of resources in the Retail Network and CTT Channel partnership, as well as the provision of services. They are the Business Coordination Committee, the Shared Services Committee and the Partnership Governing Committee.

As at 31 December 2019, the existing Committee structure, both in terms of the Bank's Executive Committee and regarding governance of the partnership with CTT, was as follows:

Committees supporting the Executive Committee	Capital and Risk Committee
	Commercial and Product Committee
	Credit Committee
	Technology and Operational Efficiency Committee
	Costs and Investments Committee
Committees governing the partnership with CTT	Internal Control Committee
	Partnership Governance Committee
	Business Coordination Committee
	Shared Services Committee

The Bank also has a Remuneration Committee, created and appointed by the Board of Directors, in particular for the purposes set out in Banco de Portugal Notice 10/2011, whose composition and powers are presented in section D. II. below.

### III. Oversight

Pursuant to the Bank's Articles of Association, the Audit Committee is composed of 3 directors, one of which will be its Chairman. All are elected at the General Meeting (for the current 3-year term of office), together with all the other Directors. The proposed lists for the composition of the Board of Directors should detail the members that are intended to be part of the Audit Committee and indicate its Chairman.

The Bank's Audit Committee, in office as at 31 December 2019, was composed of the following members (appointed for the term of office 2019/2021):

Members	Position
João Manuel de Matos Loureiro	Chairman
Clementina Maria Dâmaso de Jesus Silva Barroso	Member
Susana Maria Morgado Gomez Smith	Member

All the members referred to above are independent, pursuant to number 5 of article 414 of the CSC, by virtue of number 3 of article 31-A of the RGICSF, and have higher education and skills appropriate to their duties and responsibilities. Together, they have the necessary experience, according to the law and the Bank's Articles of Association and Selection Policy and at least one member has accounting knowledge.

The Audit Committee was entrusted by law, the Articles of Association and its Internal Regulation in force on 31 December 2019 with the following main powers:

- Supervising the Bank's management;
- Verifying the accuracy of the financial statements;
- Supervising the process of preparation and disclosure of financial information;
- Supervising the effectiveness of the risk management system, internal control system and internal audit system;
- Proposing to the General Meeting the appointment of the Statutory Auditor;

- Overseeing the review of accounts of the financial statements of the Bank; and
- Overseeing the independence of the Statutory Auditor, in particular with respect to the provision of additional services.

Under these powers, the Audit Committee is particularly responsible for:

- Supervising the activity of the Control Functions and prior appraisal of the appointment, destitution, salary and assessment of the performance of the Control Officers;
- Overseeing the implementation of the Bank's strategic objectives, the strategy on risk and internal governance and, at least annually, assessing their efficacy;
- Supervising the Bank's policy and processes of identification, management, control and communication of risks;
- Drafting the detailed annual opinion on the adequacy and efficacy of the Bank's internal control system;
- Overseeing the integrity of accounting and financial information systems and supervising the Bank's process of disclosure and compliance with the duties of disclosure to Banco de Portugal;
- Assessing whether the adopted accounting policies and procedures and valuation criteria are consistent with accounting principles that are generally accepted and suitable for the correct presentation and valuation of the Bank's assets, liabilities and results;
- Supervising compliance with and the correct application of the accounting principles and standards in force, the evolution of the relevant financial indicators and significant exposure to contingent risks or liabilities; and
- Drafting an annual activity report and issuing an opinion on the annual management report, the year's accounts and the proposals presented by the Board of Directors to the Annual General Meeting.

The Audit Committee, as a supervisory body, acts as Banco CTT's risk committee, pursuant to and for the purposes of article 115-L of the RGICSF and is mainly entrusted with:

- Advising the Board of Directors on the Bank's risk appetite, general risk strategy, current and future, assisting it in supervising the execution of the institution's risk strategy;

- Analysing whether the terms and conditions of products and services offered by the Bank to its clients take into account the Bank's business model and risk strategy and presenting a corrective plan to the Board of Directors, whenever necessary;
- Examining if incentives set out in the Bank's remuneration policy take into account risk, capital, liquidity and expectations regarding results.

### IV. Statutory Auditor

As at 31 December 2019 and for the term of office 2019/2020, KPMG & Associados, SROC, S.A. ("KPMG"), Chartered Accountant Firm number 189, represented by the partner Vítor Manuel da Cunha Ribeirinho (Chartered Accountant number 1081), provided the services of permanent Statutory Auditor to the Company, with the alternate Statutory Auditor being Maria Cristina Santos Ferreira (Chartered Accountant number 1010).

On 24 January 2019, the Bank's General Meeting resolved to change the duration of the term of office of the Statutory Auditor from the three-year period corresponding to 2019/2021 to the two-year period corresponding to 2019/2020, with the Articles of Association of Banco CTT having been amended accordingly.

The rules to be followed in engaging audit and non-audit services / additional services from the Statutory Auditor are established in the Regulation on the Provision of Services by the Statutory Auditor, adopted by Banco CTT ("Regulation"), approved in line with the provisions in Law 140/2015 of 7 September and Law 148/2015 of 9 September, which review the Statute of the Portuguese Chartered Accountants Association and the Legal Framework for Audit Supervision, respectively. The understanding expressed by the CMVM on 9 September 2019 was also taken into account, which updated the "Answers to the most frequently asked questions on the entry into force of the new Statute of the Portuguese Chartered Accountants Association and the Legal Framework for Audit Supervision".

Pursuant to this Regulation, the Bank's Audit Committee is responsible for assessing requests to engage non-audit / additional services from the Statutory Auditor. This engagement is subject to prior authorisation of the Audit Committee, which in turn is limited by the need for similar authorisation from the supervisory body of CTT, as the Bank's parent company.

In 2019, the Banco CTT Group hired KPMG to carry out the following non-audit services (considering the understanding expressed by the CMVM on 9 September 2019 through the updating of the "Answers to the most frequently asked questions about the entry into force of the new Statute of the Chartered Accountants Association and the Legal Framework on Audit Supervision"), hereinafter "Non-Audit Services Engaged in 2019":

- ▶ Limited review of the financial statements of Banco CTT, Payshop (Portugal), S.A. ("Payshop) and 321 Crédito, Instituição Financeira de Crédito, S.A. ("321 Crédito") for the periods ended on 30 June 2019 and 2020;
- ▶ Adequacy of the process of quantification of the impairment of the credit portfolio of the Bank and of 321 Crédito and the reasonableness of the individual and collective impairment pursuant to Banco de Portugal Instruction 5/2013;
- ▶ Issue of the opinion of the statutory auditor defined under the terms of subparagraph b) of number 5 of article 25 of Banco de Portugal Notice 5/2008, regarding the internal control system of the Bank, Payshop and 321 Crédito, under the terms of subparagraph c) of number 4 of article 26 of Banco de Portugal Notice 5/2008, of the Banco CTT Group.
- ▶ Issue of the opinion of the supervisory body defined under the terms of subparagraph a) of number 5 of article 25 of Banco de Portugal Notice 5/2008, regarding the internal control system of Payshop;
- ▶ Issue of the opinion of the supervisory body required by Banco de Portugal Notice 2/2018, regarding the adequacy and effectiveness of Payshop's internal control system for preventing money laundering and combating the terrorism financing;
- ▶ Prevention of money laundering and terrorist financing ("PBCFT"), including technical support in defining the strategy for the remediation of PBCFT monitoring alerts and support in remediation in a secondment format.

The Regulation includes procedures for the engagement of non-audit / additional services by Banco CTT and subjects them to the prior authorisation of both Banco CTT's Audit Committee and CTT's Audit Committee. These were verified regarding the non-audit services engaged in 2017 indicated above, with the following elements, in particular, having been analysed and confirmed: (i) that the services in question do not fall under the list of prohibited services and do not pose a threat to the Statutory Auditor's independence and impartiality, regarding the statutory audit, namely the provision of such services does not entail any risk of self-assessment, of personal interest, nor participation in decision-making in any Group CTT company subject to legal review of accounts; (ii) that the proposed fees do not exceed the fee caps for (non-prohibited) non-audit services as provided by law and (iii) that the issue of the opinion of the statutory auditor regarding the internal control system as required by Banco de Portugal Notice 5/2018 and the assessment of the adequacy of the process of quantification of the impairment of the loan portfolio, as required by Banco de Portugal Notice 5/2013, is a service required by law from the Statutory Auditor that carries out the legal review of the accounts of an Entity of Public Interest, and does not require the obtaining of prior authorisation by the supervisory body. As a result, the

Bank considers itself exempt, in relation to this service, from carrying out the necessary tests and checks for purposes of investigation of independence and objectivity for legal review of accounts to be carried out by the Statutory Auditor.

The table below shows the values corresponding to the fees of KPMG for statutory audit, assurance, tax consultancy and non-audit services hired, accounted for and paid/invoiced in 2019, relative to Banco CTT, Payshop and 321 Crédito, as entities that are fully part of the Group:

	Engaged Services <sup>1</sup>		Accounted Services <sup>2</sup>		Paid Services <sup>3</sup>	
	Amount (€)	%	Amount (€)	%	Amount (€)	%
<b>By the Company</b>	<b>305,655</b>	<b>69%</b>	<b>357,289</b>	<b>74%</b>	<b>286,934</b>	<b>83%</b>
Value of the audit services	209,100	47%	233,263	48%	198,374	57%
Value of the reliability assurance services	84,255	19%	108,651	22%	88,560	26%
Value of the tax advisory services	-	0%	-	0%	-	0%
Value of non-audit services	12,300	3%	15,375	3%	-	0%
<b>By entities that are part of the Group<sup>4</sup></b>	<b>137,145</b>	<b>31%</b>	<b>127,853</b>	<b>26%</b>	<b>59,901</b>	<b>17%</b>
Value of the audit services	70,725	16%	67,383	14%	16,236	5%
Value of the reliability assurance services	66,420	15%	60,470	12%	43,665	13%
Value of the tax advisory services	-	0%	-	0%	-	0%
Value of non-audit services	-	0%	-	0%	-	0%
<b>TOTAL</b>	<b>442,800</b>	<b>100%</b>	<b>485,142</b>	<b>100%</b>	<b>346,835</b>	<b>100%</b>
Value of the audit services	279,825	63%	300,646	62%	214,610	62%
Value of non-audit services	162,975	37%	184,496	38%	132,225	38%

<sup>1</sup> Includes VAT at the legal rate in force.

<sup>2</sup> Includes invoiced values and values accrued in the year.

<sup>3</sup> The paid services refer to services hired in 2019 as well as in previous years whose conditions of payment occurred in 2019.

<sup>4</sup> Payshop and 321 Crédito

## C. Internal Organisation

### I. Articles of Association

The Bank's Articles of Association (available on the Bank's website [www.bancoctt.pt](http://www.bancoctt.pt)) and their amendment are entrusted to the General Meeting.

### II. Communication of irregularities (whistleblowing)

The RGICSF and the European Banking Authority (EBA) Guidelines on Internal Governance (EBA/GL/2017/11) require credit institutions to implement specific, independent and autonomous means to receive, handle and file serious irregularity reports related to their management, accounting organisation and internal oversight, as well as signs of serious breaches of duties related thereto, namely

regarding conduct, professional secrecy, capital, risks or disclosure of information.

As result of these requirements, the Bank's Code of Conduct, in section 7.4, provides mechanisms for reporting irregularities on matters of accounting, internal accounting controls, the Bank's internal management or supervision, prudential requirements, risk control, insider dealing, fraud or anti-corruption, banking and financial crime, money laundering or the financing of terrorism, involving shareholders, employees, customers, suppliers, based on the specific rules defined by the Bank, namely in its Whistleblowing Policy.

As at 31 December 2019, the Bank has a Whistleblowing Policy (resulting from the review, on 1 April 2019, of the previously named Policy for Communication of Irregularities) aimed at operationalising the rules established in its Code of Conduct. Pursuant to what

is defined in this Policy, any irregularities can be communicated by employees of the Banco CTT Group and by any stakeholders, namely shareholders, partners, suppliers, service providers or customers, through the "Channel of Ethics". The Whistleblowing Model, through the Channel of Ethics, guarantees the confidentiality of the communications received and the protection of the personal data of the whistleblower and suspect, pursuant to applicable legislation. On the other hand, the Group may not dismiss, threaten, suspend, reprimand, harass, withhold or suspend payments of salaries and/or benefits, or take any retaliatory action against anyone legally reporting an irregularity or providing any information or assistance in the investigation of the reports of irregularities presented and these reports may not in themselves serve as grounds for any disciplinary, civil or criminal proceedings against the whistleblower, unless they are deliberate and manifestly unfounded.

In 2019, the Manual on Handling of Reports of Irregularities - Channel of Ethics was also created, which aims to define and detail the process and the responsibilities in the context of the handling of reports of irregularities. The Manual is divided into three parts, the first part refers to sorting, the second part refers to the handling of reports of irregularities concerning harassment and discrimination and the third part refers to the treatment of the remaining irregularities covered by the Whistleblowing Policy.

Under the terms of the identified Policy, the Audit Committee delegated to the Compliance Department support functions related to the management of the Channel of Ethics and to the Ethics Forum the handling of reports of irregularities in matters of its competence, being, in any case, that supervisory body responsible for the reception and registration of the reports, as well as the final decision regarding the filing or adoption of other measures.

The Whistleblowing Policy further establishes that, without prejudice to other reporting duties established by law: (i) the Audit Committee or any member of the management or supervisory bodies, as well as the holders of qualified holdings, shall immediately report to Banco de Portugal any serious irregularity of which they become aware relating to the management, accounting organisation and internal auditing of the Bank and which is likely to place it in a situation of financial imbalance; and (ii) employees of the areas responsible for control functions (internal audit, risk management and compliance) shall report to the Audit Committee any serious irregularity of which they become aware related to the management, accounting organisation and internal supervision of the Bank or indications of breaches of duties established in the RGICSF or Regulation (EU) 575/2013 of the European Parliament and of the Council of 26 June, which is likely to place it in a situation of financial imbalance.

During 2019, 10 potential irregularities were reported, of which 6

referred to customer complaints and were treated as such. Of the 4 reports that effectively corresponded to situations of potential irregularities, the handling of 3 of them was concluded and only the internal investigation process regarding the remaining reported irregularity is in progress.

### III. Internal control and risk management

From the outset, Banco CTT's management and supervisory bodies have attributed a structural importance to its internal control, risk management and internal audit systems. On this issue, please see the section above of this Annual Report entitled "Internal Control System" and "Risk Management".

The Board of Directors ensures the effectiveness of the internal control, risk management and internal audit systems, encouraging a culture of control throughout the organisation. The Audit Committee, as Banco CTT's supervisory body, is responsible for the effective supervision of these systems, as described in its Internal Regulation.

### IV. Investor Support

Because it is not a listed company with shares listed for trading, Banco CTT does not have an investor support office.

However, the Bank's sole shareholder, as a company issuing shares listed for trading on regulated markets, has an Investor Relations Department, whose mission is to ensure a solid and lasting relationship with, on one hand, shareholders, investors and analysts, the Portuguese Securities Market Commission (CMVM), Euronext Lisbon - Sociedade Gestora de Mercados Regulamentados, S.A. (Euronext Lisbon) and the capital markets in general and, on the other, the company and its corporate bodies. It provides timely, clear and transparent information on CTT's current evolution in economic, financial and governance terms. Moreover, this Department ensures the proactive articulation of the Company's strategy with investors and research analysts, and that the Company knows the market's perceptions of it.

### V. Website

Banco CTT's website address is as follows: [www.bancoctt.pt](http://www.bancoctt.pt).

## D. Remuneration

### I. Powers of determination

Pursuant to the Bank's Articles of Association, the General Meeting or Remuneration Committee elected by the General Meeting are competent to determine the remunerations of corporate body members. In the General Meeting held on 13 September 2019, a Bank Selection and Salary Committee was elected, resulting from the merger of the former Selection Committee and Remuneration Committee.

The General Meeting and the Selection and Salary Committee receive support in such duties from the Remuneration Committee mentioned in section D.II. below.

Members	Position
João de Almada Moreira Rato	Chairman
Clementina Maria Dâmaso de Jesus Silva Barroso	Member
Susana Maria Morgado Gomez Smith	Member

Under its Internal Regulation in force on 31 December 2019, this Committee is responsible, among other aspects, for:

- Preparing proposals and recommendations for General Meeting decisions on matters of remuneration of governing body members (notwithstanding delegation to the Salary Committee), as well as for Board of Directors decisions (notwithstanding delegation to the Executive Committee) on the remuneration of relevant employees pursuant to article 115-C of the RGICSF. This includes decisions on the remuneration policies and decisions affecting the Bank's risk and risk management;
- Analysing and assessing, at least annually, the remuneration policies for corporate body members and the mentioned relevant employees, especially their effect on the institution's management of risk, capital and liquidity; and
- Preparing proposals and recommendations for the competent bodies on the stipulation, calculation and payment of the variable remuneration component and on proposals, assessing whether or not goals under that model have been met.

### III. Remuneration structure

1. Annual statement on the remuneration policy of management and supervisory body members in 2019

The statement on the remuneration policy of the Bank's management and supervisory bodies:

### "Annual statement on the remuneration policy of the Members of the Management and Supervisory Bodies of Banco CTT, S.A." – Financial year of 2019 –

#### a) Introduction

The present annual statement for 2019 was approved by the Remuneration Committee and by the Board of Directors of Banco CTT, S.A. ("Bank" or "Company"), pursuant to their respective powers and under the terms and for the purposes of Law 28/2009 of 19 June of the Legal Framework of Credit Institutions and Financial Companies ("RGICSF") and Banco de Portugal Notice 10/2011 ("Notice 10/2011"), for its approval by the Bank's Annual General Meeting.

This statement concerns the remuneration of members of the Bank's management and supervisory bodies ("Remuneration Policy") that was approved by the Bank's General Meeting on 25 November 2015 following the Bank's special registration and was amended on 22 July 2016, on 4 April 2017, on 21 March 2018 and on 10 April 2019, by resolution of the Bank's Salary Committee, based on a Remuneration Committee proposal/recommendation. It should be noted that the control, human resources and legal officers participated in this last meeting, after appraisal by the Audit Committee under its respective powers. The updated version of the Remuneration Policy is available on the Bank's website at [www.bancoctt.pt](http://www.bancoctt.pt).

The Bank's Remuneration Committee, created within the Board of Directors and with its term of office matching that of the Board of Directors (2019/2021), had the following composition as at 31 December 2019:

Members	Position
João de Almada Moreira Rato	Chairman
Clementina Maria Dâmaso de Jesus Silva Barroso	Member
Susana Maria Morgado Gomez Smith	Member

In 2019, the General Meeting held two meetings in which it deliberated on remuneration matters, and the Remuneration Committee / Selection and Salary Committee (on 13 September 2019, the Selection Committee and the Remuneration Committee of Banco CTT became a single Committee designated as the Selection and Salary Committee) held two meetings on this type of matters and the Remuneration Committee held six meetings on remuneration matters.

The Remuneration Policy was established in light of the Bank's activity, structure and size (in particular, given its size, internal organisation and nature, scope and complexity of its operations), as well as market practices, for 2019/ 2021 (notwithstanding its possible amendment given the nature, scope and complexity of the Bank's activity, its structure, size and any possible regulatory developments).

The Remuneration Policy was defined by Banco CTT, as the parent company of the Banco CTT Group (meaning the "Banco CTT Group" or "Group", Banco CTT and all the subsidiaries included in the respective consolidation perimeter), and is made available to all the subsidiaries, establishing the references applicable in the Group, which all the subsidiaries must adopt and approve in the respective bodies, being able to make the adaptations that may be necessary to their concrete realities or to comply with the regulatory requirements and/or the recommendations of the supervisory entities that may be applicable to them. It should be noted, however, that the adoption of the Policy by each subsidiary will depend on approval by the respective competent bodies.

#### b) General principles and components of the remuneration of Board of Directors and Executive Committee members

The Remuneration Policy aims to attain the following goals, among others:



- I. Attract, motivate and retain highly talented employees, that enable the creation of long-term value and an increase in the organisation's productivity;
- II. Foster people's commitment and motivation and enhance excellent performance by acknowledging and rewarding merit, rewarding professional responsibility and ensuring internal equity and external competitiveness;
- III. Create incentives that ensure risk-taking is compatible with the credit institution's strategy, tolerance and risk culture, as well as the sound and prudent management of risk, by discouraging risk-taking beyond the credit institution's tolerated risk level;
- IV. Accomplish the Bank's long-term strategic goals, values and interests, in a sustainable manner and compatible with its strategy (namely with the business plan, financial model and budget, and the Code of Conduct);
- V. Include measures preventing conflicts of interest;
- VI. Develop an offer that meets the banking and financial needs of depositors and customers, aligned with high levels of banking availability and financial inclusion; and
- VII. Create long-term value for shareholders and other institution stakeholders.

In view of its responsibilities and dedication to the performance of these duties, the Remuneration Policy distinguishes members of the Audit Committee (as non-executive members with a supervisory duty), and all other non-executive members of the Board of Directors, members of the Executive Committee (for their role in implementing the strategy defined for the institution) and the respective members that chair and / or carry out duties as members of the Board of Directors' internal committees.

The remuneration of Audit Committee members and of the remaining non-executive members of the Board of Directors shall only include a fixed component, paid 14 times a year, regardless of and unrelated in any way to the institution's performance or results.

The amount of that fixed remuneration is stipulated by the General Meeting or Selection and Salary Committee in light of the skills, responsibilities, dedication, availability, experience and professional qualifications associated to the performance of each position.

The remuneration of members of the Executive Committee shall include, in addition to the fixed component, a variable component, under the terms set out in the Remuneration Policy and further detailed in section III. below. This variable component: (i) shall not limit the Bank's ability to reinforce its capital base and will take into account, when awarded, all types of risk, both present and future; (ii) shall be subject to a number of conditions, criteria, assumptions and limitations; and (iii) shall serve to align interests of management body members with the Bank's interests, in line with the Bank's risk strategy, tolerance and culture.

Other benefits may be granted to members of the Executive Committee under terms specified by the General Meeting or Selection and Salary Committee, including, among others, benefits related to insurance, vehicles and meal allowances. No supplementary pension or early retirement schemes have been provided for.

In the event members of the Board of Directors terminate office, the compensation rules prescribed by law shall apply, as no compensation clauses were agreed upon or established in the remuneration policy. No compensation was paid or became payable to members of the Bank's Board of Directors related to the termination of their office during the financial year of 2019.

#### I. Variable component of the remuneration of Executive Committee members

The Remuneration Policy foresees the existence of a variable component of the remuneration of Executive Directors.

The variable remuneration in question is paid in cash. Nevertheless, until the full or partial payment of the variable remuneration and at the Bank's exclusive initiative, an alternative model may be implemented in this regard by the General Meeting or Salary Committee, where half

of that variable remuneration (including the deferred portion described below) shall be paid in financial instruments and subject to a lock-up policy.

Pursuant to the Remuneration Policy, the variable remuneration component is subject to the rules set out therein, as well as to the criteria, assumptions and limitations provided in the EC Performance Assessment Model approved for 2019 by the Selection and Salary Committee. This follows a Remuneration Committee recommendation, in consultation with the control, human resources and legal officers, and an Audit Committee assessment under its respective powers, as briefly described below:

a) Pursuant to the Remuneration Policy, this component depends on a number of performance assessment criteria being met (of both a qualitative and quantitative nature, as well as financial and non-financial). These shall be analysed on an annual and multiannual basis, as set out in the EC Performance Assessment Model;

b) Also pursuant to the terms of the Remuneration Policy, the fixed remuneration component shall represent at least 50% of the total annual remuneration of each member (where this ratio, under the legal terms, can be revised to up to 100%, on an annual basis, for the following performance period, by the General Meeting or Selection and Salary Committee) and the variable remuneration component shall not exceed, in each year, 100% of the annual fixed remuneration of each Executive Committee member (where this ratio, under the legal terms, can be revised to up to 200%, on an annual basis, for the following performance period, by the General Meeting or Salary Committee);

c) In addition, according to the Bank's Articles of Association, a variable component may be added to the fixed remuneration, as provided by law, in a maximum percentage of consolidated profits for that financial year of no more than 10% annually;

d) In turn, the EC Performance Assessment Model provides for two distinct remuneration systems that depend on differentiated conditions and criteria (qualitative, quantitative and non-communicating) corresponding to "Corporate Performance VR" with a 70% weight in the total annual variable remuneration and to "Individual Performance VR" with a 30% weight in the total annual variable remuneration;

e) Notwithstanding these two separate remuneration systems, the awarding of variable remuneration under any of these systems is subject to awarding eligibility conditions related to: (i) a minimum level of attainment of the goals identified in the EC Assessment Model; and (ii) the starting date and continued duties in the Bank and beneficiary commitments, as required under section q) below;

f) In order to discourage excessive risk-taking and encourage alignment with the institution's interests, the awarding of variable remuneration under any of the referenced systems is subject, as defined in the EC Performance Assessment Model for 2019, to benchmark total targets (equivalent to 100% compliance with the Corporate KPIs and level 3 of the scale of assessment of Skills, under, respectively of the Corporate Performance VR (70%) and Individual Performance VR (30%)), as well as the maximum total targets (equivalent to 120% compliance with the Corporate KPIs and level 5 of the scale of assessment of Skills, under, respectively of the Corporate Performance VR (70%) and Individual Performance VR (30%)), notwithstanding its award depending on various levels of attainment of the performance criteria and assessment levels established therein: (i) in relation to the Chairman of the Executive Committee, variable remuneration shall not exceed 50% and 75% of annual basic remuneration in the event of achievement of the benchmark total target and maximum total target respectively; and (ii) in relation to members of the Executive Committee, variable remuneration shall not exceed 35% and 52.5% of total annual remuneration in the event of achievement of the benchmark total target and maximum total target respectively;

g) The award of Corporate Performance VR depends on and its amount is calculated according to the weighted average of attainment of the following quantitative indicators/goals exclusively related to the Bank's performance ("Corporate KPIs") with distinct weights: (i) consolidated net income, (ii) loan production (mortgage loans and personal loans), (iii) changes in the volume of resources (deposits and savings products), (iv) net operating income, (v) operating expenses, (vi) impairments, provisions and losses, (vii) complaints, (viii) internal control indicator;

h) The award of Individual Performance VR depends on and the respective amount is calculated based on the weighted average of skill assessment (associated with qualitative performance criteria) of each Executive Director ("Skills") weighted differently and related to: leadership; strategic vision and knowledge of the business and activity; composition and image; quality of the activity; contribution to

the Bank's reputation; relationship with stakeholders; alignment with the Bank's risk appetite; and business and activity expertise in the respective areas of activity;

i) The determination of variable remuneration also considers adjustment mechanisms that may limit its award and payment on a multi-annual basis (namely, taking into consideration the types of risk exposure, the cost of capital and the institution's liquidity needs and sustainability, given the financial situation), as detailed in the RE Performance Assessment Model;

j) Therefore and in line with the Remuneration Policy, the annual and multi-annual assessment for 2019 under the EC Performance Assessment Model takes into account (i) the institution's performance (in a manner fitting its long-term risk profile and aligned with the business plan, financial model and budget), (ii) the performance of the structural unit of which the beneficiary is part and (iii) the beneficiary's individual performance in light of her/his goals, in order to promote the institution's sustainability, the creation of long-term value and the beneficiary's surpassing what is required of her/him;

k) The calculation of Corporate Performance VR and Individual Performance VR is carried out under the mentioned model by the Remuneration Committee, whose proposal shall be put to the approval of the General Meeting or Salary Committee;

l) Corporate Performance VR and Individual Performance VR are awarded within 60 days as of the General Meeting that approves the 2019 accounts, notwithstanding the applicable adjustment and deferral rules;

m) The payment of half of the awarded variable remuneration (whether Corporate Performance VR or Individual Performance VR) is made within 60 days of the General Meeting or Remuneration Committee resolution awarding it, pursuant to paragraphs k) and l). In order to align the variable component with the institution's long-term performance, the remaining amount is deferred over a minimum of three years as of the payment date of the non-deferred portion of the Corporate Performance VR and Individual Performance VR;

n) The right to payment of the deferred portion is vested proportionally throughout the deferral period and is conditional during that three-year period on (i) the Bank's positive performance and the Bank's sustainable financial situation, to the extent there is a positive evolution of both the Bank's net position and net results in each of those financial years as compared to the preceding year (based on the accounts relative to the assessment periods), notwithstanding any adjustments or revision of this payment condition as approved by the General Meeting or Salary Committee, following a favourable Remuneration Committee proposal/recommendation; and (ii) a positive assessment of the beneficiary's performance; in both cases as specified in the EC Performance Assessment Model;

o) The variable remuneration has therefore been subject, to the extent applicable by law and regulation and pursuant to the referenced model, to mechanisms that may totally or partially reduce the awarded and deferred component, whose payment is not yet an acquired right (malus) and that may reverse remuneration already paid or whose payment has already become an acquired right (clawback);

p) As further regards adjustments, the conditions and mechanisms referenced in paragraphs i), n) and o) above are especially taken into consideration, namely, the following situations pertaining to the beneficiary and detailed in the EC Performance Assessment Model: (i) action that resulted in significant losses for the Bank and approval (whether individual or within the structural unit of which the beneficiary is a part) of transactions or acts that have resulted in significant losses for the Bank; (ii) failure to comply with adequacy and integrity criteria, pursuant to the selection and assessment policy in force at any time; (iii) serious breach of the Bank's code of conduct or internal rules; (iv) false statements in the Bank's financial statements and/or materially relevant errors or omissions in the Bank's financial statements; (v) the Bank being subject to a penalty with a significant impact thereon to which the objective conduct of the beneficiary made a decisive contribution; (vi) significant deviation/depreciation in the evolution of the Bank's net position; (vii) serious failure in the Bank's or structural unit's control or risk management; (viii) failure to comply with capital and liquidity ratios and/or limits to the ability to reinforce its capital; for all the previously referenced situations, pursuant to the RE Performance Assessment Model;

q) The award of variable remuneration depends on the beneficiary's commitment to: (i) accepting the mechanisms referenced in paragraph o); and (ii) refraining from entering into agreements to hedge / transfer risk or for payment via special purpose vehicles or similar methods.

## II. Conclusions

Pursuant to numbers 4 and 6 of article 115-C of the RGICSF and articles 7 and 14 of Notice 10/2011, the Bank's Remuneration Committee carried out the annual review of the Remuneration Policy described above and in particular of its implementation. It took into account that the policy was approved under the Bank's opening for business on 25 November 2015 and was amended on 22 July 2016, in the context of the approval of the EC Performance Assessment Model, on 4 April 2017, on 21 March 2018 and on 10 April 2019, in view of the know-how gained from the implementation experience, by way of a Selection and Salary Committee resolution. For this purpose, it consulted the Bank's control officers, who actively participated in developing the referenced assessment exercise, and submitted the assessment report and present statement to the Bank's Board of Directors, within its duties and for the purpose of obtaining approval of the Bank's General Meeting.

In turn, and pursuant to number 1 of article 2 of Law 28/2009 of 19 June and number 4 of article 115-C of the RGICSF, the Bank's Board of Directors submits the present statement on the remuneration policy of members of the Bank's management and supervisory bodies (also presented in the Bank's Corporate Governance Report) to the approval of the General Meeting."

2. Annual statement on the remuneration policy of relevant employees relative to 2019

### I. Introduction

The present statement concerns the remuneration policy for the following Bank employees:

- a) Bank employees that carry out executive duties and report directly (first line) to the Board of Directors and Executive Committee for day-to-day management, except for employees that fall under all of the remaining sub-paragraphs ("Senior Managers");
- b) Bank employees responsible for taking-on risk ("Risk Takers");
- c) Bank employees responsible for control duties or that carry out risk management duties ("Control Officers" or "Risk Officers");
- d) Bank employees whose total remuneration places them in the same remuneration bracket as provided for the management or supervisory bodies or the categories referenced in paragraphs a) or b), as long as the respective professional activities have a material impact on the credit institution's risk profile ("Other Risk Takers");

In all cases, excluding employees under the multiple-employer arrangement. Hereinafter, all the categories listed above shall be jointly referred to as "Relevant Employees".

The process of identifying Relevant Employees will take place at least annually, with a view to ensuring the complete identification of all the Group's Relevant Employees, reflecting the risk levels of the different activities of the Bank and its subsidiaries. The Human Resources are responsible for coordinating the process of identifying Relevant Employees, in articulation with the Legal, Risk and Compliance Departments, with the latter two departments ensuring the supervision of the process. The document containing the list of Relevant Employees identified or excluded because their duties have been assessed as not having a significant impact on the Bank's risk profile, must be submitted by the Remuneration Committee, on a proposal from the Executive Committee (in turn, prepared on the basis of a proposal from Human Resources, in conjunction with the Legal, Risk and Compliance Departments) for prior appraisal by the Audit Committee and approval by the Board of Directors, taking into account their respective powers.

This statement concerns the remuneration policy approved by the

Bank's General Meeting on 17 November 2015, following the Bank's special registration and was amended on 21 July 2016, on 22 March 2017, on 21 March 2018 and on 10 April 2019, by resolution of the Board of Directors, based on the proposal/recommendation of the Remuneration Committee. It should be noted that the control, human resources and legal officers participated in this last meeting, after appraisal by the Audit Committee under its respective powers. This policy is available on the Bank's website at [www.bancoctt.pt](http://www.bancoctt.pt).

### II. General principles and components of the remuneration of Relevant Employees

Pursuant to the policy referred to above, Relevant Employees receive a fixed monthly remuneration paid out 14 times a year, under their individual employment contracts and the applicable labour regime. The fixed remuneration is established by the Board of Directors or Executive Committee to the extent of the delegation of powers, pursuant to a favourable Remuneration Committee proposal/recommendation.

The establishment of the referenced fixed remuneration should be a sufficiently high proportion of the total remuneration to make the application of the policy fully flexible as regards variable remuneration (including the possibility of its non-payment). Furthermore, it shall essentially take into account the relevant professional experience, organisational responsibility and nature of the employee's duties, as well as the size of the respective structural unit.

Senior Managers, Risk Takers and Other Risk Takers may receive variable remuneration, if a resolution in this regard is passed by the Board of Directors or the Executive Committee to the extent of their delegated powers. This resolution shall be proposed/recommended by the Remuneration Committee, namely in view of Banco CTT's sustainable performance, the performance of its structural unit and individual performance, as well as each employee's responsibilities and duties.

Risk Officers and Control Officers may receive variable remuneration, if a resolution in that regard is passed by the Board of Directors, pursuant to a Remuneration Committee proposal/recommendation. The possible awarding of this component shall comply with the following principles: (i) remuneration shall be mainly based on the fixed component; and (ii) the variable component shall be stipulated mainly depending on the individual attainment of specific goals associated with her/his duties and independently from the performance of the structural units under her/his control.

Relevant Employees responsible for assessing solvency, risk analysis and credit decision making ("Credit Decision Officers") may receive a variable remuneration component, if a resolution in that regard is

passed by the Board of Directors or the Executive Committee to the extent of their delegated powers, and pursuant to a Remuneration Committee proposal/recommendation. Any allocation of this component may not depend, directly or indirectly, on quantitative targets relating to approved credit applications, concluded credit agreements or other indicators that may conflict with a process of prudent assessment of the solvency of consumers.

The variable remuneration in question is paid in cash. Nevertheless, until the full or partial payment of the variable remuneration and at the Bank's exclusive initiative, an alternative model may be implemented in this regard defined by the competent bodies, where half of that variable remuneration (including the deferred portion described below) can be paid in financial instruments and subject to a lock-up policy.

Relevant Employees may receive other benefits under the terms that may be approved by the Board of Directors or the Executive Committee to the extent of its delegated powers. For the financial year underway, those benefits, as regards first line Managers, entailed the use of a vehicle (including a fuel ceiling) and healthcare insurance.

### III. Variable component of the remuneration of Relevant Employees

Pursuant to the approved remuneration policy, and notwithstanding the provisions of individual employment agreements and the applicable labour regime, any award of a variable remuneration component to Relevant Employees is subject to the principles and rules set out above for the variable remuneration of Executive Committee members, as well as the criteria, assumptions and limitations provided in the RE Performance Assessment Model approved for 2019 by the Board of Directors, following a favourable Remuneration Committee assessment, in consultation with the control, human resources and legal officers and the Audit Committee, under their respective powers, as briefly described below:

- a) This component depends on a number of performance assessment criteria being met (of both a qualitative and quantitative nature, as well as financial and non-financial). These shall be analysed on an annual and multiannual basis, as set out in the RE Performance Assessment Model;
- b) Also pursuant to the terms of the Remuneration Policy, the fixed remuneration component shall represent at least 50% of the total annual remuneration of each Relevant Employee (where this ratio, under the legal terms, can be revised to up to 100%, on an annual basis, for the following performance period, by the competent bodies) and the variable remuneration

component shall not exceed, in each year, 100% of the annual fixed remuneration of each Relevant Employee (where this ratio, under the legal terms, can be revised to up to 200%, on an annual basis, for the following performance period, by the competent bodies);

c) In turn, the EC Performance Assessment Model provides for two distinct remuneration systems that depend on differentiated conditions and criteria (qualitative, quantitative and non-communicating) corresponding to "Corporate Performance VR" (based on quantitative criteria) with a 40% weight in the total annual variable remuneration and to "Individual Performance VR" with a 60% weight in the total annual variable remuneration (except in the case of the control officers and risk officer where these relative weights correspond, respectively, to 20% and 80%);

d) Notwithstanding these two separate remuneration systems, the awarding of variable remuneration under either of these systems is subject to the award eligibility conditions referred to above under the statement on the remuneration policy of members of the management and supervisory bodies;

e) In order to discourage excessive risk-taking and encourage alignment with the institution's interests, the awarding of variable remuneration under any of the referenced systems is subject, as defined in the RE Performance Assessment Model for 2018, to benchmark total targets (equivalent to 100% compliance with the Corporate KPIs, the Structural Unit KPIs and level 3 of the scale of assessment of Skills, under, respectively of the Corporate Performance VR and Individual Performance VR, as well as the maximum total targets (equivalent to 120% compliance with the Corporate KPIs, the Structural Unit KPIs and level 5 of the scale of assessment of Skills, under, respectively of the Corporate Performance VR and Individual Performance VR), notwithstanding its award depending on various levels of attainment of the performance criteria and assessment levels established therein: (i) in relation to the control officers and risk officers, variable remuneration shall not exceed 15% and 22.5% of annual basic remuneration in the event of achievement of the benchmark total target and maximum total target respectively; and (ii) in relation to all other Relevant Employees, variable remuneration shall not exceed 20% and 30% of annual basic remuneration in the event of achievement of the benchmark total target and maximum total target respectively;

f) The award of Corporate Performance VR depends on and its amount is calculated according to the weighted average of attainment of the Corporate KPIs referred to above under the statement on the remuneration policy of the members of

the management and supervisory bodies (and for the Credit Decision Officers, the weight of the KPI regarding the contracted volume of mortgage loans is distributed in percentage terms among the remaining Corporate KPIs);

g) The award of Individual Performance VR depends on and the respective amount is calculated based on the weighted average of the assessment (a) of a number of quantitative performance indicators/goals of the structural unit of which the employee is a part ("Structural Unit KPIs"), weighted 30% in the total Individual Performance VR (except for Control Officers e Risk Officers, where the relative weight is 40%) and (b) a number of skills (related to qualitative performance criteria) of each employee ("Skills") weighted 30% in total Individual Performance VR, mainly regarding leadership and resilience, collaboration, focus on results, focus on clients and a culture of control, as further detailed in the referenced RE Performance Assessment Model and pursuant to the considerations set out therein for Relevant Employees who are commercial officers and other officers;

h) The determination of variable remuneration also considers adjustment mechanisms that may limit its award and payment on a multi-annual basis (namely, taking into consideration the types of risk exposure, the cost of capital and the institution's liquidity needs and sustainability, given the financial situation), as detailed in the RE Performance Assessment Model;

i) Therefore and in line with the remuneration policy, the annual and multi-annual assessment for 2019 under the RE Performance Assessment Model takes into account (i) the institution's performance (in a manner fitting its long-term risk profile and aligned with the business plan, financial model and budget), (ii) the performance of the structural unit of which the beneficiary is part and (iii) the beneficiary's individual performance in light of her/his goals, in order to promote the institution's sustainability, the creation of long-term value and the beneficiary's surpassing what is required of her/him;

j) The calculation of Corporate Performance VR and Individual Performance VR under the mentioned model is (i) as regards variable remuneration to be awarded to control officers and risk officers, carried out by the Remuneration Committee (starting with operational reporting assessment) under a proposal put to the approval of the Board of Directors and (ii) as regards all other Relevant Employees, subject to an Executive Committee resolution (starting with an assessment by the Director responsible for this area), subject to a favourable opinion/recommendation of the Remuneration Committee;

k) Corporate Performance VR and Individual Performance VR

are awarded within 60 days as of the General Meeting that approves the 2019 accounts, notwithstanding the applicable adjustment and deferral rules;

l) The payment of half of the awarded variable remuneration (whether Corporate Performance VR or Individual Performance VR) is made within 60 days counted from the resolution to approve and award it referred to in paragraphs j) and k). In order to align the variable component with the institution's long-term performance, the remaining amount is deferred over a minimum of three years as of the payment date of the non-deferred portion of the Corporate Performance VR and Individual Performance VR;

m) The right to payment of the deferred portion is acquired proportionally throughout the deferral period and is conditional on the Bank's sustainable financial situation and the positive assessment of its beneficiary's performance, in both cases following the RE Performance Assessment Model;

n) The variable remuneration is therefore subject, to the extent applicable by law and regulation and pursuant to the referenced model, to mechanisms that may totally or partially reduce the awarded and deferred component, whose payment is not yet an acquired right (malus) and which may reverse remuneration already paid or whose payment has already become an acquired right (clawback);

o) As further regards adjustments, the conditions and mechanisms referenced in paragraphs h), m) and n) above are especially taken into consideration, namely, the following situations pertaining to the beneficiary and detailed in the RE Performance Assessment Model: (i) action that resulted in significant losses for the Bank and approval (whether individual or within the structural unit of which the beneficiary is a part) of transactions or acts that have resulted in significant losses for the Bank; (ii) as applicable, failure to comply with adequacy and integrity criteria, pursuant to the selection and assessment policy in force at any time; (iii) serious breach of the Bank's code of conduct or internal rules; (iv) false statements in the Bank's financial statements and/or materially relevant errors or omissions in the Bank's financial statements; (v) the Bank being subject to a penalty with a significant impact thereon to which the objective conduct of the beneficiary made a decisive contribution; (vi) significant deviation/depreciation in the evolution of the Bank's net position; (vii) serious failure in the Bank's or structural unit's control or risk management; (viii) failure to comply with capital and liquidity ratios and/or limits to the ability to reinforce its capital; for all the previously referenced situations, pursuant to the RE Performance Assessment Model;

p) The award of variable remuneration depends, to the extent applicable by law and regulation (in particular considering mandatory labour provisions), on the beneficiary: (i) accepting the mechanisms referred to in paragraph n); and (ii) refraining from entering into agreements to hedge / transfer risk or for payment via special purpose vehicles or similar methods.

#### IV. Conclusions

Pursuant to numbers 5 and 6 of article 115-C of the RGICSF and articles 7 and 14 of Notice 10/2011, the Bank's Remuneration Committee carried out the annual review of the remuneration policy for the Relevant Employees and in particular its implementation. It took into account that the policy was approved under the Bank's opening for business on 17 November 2015, amended on 21 July 2016, in the context of the approval of the RE Performance Assessment Model, on 22 March 2017, on 21 March 2018 and on 10 April 2019, in view of the know-how gained from the implementation experience, by resolution of the Board of Directors. For this purpose, it consulted the Bank's control officers, who actively participated in developing the referenced assessment exercise, and submitted the assessment report and present statement to the Bank's Board of Directors, under its powers.

#### IV. Disclosure of remuneration

The following table shows the aggregate and individual gross amounts of remuneration payable, with reference to the period from 1 January 2019 to 31 December 2019, to Board of Directors and Audit Committee members. During 2019:

- The Chairman of the Board of Directors Francisco José Queiroz de Barros de Lacerda ceased functions on 30 June 2019;

- The Non-Executive Member of the Board of Directors and Chairman of the Audit Committee José Manuel Gonçalves de Morais Cabral ceased functions on 13 September 2019;

- The Non-Executive Member of the Board of Directors and Audit Committee Rui Afonso Galvão Mexia de Almeida Fernandes ceased functions on 13 September 2019.

#### Remuneration of the non-executive members of the Board of Directors and Audit Committee

(amounts in euros)

Members	Position	Fixed Remuneration <sup>(1)</sup>
João Manuel de Matos Loureiro	Non-Executive Director and Chairman of the Audit Committee (since 13.09.2019)	27,000.01
Clementina Maria Dâmaso de Jesus Silva Barroso	Non-Executive Director, Member of the Audit Committee and Member of the Remuneration Committee	62,214.26
Susana Maria Morgado Gomez Smith	Non-Executive Director, Member of the Audit Committee and Member of the Remuneration Committee (since 13.09.2019)	19,500.02
José Manuel Gonçalves de Morais Cabral	Non-Executive Director, Chairman of the Audit Committee and Member of the Remuneration Committee (up to 13.09.2019)	49,180.37
Rui Afonso Galvão Mexia de Almeida Fernandes	Non-Executive Director, Member of the Audit Committee and Member of the Remuneration Committee (since 13.09.2019)	42,154.54
<b>Total of the Audit Committee</b>	<b>200,049.20</b>	<b>200,049.20</b>
João de Almada Moreira Rato	Chairman of the Board of Directors and of the Remuneration Committee (since 13.09.2019)	37,500.01
António Pedro Ferreira Vaz da Silva	Non-Executive Director	No remuneration paid by the Bank
António Emídio Corrêa d'Oliveira	Non-Executive Director	43,476.16
Guy Patrick Guimarães de Goyri Pacheco	Non-Executive Director	No remuneration paid by the Bank
Francisco José Queiroz de Barros de Lacerda	Chairman of the Board of Directors and of the Remuneration Committee (up to 30.06.2019)	No remuneration paid by the Bank
<b>Total of the Remuneration of the Non-Executive Directors who are not part of the Audit Committee</b>	<b>80,976.17</b>	<b>80,976.17</b>
<b>Total Non-Executive Directors</b>	<b>281,025.37</b>	<b>281,025.37</b>

(1) Amount of fixed remuneration of the Non-Executive Directors and members of the Audit Committee, who do not earn any variable remuneration in accordance with the Remuneration Policy in force as at 31 December 2019.

#### Remuneration of Executive Committee members in 2019

(amounts in euros)

Members	Position	Fixed Remuneration <sup>(1)</sup>	Variable Remuneration paid in 2019 <sup>(2)</sup>	Deferred Variable Remuneration payable in 2020 <sup>(2)</sup>	Deferred Variable Remuneration payable in 2021 <sup>(2)</sup>	Deferred Variable Remuneration payable in 2022 <sup>(2)</sup>	Total Variable Remuneration awarded in 2019 <sup>(2)</sup>	Total Fixed Remuneration 2019 and Variable 2018 paid in 2019	Total Remuneration awarded in 2019
Luís Maria França de Castro Pereira Coutinho	Chairman of the Executive Committee (CEO)	399,195.92	53,550.00	17,850.00	17,850.00	17,850.00	107,100.00	452,745.92	506,295.92
João Maria Magalhães Barros Mello Franco	Member of the Executive Committee (CCO)	216,811.08	39,028.50	13,009.50	13,009.50	13,009.50	78,057.00	255,839.58	294,868.08
Pedro Rui Fontela Coimbra	Member of the Executive Committee (CFO)	217,426.20	39,028.50	13,009.50	13,009.50	13,009.50	78,057.00	256,454.70	295,483.20
Nuno Carlos Dias dos Santos Fórneas	Member of the Executive Committee (COO) since 13.09.2019	61,245.66	-	-	-	-	-	61,245.66	61,245.66
Luís Miguel Agoas Correia Amado	Member of the Executive Committee (COO) up to 13.09.2019	122,444.18	17,992.80	5,997.60	5,997.60	5,997.60	35,985.60	140,436.98	158,429.78
<b>Total of the Executive Committee</b>		<b>1,017,123.04</b>	<b>149,599.80</b>	<b>49,866.60</b>	<b>49,866.60</b>	<b>49,866.60</b>	<b>299,199.60</b>	<b>1,166,722.84</b>	<b>1,136,322.64</b>

(1) Includes fixed basic remuneration, amount for annual meal allowance and, when applicable, the fixed amount paid monthly for allocation to a Retirement Savings Plan (PPR), health insurance, life insurance and personal accident insurance (including travel) and amount of payment in kind relative to permanent vehicle use.

(2) Variable Remuneration relative to 2018.

#### Variable Remuneration of Executive Committee members relative to 2016

(amounts in euros)

Members	Position	Variable Remuneration paid in 2017	Deferred Variable Remuneration paid in 2018	Deferred Variable Remuneration paid in 2019	Deferred Variable Remuneration payable in 2020	Total Variable Remuneration
Luís Maria França de Castro Pereira Coutinho	Chairman of the Executive Committee (CEO)	77,350	25,783	25,783	25,783	154,700
Luís Miguel Agoas Correia Amado	Member of the Executive Committee (COO)	20,257	6,752	6,752	6,752	40,513
João Maria Magalhães Barros Mello Franco	Member of the Executive Committee (CMO)	31,333	10,444	10,444	10,444	62,666
Pedro Rui Fontela Coimbra	Member of the Executive Committee (CFO)	14,670	4,890	4,890	4,890	29,339
<b>Total of the Executive Committee</b>		<b>143,610</b>	<b>47,869</b>	<b>47,869</b>	<b>47,869</b>	<b>287,218</b>

#### Variable Remuneration of Executive Committee members relative to 2017

(amounts in euros)

Members	Position	Variable Remuneration paid in 2018	Deferred Variable Remuneration paid in 2019	Deferred Variable Remuneration payable in 2020	Deferred Variable Remuneration payable in 2021	Total Variable Remuneration
Luís Maria França de Castro Pereira Coutinho	Chairman of the Executive Committee (CEO)	47,513	15,838	15,838	15,838	95,027
Luís Miguel Agoas Correia Amado	Member of the Executive Committee (COO)	23,020	7,673	7,673	7,673	46,039
João Maria Magalhães Barros Mello Franco	Member of the Executive Committee (CMO)	30,980	10,327	10,327	10,327	61,961
Pedro Rui Fontela Coimbra	Member of the Executive Committee (CFO)	30,980	10,327	10,327	10,327	61,961
<b>Total of the Executive Committee</b>		<b>132,493</b>	<b>44,165</b>	<b>44,165</b>	<b>44,165</b>	<b>264,988</b>

In 2019 there is no deferred remuneration subject to reduction as a result of adjustments made according to the individual performance of Executive Committee members.

No compensation was paid or became payable to members of the Bank's Executive Committee related to the termination of their office during the financial year of 2019.

## Remuneration of Relevant Employees

The gross remuneration payable to Relevant Employees, with reference to the period from 1 January 2019 to 31 December 2019, as defined in the Remuneration Policy in force on 31 December 2019

(corresponding to 19 Relevant Employees of the Bank, one of whom ceased functions and another was elected a member of the Board of Directors in 2019), amounted, in aggregate terms, to € 1,884,461.00. The distribution of this remuneration was as follows:

### Remuneration of Relevant Employees in 2019

(amounts in euros)

Relevant Employees <sup>(1)</sup>	Fixed Remuneration <sup>(2)</sup>	Variable Remuneration paid in 2019 <sup>(3)</sup>	Deferred Variable Remuneration payable in 2020 <sup>(3)</sup>	Deferred Variable Remuneration payable in 2021 <sup>(3)</sup>	Deferred Variable Remuneration payable in 2022 <sup>(3)</sup>	Total Variable Remuneration awarded in 2019 <sup>(3)</sup>	Total Fixed Remuneration 2019 and Variable 2018 paid in 2019	Total Remuneration awarded in 2019
A – Risk-Taking Officers and Control Officers (3 employees)	255,299	20,210	6,737	6,737	6,737	40,419	275,509	295,719
B – Other Senior Management Employees (16 employees)(a)	1,372,702	108,020	36,007	36,007	36,007	216,040	1,480,722	1,588,742
<b>Total Relevant Employees</b>	<b>1,628,002</b>	<b>128,230</b>	<b>42,743</b>	<b>42,743</b>	<b>42,743</b>	<b>256,459</b>	<b>1,756,231</b>	<b>1,884,461</b>

(a) Includes one Relevant Employee who ceased functions in November 2019 and one Relevant Employee who was elected a member of the Board of Directors

(1) For the purpose of defining Relevant Employees, the employees identified under the "process of identification of Relevant Employees" set out in the Remuneration Policy were considered.

(2) Includes fixed basic remuneration relative to the annual meal allowance and, when applicable, amount of payment in kind derived from permanent vehicle use, and health insurance from the appointment date.

(3) Variable Remuneration relative to 2018

### Variable Remuneration of Relevant Employees relative to 2016

(amounts in euros)

Relevant Employees <sup>(1)</sup>	Variable Remuneration paid in 2017	Deferred Variable Remuneration paid in 2018	Deferred Variable Remuneration paid in 2019	Deferred Variable Remuneration payable in 2020	Total Variable Remuneration
A – Risk-Taking Officers and Control Officers (3 employees)	18,693	6,231	6,231	6,231	37,386
B – Other Senior Management Employees (13 employees (a))	80,214	26,738	26,738	26,738	160,428
<b>Total Relevant Employees</b>	<b>98,907</b>	<b>32,969</b>	<b>32,969</b>	<b>32,969</b>	<b>197,814</b>

(a) Includes 2 Relevant Employees who ceased functions in June 2017 and February 2018.

(1) The definition of Relevant Employees considered employees appointed by the Bank's competent corporate bodies to perform the duties in question

### Variable Remuneration of Relevant Employees relative to 2017

(amounts in euros)

Relevant Employees <sup>(1)</sup>	Variable Remuneration paid in 2018	Deferred Variable Remuneration paid in 2019	Deferred Variable Remuneration payable in 2020	Deferred Variable Remuneration payable in 2021	Total Variable Remuneration
A – Risk-Taking Officers and Control Officers (3 employees)	21,631	7,210	7,210	7,210	43,261
B – Other Relevant Employees (13 employees)	99,417	33,139	33,139	33,139	198,834
<b>Total Relevant Employees</b>	<b>121,048</b>	<b>40,349</b>	<b>40,349</b>	<b>40,349</b>	<b>242,096</b>

(1) The definition of Relevant Employees considered employees appointed by the Bank's competent corporate bodies to perform the duties in question.

In 2019 there is no deferred remuneration subject to reduction as a result of adjustments made according to the individual performance of Relevant Employees.

In 2019 there were no payments due to early termination of employment contract relative to Relevant Employees.

## V. Agreements affecting remuneration

According to the Remuneration Policy, the award of variable remuneration to executive members of the Board of Directors and to Relevant Employees depends on prior written commitment by its beneficiary that this person will refrain from entering into risk hedging or risk transfer agreements in relation to any deferred portion that may minimise the risk alignment effects inherent to the framework that applies to the referenced remuneration component or through the payment of the variable remuneration component through special purpose vehicles or other similar methods.

## VI. Share allocation or stock option plans

Also according to the Remuneration Policy, namely defined in terms of the nature, scope and complexity of the Bank's activity, the variable remuneration of executive members of the Board of Directors and of Relevant Employees will be paid in cash. Notwithstanding, at the Bank's exclusive initiative and until partial or full payment of the variable remuneration, an alternative model may therefore be implemented as defined by the competent bodies, where half of that variable remuneration (including the deferred portion) shall be paid in financial instruments subject to a lock-up policy.

## E. Transactions with Related Parties

### a) Control mechanisms and procedures

According to the Conflicts of Interest and Related Parties Policy, the Executive Committee and/or the Board of Directors submits to the appreciation of the Audit Committee any transaction with a related party (understood as (i) the holders of qualified shareholdings, (ii) members of the corporate bodies and of the structure bodies; (iii) third parties related to any of these through relevant "commercial or personal interests" (pursuant to the terms in IAS 24) and also (iv) subsidiaries, associated companies and joint ventures). The Audit Committee's assessment is carried out at two levels:

(i) Prior opinion on:

a) Significant Transactions (any Transaction with a Related Party of a value above 200,000 euros relative to a single business or to a series of business deals conducted in each economic year), except for transactions carried out between Banco CTT and subsidiaries whose capital is 100% directly or indirectly held by CTT;

b) Transactions to be entered into with members of the management bodies of Banco CTT or with relevant third parties (defined as the spouse or person living with him/her in a de facto union, relatives or kin in the 1st degree, or companies or other collective entities that one or the other directly or indirectly controls), regardless of their value, under the terms and for the purposes of Articles 397 and 423-H of the Commercial Companies Code.

(ii) Subsequent appraisal: applicable to all "Transactions with Related Parties" that are not subject to a prior opinion.

The Executive Committee and/or the Board of Directors shall also submit in advance the Transactions to be entered into with the members of the management body of Banco CTT or with Relevant Third Parties, pursuant to articles 397 and 423-H of the Commercial Companies Code.

Also pursuant to these legal rules and without prejudice to the application of the other provisions of this Policy, transactions included in the Company's own business and in which no special advantage is granted to the director or person involved (as stated in the grounds presented when the decision was taken) are exempt from this provision.

In this context, the main terms and conditions, the objectives and opportunity of the business, the amount of the transaction, the contracting process, respect for the interests of the Bank, market conditions and the rules in force and other mechanisms for preventing and correcting conflicts of interest are appraised.

### b) Business information

Relevant business transactions with related parties are described in Note 30 (Related party transactions), attached to the consolidated financial statements in the Annual Report.

# Annex I

## Curricula of the Management and Supervisory Body Members

### João de Almada Moreira Rato

Presidente do Conselho de Administração

**Data de nascimento:** 29 de setembro de 1971, Portugal

**Data da 1ª designação:** 13 de setembro de 2019

**Mandato:** 2019 / 2021

### João de Almada Moreira Rato

Chairman of the Board of Directors

**Date of birth:** 29 September 1971, Portugal

**Date of 1st appointment:** 13 September 2019

**Term of office:** 2019 / 2021

#### Education

- 1995 - 2000: PhD in Economics (specialising in financial subjects and economic mathematics), University of Chicago (USA)
- 1989 - 1993: Degree in Economics, Nova School of Business and Economics

#### Internal management and supervisory positions

- 2019 - ...: Non-executive chairman of the Board of Directors of Banco CTT, S.A.

#### Other internal positions

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#### Professional experience

For over 20 years, he has held positions in the financial sector, including several positions in Portugal and abroad in the areas of investment banking, capital markets, public debt management, commercial banking and financial sector advisory.

He also works as a lecturer, both in Portugal and abroad, with a special focus on the financial and economic areas, and has given specialised training, especially in the areas of economics, corporate finance, financial derivatives, financial management for sovereigns and portfolio management, along this career path.

#### Management and supervisory positions in other companies (last 5 years)

- 2018 - 2020: Non-executive member of the Board of Directors of Omtel, Estruturas de Comunicações, S.A.

#### Other external positions

- 2016 - ...: External Consultant / Expert at Oliver Wyman (United Kingdom and Dubai)
- 2016 - ...: Research Associate at the Systemic Risk Centre of the London School of Economics
- 2015 - ...: Senior Advisor at Morgan Stanley (United Kingdom) and Executive Director between 2010 and 2012
- 2015 - 2016: Senior Advisor at Incus Capital Advisors (Spain)
- 2014 - ...: Guest Associate Professor at Nova School of Business and Economics, Nova Law School and Nova Information Management School
- 2014: Member of the Board of Directors and Executive Committee (Chief Financial Officer) at Novo Banco, S.A.
- July 2014: Member of the Board of Directors and Executive Committee (Chief Financial Officer) at Banco Espírito Santo, S.A.
- 2012 - 2014: Chairman of the Board of Directors of IGCP (Portuguese Treasury and Public Debt Management Agency)
- 2008 - 2010: Partner in Nau Capital, head of risk and operational areas (United Kingdom)
- 2003 - 2008: Executive Director at Lehman Brothers (United Kingdom)
- 2000 - 2003: Associate at Goldman Sachs (United Kingdom)
- 1999: Lecturer at the College and Teaching Assistant on the PhD programme of the University of Chicago (USA) between 1996 and 1997.
- 1997 - 1998: Associate at Banco Bozano (Brazil)

## Luís Maria França de Castro Pereira Coutinho

CEO, Chairman of the Executive Committee

**Date of birth:** 02 March 1962, Portugal

**Date of 1st appointment:** 24 August 2015 (1)

**Term of office:** 2019 / 2021

### Education

- 2015 – 2016: Training Programme for Senior Managers of Banco CTT, S.A., Institute of Bank Management
- 2001 – 2002: Senior Business Management Programme, AESE Business School
- 1979 – 1984: Degree in Economics, Universidade Católica Portuguesa

### Internal management and supervisory positions

- 2015 – ...: Member of the Board of Directors and Chairman of the Executive Committee (CEO) of Banco CTT, S.A.

### Other internal positions

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### Professional experience

For more than 30 years he has performed functions in various areas in the banking sector in Portugal. He has also performed executive functions of leadership and strategy in international operations, namely in Bank Millennium SA (Poland), as well as non-executive functions in several operations of the Banco Comercial Português, S.A. universe. (Greece, Romania, Turkey, United States of America and Switzerland)

In Portugal, in the years before moving to Banco CTT, he performed executive management functions at Banco Comercial Português, S.A., in the areas of private and corporate banking, and digital banking at ActivoBank, S.A.

### Management and supervisory positions in other companies (last 5 years)

- 2012 – 2015: Member of the Board of Directors and of the Executive Committee of Banco Comercial Português, S.A.
- 2012 – 2015: Chairman of the Board of Directors of Banco ActivoBank, S.A.
- 2014 – 2015: Member of the Board of Directors of Pensões Gere – Sociedade Gestora de Fundos de Pensões, S.A.
- 2014 – 2015: Member of the Board of Directors of Millennium BCP Ageas, Grupo Segurador, SGPS, S.A.
- 2014 – 2015: Member of the Board of Directors of Ocidental – Companhia Portuguesa de Seguros de Vida, S.A.
- 2014 – 2015: Chairman of the Board of Directors of BCP Capital – Sociedade de Capital de Risco, S.A.
- 2009 – 2015: Member of the Supervisory Board of Bank Millennium, S.A. (Poland)
- 2008 – 2015: Chairman of the Board of Directors of Banca Millennium, S.A. (Romania)

### Other external positions (last 20 years)

- 2017 – ...: Chairman of the Supervisory Board of the Portuguese Banking Association in representation of Banco CTT, S.A.
- 2011 – 2013: Member of the Board of Directors of Millennium Bank, S.A. (Greece)
- 2008 – 2013: Chairman of the Board of Directors of Banque Privée BCP (Suisse), S.A.
- 2008 – 2012: Member of the Executive Board of Directors of Banco Comercial Português, S.A.
- 2008 – 2012: Member of the Board of Directors of the Millennium BCP Foundation
- 2010 – 2011: Chairman of the Board of Directors of Millennium Bank, S.A. (Greece)
- 2003 – 2009: Vice-Chairman of the Executive Board of Directors of Bank Millennium, S.A. (Poland)
- 2008 – 2010: Vice-Chairman of the Board of Directors of Millennium Bank, S.A. (Greece)
- 2008 – 2010: Chairman of the Board of Directors of BCP Holdings (USA) INC.
- 2008 – 2009: Member of the Board of Directors of Banco ActivoBank, S.A.
- 2008 – 2009: Member of the Board of Directors of Millennium BCP – Prestação de Serviços, ACE
- 2003 – 2009: Member of the Supervisory Board of Millennium Lease Sp Zoo (Poland)
- 2003 – 2009: Member of the Supervisory Board of Millennium Dom Maklerski, S.A. (Poland)
- 2003 – 2009: Member of the Supervisory Board of Millennium Leasing Sp Zoo (Poland)
- 1995 – 2000: Member of the Executive Committee (Vice-Chairman of the Executive Committee since 1998) and member of the Board of Directors of Banco Mello S.A.

(1) Date of appointment after the incorporation of Banco CTT, S.A.

## João Maria de Magalhães Barros de Mello Franco

CCO, Executive Director

**Date of birth:** 03 March 1972, Portugal

**Date of 1st appointment:** 14 January 2016

**Term of office:** 2019 / 2021

### Education

- 1998: Master in Business Administration (MBA), INSEAD (France)
- 1990 – 1995: Degree in Economics, Universidade Católica Portuguesa

### Internal management and supervisory positions

- 2019 – ...: Member of the Board of Directors of 321 Crédito, Sociedade Financeira de Crédito, S.A.
- 2018 – ...: Chairman of the Board of Directors of Payshop (Portugal) S.A.
- 2016 – ...: Member of the Board of Directors and of the Executive Committee (CCO) of Banco CTT, S.A.

### Other internal positions

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### Professional experience

For more than 20 years, he has held positions in marketing, products and channels in the banking sector, namely coordinating consulting projects in this sector for 8 years (1995–2003 at McKinsey & Company); as a senior officer at Banco Espírito Santo, S.A. and Novobanco, S.A. for 12 years, focusing on the retail market, namely marketing, product, digital and face-to-face channels and innovation and participation in committees responsible mainly for product and risk areas. He has also held management duties in credit institutions, including as Chief Marketing Officer and Chief Risk Officer at Novo Banco, S.A.

### Management and supervisory positions in other companies (last 5 years)

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### Other external positions

- 2014: Member of the Board of Directors and of the Executive Committee of Novobanco, S.A. (Chief Marketing Officer and Chief Risk Officer)
- 2008 – 2014: Non-Executive Director of the Board of Directors of Novo Banco dos Açores, S.A.
- 2014 – 2015: General Manager of Retail Banking and Remote Channels at Novobanco, S.A.
- 2013 – 2014: Coordinating Manager of the Department of Marketing, Innovation and Channels at Banco Espírito Santo, S.A.
- 2007 – 2012: Coordinating Manager of the Department of Marketing for Retail and Business Clients at Banco Espírito Santo, S.A.
- 2003 – 2006: Coordinating Manager of the Department of Strategic Marketing at Banco Espírito Santo, S.A.
- 1995 – 2003: Associate Partner at McKinsey & Company



## Pedro Rui Fontela Coimbra

CFO, Executive Director

**Date of birth:** 11 June 1974, Portugal

**Date of 1st appointment:** 04 August 2016

**Term of office:** 2019 / 2021

### Education

- 2017: Compliance Risk Management by Euromoney (United Kingdom)
- 2006: Master in Business Administration (MBA), INSEAD (France)
- 2001 - 2003: Chartered Financial Analyst (CFA) by CFA Institute
- 1992 - 1997: Degree in Business Administration and Management, Universidade Católica Portuguesa

### Internal management and supervisory positions

- 2019 - ...: Member of the Board of Directors of 321 Crédito, Sociedade Financeira de Crédito, S.A.
- 2018 - ...: Member of the Board of Directors of Payshop (Portugal) S.A.
- 2016 - ...: Member of the Board of Directors and of the Executive Committee (CFO) of Banco CTT, S.A.

### Other internal positions

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### Professional experience

For over 20 years he has held positions essentially in the banking sector, more specifically in the finance area, as a financial analyst conducting institutional research in the banking sector, as well as positions involving the management of corporate projects related to mergers and acquisitions, asset valuation and share capital increases, at Millennium BCP. Also in that Group, he carried out duties as member of the Board of Directors and Executive Committee (CFO) at Banco Millennium BCP Angola. He was also Corporate Banking Manager of the Portuguese Branch of Barclays Bank. More recently he was a member of the Board of Directors and of the Executive Committee (CFO) at Global Media Group, S.A. with responsibilities in the financial and administrative area, planning and management of assets at the level of the Group and its subsidiaries.

### Management and supervisory positions in other companies (last 5 years)

- 2015 - 2016: Manager of Notícias Direct - Distribuição ao Domicílio, Lda.
- 2015 - 2016: Manager of Empresa Gráfica Funchalense, Lda.
- 2015 - 2016: Manager of Urcaldas - Empreendimentos Urbanísticos, Lda
- 2014 - 2016: Member of the Board of Directors and of the Executive Committee (Chief Financial Officer) of Global Notícias - Media Group, S.A.
- 2014 - 2016: Member of the Board of Directors of Global Notícias Publicações, S.A.
- 2014 - 2016: Member of the Board of Directors of Global Notícias - Agência de Informação e Imagens, S.A.
- 2014 - 2016: Member of the Board of Directors of Rádio Notícias - Produção e Publicidade S.A.
- 2014 - 2016: Manager of RJN - Rádio Jornal do Norte, Lda.
- 2014 - 2016: Manager of TSF - Rádio Jornal de Lisboa, Lda.
- 2014 - 2016: Manager of Difusão de Ideias - Sociedade de Radiodifusão, Lda.
- 2014 - 2016: Member of the Board of Directors of TSF - Cooperativa Rádio Jornal do Algarve, CRL
- 2014 - 2016: Member of the Board of Directors of Naveprinter - Indústria Gráfica do Norte, S.A.
- 2014 - 2016: Member of the Board of Directors of Açormédia - Comunicação Multimédia e Edição de Publicações, S.A.
- 2014 - 2016: Manager of Jornal do Fundão Editora, Lda.

### Other external positions

- 2011 - 2014: Corporate Banking Manager of the Portuguese Branch of Barclays Bank
- 2009 - 2011: Member of the Board of Directors and Executive Committee (CFO) at Banco Millennium,...
- 2007 - 2009: Director at the Corporate Centre at Banco Millennium BCP
- 2003 - 2005: Director responsible for Structured Products at BCP Investimento - Banco Comercial Português Investimento, S.A. (later designated Millennium BCP Investimento)

## Nuno Carlos Dias dos Santos Fórneas

COO, Executive Director

**Date of birth:** 24 February 1967, Portugal

**Date of 1st appointment:** 13 September 2019

**Term of office:** 2019 / 2021

### Education

- 1994 - 1995: Master in Business Administration (MBA), Institute of Economics and Management of Universidade Técnica de Lisboa
- 1984 - 1989: Degree in Electrical and Computer Engineering, Instituto Superior Técnico, Universidade Técnica de Lisboa

### Internal management and supervisory positions

- 2019 - ...: Member of the Board of Directors and of the Executive Committee (COO) of Banco CTT, S.A.

### Other internal positions

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### Professional experience

For over 30 years, he has developed his professional career in the areas of systems engineering, process and systems consulting and the development of solutions and information technologies (particularly in the financial sector, in Portugal and abroad, with emphasis on Spain and the United Kingdom).

The technical and management skills developed, as well as the professional experience of more than 17 years in executive management positions, with emphasis on the positions held in the Novabase and Glintt Groups, are also noteworthy.

### Management and supervisory positions in other companies (last 5 years)

- 2018: Head of the Advanced Analytics Competence Center at the National Association of Pharmacies (ANF)
- 2017 - 2018: Member of the Board of Directors and of the Executive Committee at Glintt - Global Intelligent Technologies, S.A.
- 2017 - 2018: Member of the Board of Directors of Glintt UK, Limited
- 2017 - 2018: Member of the Board of Directors of Glintt Ireland Solutions, Limited
- 2016 - 2018: Member of the Management Board of Glintt - Business Solutions, Lda.
- 2016 - 2018: Member of the Board of Directors of Glintt - Healthcare Solutions, S.A.
- 2014 - 2016: Manager of Livian Techonoloies, Lda
- 2012 - 2016: Manager at Binómio - Máquinas e Sistemas de Informação, Lda.
- 2003 - 2016: Member of the Board of Directors of NOVABASE Business Solutions, S.A. (formerly Novabase Consulting S.A.)
- 2009 - 2015: Member of the Board of Directors of Novabase SGPS, S.A.
- 2009 - 2015: Member of the Board of Directors and of the Executive Committee of Novabase Serviços - Serviços de Gestão e Consultoria, S.A.
- 2009 - 2015: Non-executive member of the Board of Directors of NOVABASE Infraestruturas SGPS, S.A.
- 2009 - 2015: Member of the Board of Directors of NOVABASE Infraestruturas e Integración de Sistemas, S.A.

### Other external positions

- 2012 - 2013: Member of the Board of Directors of NOVABASE Consulting, SA (Spain)

## João Manuel de Matos Loureiro

Non-Executive Director, Chairman of the Audit Committee

**Date of birth:** 04 October 1959, Portugal

**Date of 1st appointment:** 13 September 2019

**Term of office:** 2019 / 2021

### Education

- 2017 – 2018: Specialised training: Corporate Governance Program, AESE Business School
- 1987 – 1992: PhD in Economics, specialising in International Macroeconomics and Finance, School of Economics and Commercial Law, University of Gothenburg, Sweden
- 1978 – 1983: Licentiate degree in Economics, Faculty of Economics, Universidade do Porto

### Internal management and supervisory positions

- 2019 – ...: Member of the Board of Directors and Chairman of the Audit Committee of Banco CTT, S.A.

### Other internal positions

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### Professional experience

In the last 35 years, he has been a teacher in the area of Economics, namely in programmes and curricular units of macroeconomics and finance at the Faculty of Economics of Universidade do Porto and in more specialised programmes for executives at Porto Business School. As an author he has published several works in those fields.

In parallel with his academic career he has maintained another professional activity, namely in the banking sector. In the last 10 years, he has held non-executive management and supervisory positions at BCP bank, where he was Chairman of the Audit Committee (previously Financial Matters Committee) between 2009 and 2018. In the BCP Group he also performed supervisory functions in subsidiaries.

### Management and supervisory positions in other companies (last 5 years)

- 2008 – ...: Lecturer and held academic/university management positions at Porto Business School
- 1983 – ...: Lecturer and held academic/university management positions at the Faculty of Economics, Universidade do Porto
- 2012 – 2018: Member of the Board of Directors and Chairman of the Audit Committee of Banco Comercial Português, S.A.

### Other external positions

- 2012: Member of the Board of Directors of the Millenniumbcp Foundation
- 2010 – 2012: Chairman of the Audit Board of Banco BII - Banco de Investimento Imobiliário, S.A.
- 2009 – 2012: Chairman of the Supervisory Board of Banco ActivoBank, S.A.
- 2009 – 2012: Member of the General and Supervisory Board and Chairman of the Financial Matters Committee of Banco Comercial Português, S.A.

## Clementina Maria Dâmaso de Jesus Silva Barroso

Non-Executive Director and member of the Audit Committee

**Date of birth:** 10 May 1958, Angola

**Date of 1st appointment:** 24 August 2015(1)

**Term of office:** 2019 / 2021

### Education

- 2017: The Internal Control Functions - Risk Management System, Banking Training Institute
- 2015 – 2016: Training Programme for Senior Managers of Banco CTT, S.A., Instituto Superior de Gestão Bancária and Portuguese Banking Association
- 2015: PhD in Applied Business Management, ISCTE - Instituto Universitário de Lisboa
- 1984 – 1985: Master's in Business Organisation and Management (attendance of lectures), ISEG - Lisboa School of Economics & Management
- 1976 – 1981: Degree in Business Organisation and Management, ISCTE - Instituto Universitário de Lisboa

### Internal management and supervisory positions

- 2015 – ...: Member of the Board of Directors and of the Audit Committee of Banco CTT, S.A.

### Other internal positions

- 2015 – ...: Member of the Remuneration Committee (within the Board of Directors) of Banco CTT, S.A.

### Professional experience

For 35 years, she has held academic positions, namely in the fields of management, financial management, marketing, finance and accounting, risk management, human resource management and remuneration practices. Associate Guest Professor at ISCTE - Instituto Universitário de Lisboa since 1982. She has performed duties as a statutory auditor (Chartered Accountant number 734 since 1990) and has carried out supervisory duties in financial sector companies.

### Management and supervisory positions in other companies (last 5 years)

- 2018 – ...: Member of the General and Supervisory Board and of the Financial Matters Committee of EDP - Energias de Portugal, S.A.
- 2016 – 2019: Non-executive member of the Board of Directors and Chairman of the Audit Committee of Fundbox, Sociedade Gestora de Fundos de Investimento Mobiliário, S.A.
- 2012 – 2016: Non-executive member of the Board of Directors and member of the Audit Committee of Fundbox, Sociedade Gestora de Fundos de Investimento Imobiliário, S.A.
- 2011 – 2016: Non-executive member of the Board of Directors and of the Audit Committee of Fundbox, Sociedade Gestora de Fundos de Investimento Mobiliário, S.A.

### Other external positions

- 2016 – ...: Member of the Board of IPCG - Instituto Português de Corporate Governance
- 2014 – ...: Chairman of the Board of the General Meeting of Science4you, S.A.
- 2008 – 2014: Board of the Management Degree of ISCTE Business School
- 2001 – 2013: Member of the Board of the Institute for Business Management Development (INDEG/PROJETOS)
- 1999 – 2013: General Manager and Member of the Board of the Institute for Business Management Development (INDEG/ISCTE)

(1) Date of appointment after the incorporation of Banco CTT, S.A.

## Susana Maria Morgado Gomez Smith

Non-Executive Director and member of the Audit Committee

**Date of birth:** 20 February 1973, Portugal

**Date of 1st appointment:** 13 September 2019

**Term of office:** 2019 / 2021

### Education

- 2018: Advanced Programme for Non-Executive Directors, IPCG – Instituto Português de Corporate Governance
- 2017: Certification in Non-Executive Administration, CASS Business School – CITY University of London
- 2017: Certification in Non-Executive Administration, ICSA – The Governance Institute (UK)
- 2016: International Directors Program, INSEAD
- 2012: Investor Relations Certification, IR Society – Investor Relations Society
- 2011 – 2013: Post-graduation in Risk Management, College of Business and Finance – HKU The University of Hong Kong
- 2004 – 2006: Post-graduation in Political Science and International Relations, Universidade Católica Portuguesa
- 1995 – 1998: Master's in Monetary and Financial Economics, Institute of Economics and Management – Universidade Técnica de Lisboa
- 1991 – 1995: Licentiate degree in Economics, Faculty of Economics, Universidade Nova de Lisboa

### Internal management and supervisory positions

- 2019 – ...: Member of the Board of Directors and of the Audit Committee of Banco CTT, S.A.

### Other internal positions

- 2019 – ...: Member of the Remuneration Committee (within the Board of Directors) of Banco CTT, S.A.

### Professional experience

Currently Non-Executive Director in the financial sector in Portugal and Switzerland. For more than 20 years, she has performed executive functions in the financial sector, in Portugal and abroad, particularly in the areas of investment banking, capital markets and corporate banking, as well as in strategic change, strengthening of risk environments, regulatory compliance, internal governance, control and operational efficiency.

She also worked as a lecturer for about 5 years at the beginning of her career, having obtained specialised training in economics and management throughout her career.

### Management and supervisory positions in other companies (last 5 years)

- 2019 – ...: Member of the Board of Directors and of the Remuneration and Nominating Committee of Leonteq AG

### Other external positions

- 2013 – 2018: Managing Director at Santander UK plc (Santander Global Corporate Banking)
- 2017 – ...: Volunteer (Ambassador to the International Directorship Network – Portugal; Mentoring Committee of the Mentoring Program), INSEAD
- 2016 – 2019: Member of the Board of Directors (Trustee), Mind in Camden
- 2012 – 2013: Advisor at Banco Nacional Ultramarino Macau, S.A. (BNU)
- 2007 – 2012: Director at Citigroup Global Markets Asia Limited
- 2005 – 2006: Member of the Board of Directors – representing Citibank International Plc, Portugal Branch – and Treasurer, Junior Achievements Portugal
- 2002 – 2007: Vice President at Citibank International plc – Portuguese branch (now Citibank Europe Plc – Portuguese branch)
- 1998 – 2002: Director at Banco Espírito Santo de Investimento, S.A. (now Haitong Bank, S.A.)
- 1998 – 2000: Assistant Professor, Universidade Católica Portuguesa
- 1995 – 1998: Assistant Professor, Universidade Lusíada

## António Pedro Ferreira Vaz da Silva

Non-Executive Director

**Date of birth:** 13 November 1966, Portugal

**Date of 1st appointment:** 01 September 2017

**Term of office:** 2019 / 2021

### Education

- 2015 – 2016: Training Programme for Senior Managers of Banco CTT, S.A., Instituto Superior de Gestão Bancária and Portuguese Banking Association
- 2014: Business Management Programme, AESE Business School
- 1972 – 1984: Secondary Education, Amadora Secondary School

### Internal management and supervisory positions

- 2018 – ...: Member of the Board of Directors of Payshop (Portugal) S.A.
- 2017 – ...: Member of the Board of Directors and of the Executive Committee of CTT-Correios de Portugal, S.A.
- 2017 – ...: Member of the Board of Directors of CTT Expresso – Serviços Postais e Logística, S.A.
- 2017 – ...: Non-executive member of the Board of Directors of Banco CTT, S.A.

### Other internal positions

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### Professional experience

He is currently responsible for the Mail P&L, Retail and Postal Financial Services P&L, B2C Commercial and Human Resources, which include the Philately, B2C External Channel Management, Own Post Offices Management, Retail Product Management, Savings and Payments, Mail Product Management, B2C Segment Management, Human Resources (Management of) and B2C Commercial Support Departments of CTT – Correios de Portugal, S.A.

With a professional career of 20 years in commercial and retail banking at Millennium BCP, he has held various positions within the group in Portugal and was part of the Private and Business team of Millennium BCP in 2000.

In 2004 he entered CTT- Correios de Portugal, S.A. as a Commercial Manager, having been responsible for the operations and sales of the south zone of the Retail Network. He successfully developed his career at CTT having taken up the position of Director of the Retail Network in 2013, acquiring extensive experience in management and motivation of teams and Human Resources as well as in sales of marketing of the different products placed through the Retail Network (from Mail, to Express & Parcels and to Financial Services, as well as services of general interest). Throughout this period of 12 years, he was involved in various initiatives and key projects related to the optimisation and rationalisation of the Retail Network and its portfolio, as well as the promotion of the proximity and capillarity associated to this network.

His long history at CTT- Correios de Portugal, S.A. has contributed to making the Retail Network a channel of sales and services of increasing importance in the growth of CTT's revenues in all business units, and a national platform of convenience and multiple services. More recently, he played an active role in the launch of Banco CTT in 2016 which is supported by this Network. He is also a member of the Business Coordination Committee created jointly by CTT and Banco CTT (which is a key forum for discussing and agreeing on issues related to the CTT / Banco CTT partnership related to Retail Network Channel).

### Management and supervisory positions in other companies (last 5 years)

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### Other external positions

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## António Emídio Pessoa Corrêa d'Oliveira

Non-Executive Director

**Date of birth:** 30 October 1976, Portugal

**Date of 1st appointment:** 01 September 2017

**Term of office:** 2019 / 2021

### Education

- 2018 - 2019: Training Programme for Senior Managers, Bank Training Institute, Portuguese Banking Association
- 2010: Breakthrough Program for Senior Executives (BPSE), IMD Business School (Lausanne, Switzerland)
- 1994 - 1999: Degree in Business Management, ISCTE - Instituto Universitário de Lisboa

### Internal management and supervisory positions

- 2017 - ...: Non-executive member of the Board of Directors of Banco CTT, S.A.

### Other internal positions

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### Professional experience

After 6 years as a consultant at Deloitte, he took on senior duties in the Gestmin Group (currently Manuel Champalimaud Group) in 2005 in the areas of corporate finance and business development, focused on the planning, identification, structuring, financing and implementation of the Manuel Champalimaud Group's investments and on management of the portfolio of assets held by the Group. Between 2016 and 2020, these senior duties also focused on the financial area, as Chief Financial Officer of Manuel Champalimaud SGPS, S.A. ( )

### Management and supervisory positions in other companies (last 5 years)

- 2016 - 2020: Member of the Board of Directors and of the Executive Committee (CFO) of Manuel Champalimaud SGPS, S.A. (1)
- 2016 - 2020: Manager at Gestmin - Serviços, Unipessoal, Lda
- 2017 - 2020: Member of the Board of Directors of Sogestão - Administração e Gerência, S.A.
- 2016 - 2017: Non-executive member of the Board of Directors of OZ Energia, S.A.
- 2015 - 2017: Non-executive member of the Board of Directors of GLN - Engineering, Molding and Plastics, S.A.
- 2015 - 2017: Manager at GLN México, S. de R.L. de C.V. (Sociedade de Responsabilidad Limitada de Capital Variable)
- 2015 - 2016: Non-executive member of the Board of Directors of GLNmolds, S.A.
- 2015 - 2016: Non-executive manager at T.P.S. - Engenharia de Moldes, Lda
- 2015: Non-executive member of the Board of Directors of GLNplast, S.A.

### Other external positions

- 2011 - 2013: Chairman of the Board of Directors of OZ Energia Gás, S.A.
- 2010 - 2013: Manager at OZ Energia Canalizado, Lda
- 2009 - 2013: Manager at Gestmin - Serviços, Unipessoal, Lda
- 2009 - 2013: Manager at OZ Energia Jet, Unipessoal, Lda
- 2009 - 2013: Manager at OZ Energia Fuels, Unipessoal, Lda
- 2009 - 2013: Manager at Silos de Leixões - Unipessoal, Lda
- 2008 - 2010: Member of the Board of Directors of Gestfin SGPS, S.A.
- 2007 - 2012: Non-executive member of the Board of Directors of Winreason - S.A.
- 2007 - 2010: Non-executive member of the Board of Directors of Oni SGPS, S.A.

(1) Named Gestmin SGPS, S.A. up to 28 February 2019, when the change of corporate name took effect.

## Guy Patrick Guimarães de Goyri Pacheco

Non-Executive Director

**Date of birth:** 25 May 1977, Portugal

**Date of 1st appointment:** 15 June 2018

**Term of office:** 2019 / 2021

### Education

- 2018 - 2019: Training Programme for Senior Managers, Bank Training Institute, Portuguese Banking Association
- 2011: Leaders who transform, The Lisbon MBA - Católica/Nova
- 2010: Leadership Executive Program, Universidade Católica Portuguesa
- 1995 - 2000: Licentiate degree in Economics, Faculty of Economics, Universidade do Porto

### Internal management and supervisory positions

- 2018 - ...: Non-executive member of the Board of Directors of Banco CTT, S.A.
- 2018 - 2019: Member of the Board of Directors of Tourline Express Mensajería, S.L.U.
- 2017 - ...: Member of the Board of Directors and of the Executive Committee (CFO) of CTT - Correios de Portugal, S.A.
- 2017 - ...: Member of the Board of Directors of CTT Expresso, S.A.

### Other internal positions

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### Professional experience

He is currently responsible at CTT for the areas of Finance, Risk and M&A, Investor Relations, Procurement and Logistics, Accounting and Tax, Transformation, Planning and Control, Physical Resources and IT.

His main professional occupation from 2015 to 2017 was CFO of PT Portugal, SGPS, S.A. and from 2011 to 2015 he was Director of Planning and Control of Portugal Telecom, SGPS, S.A. (company listed on the stock exchange).

He has skills in the financial, planning and control, financial reporting and operational areas, having held management and senior management positions in these fields within the PT universe over the course of 17 years.

With extensive experience and a transformational profile in positions related to strategic transformation in the sector of telecommunications and digital business, with national and international presence (having worked from 2001 to 2017 in markets marked by a challenging regulatory, technological and competition context, and having been especially involved, from 2007 to 2011, in projects of continuous improvement and transformation) and, more recently, leading as CFO for close to 2 years, plans for optimisation and rationalisation of costs in the same sector.

### Management and supervisory positions in other companies (last 5 years)

- 2017 - ...: Non-executive member of the Board of Directors of Finerge, S.A.
- 2017 - 2019: Non-executive member of the Board of Directors of Âncora Wind - Energia Eólica, S.A.
- 2017 - 2018: Non-executive member of the Board of Directors of First State Wind Energy Investments, S.A.
- 2017 - 2017: Non-executive member of the Board of Directors of Sport TV Portugal, S.A.
- 2016 - 2017: Non-executive chairman of the Board of Directors of Janela Digital - Informática e Telecomunicações, S.A.
- 2016 - 2017: Non-executive member of the Board of Directors of Capital Criativo, SCR, S.A.
- 2015 - 2017: Member of the Executive Committee (Chief Financial Officer) of PT Portugal, SGPS, S.A.
- 2015 - 2017: Chairman of the Supervisory Board of Hungaro Digital Plc.
- 2015 - 2017: Chairman of the Supervisory Board of Fibroglobal - Comunicações Electrónicas, S.A.
- 2015 - 2017: Member of the Board of Directors of PT Pay, S.A.
- 2013 - 2015: Member of the Board of Directors of PT Centro Corporativo, S.A.
- 2013 - 2015: Member of the Supervisory Board of Fundação Portugal Telecom

### Other external positions

- 2018 - ...: Member of the Board of AEM (Association of Companies Issuing Listed Securities)
- 2011 - 2014: Non-executive member of the Board of Directors of PT PRO - Serviços Administrativos e de Gestão Partilhados, S.A.

## Annex II

### Transactions Involving CTT Shares in 2019

Details of transactions by Directors and closely related parties during 2019, as disclosed to the Company.

#### Manuel Champalimaud, SGPS, S.A.:

Transaction type	Place	Unit price (€)	Quantity	Transaction date
Acquisition	XLIS	2,170	11 658	15.05.2019
Acquisition	XLIS	2,174	10 000	15.05.2019
Acquisition	XLIS	2,178	486	15.05.2019
Acquisition	XLIS	2,198	4 756	15.05.2019
Acquisition	XLIS	2,204	12 600	15.05.2019
Acquisition	XLIS	2,194	5 000	16.05.2019
Acquisition	XLIS	2,196	4 500	16.05.2019
Acquisition	XLIS	2,198	5 000	16.05.2019
Acquisition	XLIS	2,200	5 000	16.05.2019
Acquisition	XLIS	2,202	5 000	16.05.2019
Acquisition	XLIS	2,206	5 187	16.05.2019
Acquisition	XLIS	2,210	14 656	16.05.2019
Acquisition	XLIS	2,212	4 999	16.05.2019
Acquisition	XLIS	2,214	7 158	16.05.2019
Acquisition	XLIS	2,220	10 000	16.05.2019
Acquisition	XLIS	2,152	2 500	17.05.2019
Acquisition	XLIS	2,166	7 500	17.05.2019
Acquisition	XLIS	2,172	2 500	17.05.2019
Acquisition	XLIS	2,174	5 000	17.05.2019
Acquisition	XLIS	2,176	2 500	17.05.2019
Acquisition	XLIS	2,180	25 000	17.05.2019
Acquisition	XLIS	2,182	4 840	17.05.2019
Acquisition	XLIS	2,188	9 360	17.05.2019
Acquisition	XLIS	2,194	5 000	17.05.2019
Acquisition	XLIS	2,198	2 500	17.05.2019
Acquisition	XLIS	2,200	7 500	17.05.2019
Acquisition	XLIS	2,204	10 000	17.05.2019
Acquisition	XLIS	2,210	2 500	17.05.2019
Acquisition	XLIS	2,194	2 005	20.05.2019
Acquisition	XLIS	2,200	5 000	20.05.2019
Acquisition	XLIS	2,204	13 556	20.05.2019
Acquisition	XLIS	2,206	61 444	20.05.2019
Acquisition	XLIS	2,210	22 500	20.05.2019
Acquisition	XLIS	2,212	5 000	20.05.2019
Acquisition	XLIS	2,220	17 995	20.05.2019
Acquisition	XLIS	2,236	7 500	20.05.2019
Acquisition	XLIS	2,196	6 650	21.05.2019
Acquisition	XLIS	2,200	22 500	21.05.2019
Acquisition	XLIS	2,206	6 287	21.05.2019
Acquisition	XLIS	2,208	2 500	21.05.2019
Acquisition	XLIS	2,214	2 500	21.05.2019
Acquisition	XLIS	2,220	2 500	21.05.2019
Acquisition	XLIS	2,230	22 192	21.05.2019

Transaction type	Place	Unit price (€)	Quantity	Transaction date
Acquisition	XLIS	2,236	5 000	21.05.2019
Acquisition	XLIS	2,238	5 000	21.05.2019
Acquisition	XLIS	2,240	25 609	21.05.2019
Acquisition	XLIS	2,248	1 762	21.05.2019
Acquisition	XLIS	2,250	4 500	22.05.2019
Acquisition	XLIS	2,252	2 500	22.05.2019
Acquisition	XLIS	2,256	3 000	22.05.2019
Acquisition	XLIS	2,258	5 000	22.05.2019
Acquisition	XLIS	2,268	3 600	22.05.2019
Acquisition	XLIS	2,282	7 500	22.05.2019
Acquisition	XLIS	2,286	3 294	22.05.2019
Acquisition	XLIS	2,288	1 709	22.05.2019
Acquisition	XLIS	2,290	6 397	22.05.2019
Acquisition	XLIS	2,292	8 446	22.05.2019
Acquisition	XLIS	2,294	2 500	22.05.2019
Acquisition	XLIS	2,298	595	22.05.2019
Acquisition	XLIS	2,300	18 459	22.05.2019
Acquisition	XLIS	2,302	25 000	22.05.2019
Acquisition	XLIS	2,306	21 000	22.05.2019
Acquisition	XLIS	2,308	10 000	22.05.2019
Acquisition	XLIS	2,310	12 900	22.05.2019
Acquisition	XLIS	2,312	9 500	22.05.2019
Acquisition	XLIS	2,314	5 500	22.05.2019
Acquisition	XLIS	2,270	2 500	23.05.2019
Acquisition	XLIS	2,274	2 500	23.05.2019
Acquisition	XLIS	2,280	2 500	23.05.2019
Acquisition	XLIS	2,286	5 000	23.05.2019
Acquisition	XLIS	2,290	5 000	23.05.2019
Acquisition	XLIS	2,292	5 000	23.05.2019
Acquisition	XLIS	2,294	7 500	23.05.2019
Acquisition	XLIS	2,296	7 500	23.05.2019
Acquisition	XLIS	2,298	25 000	23.05.2019
Acquisition	XLIS	2,300	31 969	23.05.2019
Acquisition	XLIS	2,302	531	23.05.2019
Acquisition	XLIS	2,304	5 000	23.05.2019

#### António Pedro Ferreira Vaz da Silva

Transaction type	Place	Unit price (€)	Quantity	Transaction date
Acquisition	XLIS	3,083	3 500	28.11.2019

#### Guy Patrick Guimarães de Goyri Pacheco

Transaction type	Place	Unit price (€)	Quantity	Transaction date
Acquisition	XLIS	2,260	1 000	29.05.2019
Acquisition	XLIS	2,284	1 000	29.05.2019
Acquisition	XLIS	2,280	3 000	29.05.2019
Acquisition	XLIS	2,290	1 000	29.05.2019

The logo graphic consists of a series of overlapping, white, trapezoidal shapes that create a sense of depth and movement, extending from the left edge of the page towards the center. The shapes are outlined in a thin red line. The text 'bancoctt' is centered within the largest, most prominent white shape.

banco**ctt**

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