

Corporate Governance Report



Table of contents

A.SHAREHOLDER STRUCTURE	272
I. Capital structure	272
II. Shareholdings and Bonds held	272
B.CORPORATE BODIES AND COMMITTEES	273
I. General Meeting	273
II. Management and Supervision	275
III. Oversight	278
IV. Statutory Auditor	280
C. INTERNAL ORGANISATION	281
I. Articles of Association	281
II. Reporting of irregularities	281
III. Internal control and risk management	282
IV. Investor Support	283
V. Website	283
D. REMUNERATION	283
I. Power to establish	283
II. Remuneration Committee	283
III. Remuneration disclosure	284
IV. Agreements with remuneration implications	289
V. Share allocation or stock option plans	289
E.RELATED PARTY TRANSACTIONS	280
I. Control mechanisms and procedures	280
II. Transaction information	290
ANNEX I	291
<i>CURRICULA OF THE MANAGEMENT AND SUPERVISORY BODY MEMBERS</i>	291
ANNEX II	304
<i>TRANSACTIONS INVOLVING CTT SHARES IN 2021</i>	304

A. SHAREHOLDER STRUCTURE

I. Capital structure

The share capital of Banco CTT, S.A. ("Bank" or "Banco CTT") is 296,400,000.00 euros, fully underwritten and paid-up, represented by 296,400,000 ordinary registered, book-entry shares, with no nominal value (where there are no different categories of shares).

On 25 January 2021, the Bank registered a capital increase, fully subscribed and paid up, in cash, by the sole shareholder CTT- Correios de Portugal, S.A. ("CTT"), in the amount of 10,000,000.00 euros, increasing the share capital from 286,400,000.00 euros to 296,400,000.00 euros.

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

Without prejudice to the free transferability of the shares of the Bank and CTT, their acquisition implies, as of the date of the commercial registration of Banco CTT (credit institution wholly owned by CTT), compliance with the legal requirements regarding direct or indirect qualified holdings, provided for in the General Regime of Credit Institutions and Financial Companies, in the wording currently in force ("RGICSF").

In particular, and in accordance with Article 102 of the RGICSF, natural or legal persons wishing to hold a qualified holding in CTT and, indirectly, in the Bank (i.e., a direct or indirect participation equal to or greater than 10% of the share capital or voting rights or that, for whatever reason make it possible to exert significant influence on management) must previously communicate their project to Banco de Portugal for the purposes of non-opposition. In turn, the acts or facts resulting in the acquisition of a shareholding of at least 5% of the share capital or voting rights of CTT and indirectly of the Bank, must be communicated to Banco de Portugal within 15 days of the respective verification, in accordance with the provisions of Article 104 of the RGICSF.

As at 31 December 2021 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 2021, the members of the Bank's management and supervisory bodies did not hold any shares issued by the Bank, nor did they, during 2021, carry out any transactions in such relevant securities for the purposes of Article 447 of the Commercial Companies Code ("CSC"), in the wording currently in force.

Also in accordance with Article 447(5) of the CSC, during the financial year 2021 and in accordance with the communications made to the Company, the number of shares representing the share capital of companies in a domain or group relationship with the Bank, held by members of the management and supervisory bodies of the Bank and the entities closely related to them in accordance with that provision, as well as all acquisitions, encumbrances or cessations of ownership of said shares, are indicated in the following lists:

Board of Directors (a)	No. of Shares as at 31//2020 (b)	Date	Acquisition	Encumbrance	Divestment	Price	No. of Shares as at 31//2021 (b)
João de Almada Moreira Rato	-	-	-	-	-	-	-
Luís Maria França de Castro Pereira Coutinho	500	-	-	-	-	-	500
João Maria de Magalhães Barros de Mello Franco	-	-	-	-	-	-	-
Pedro Rui Fontela Coimbra	-	-	-	-	-	-	-
Nuno Carlos Dias dos Santos Fórneas	-	-	-	-	-	-	-
Luís Jorge de Sousa Uva Patrício Paúl (b)	-	-	-	-	-	-	-
João Manuel de Matos Loureiro	-	-	-	-	-	-	-
Clementina Maria Dâmaso de Jesus Silva Barroso	-	-	-	-	-	-	-
Susana Maria Morgado Gomez Smith	-	-	-	-	-	-	-
António Pedro Ferreira Vaz da Silva	7,000	-	-	-	-	-	7,000
Guy Patrick Guimarães de Goyri Pacheco	8,000	-	-	-	-	-	8,000
António Emídio Pessoa Corrêa d'Oliveira	25,000	Annex II	Annex II	-	-	Annex II	-(c)

Statutory Auditor	No. of Shares as at 31//2021	Date	Acquisition	Encumbrance	Divestment	Price	No. of Shares as at 31//2021
Ernst & Young Audit & Associados – SROC, S.A.	-	-	-	-	-	-	-
Sílvia Maria Teixeira da Silva	-	-	-	-	-	-	-
Ana Rosa Ribeiro Salcedas Montes Pinto	-	-	-	-	-	-	-

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

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

c) Annex II presents the details relative to the acquisitions and/or divestments made in 2021, as disclosed to the Company.

In 2021, neither Banco CTT nor the companies in a domain or group relationship with the Bank issued any bonds.

B. CORPORATE BODIES AND COMMITTEES

I. General Meeting

In accordance with Article 12(1) of the Bank's Articles of Association, the Board of the General Meeting shall consist of a Chairman, elected at the General Meeting. According to the same statutory provision, the Chairman of the Board of the General Meeting is assisted by the Company Secretary, and the respective functions were performed in 2021 by Catarina Morais Bastos Gonçalves de Oliveira, the current Company Secretary. As at 31 December 2021, the Chairman of the Board of the General Meeting was Rui Afonso Galvão Mexia de Almeida Fernandes, having been appointed for the 2019/2021 term of office at the General Meeting on 13 September 2019.

The establishment of the Bank's Selection and Remuneration Committee, resulting from the merger of the previous Selection Committee and the Remuneration Committee, was decided at the General Meeting on 13 September 2019, and its members were elected for a term coinciding with the current terms of office of the governing bodies (2019/ 2021). On 15 June 2020, following the resignations submitted by António Sarmento Gomes Mota and José Manuel Baptista Fino from their positions on the Bank's Selection and Remuneration Committee, the sole shareholder resolved to elect Raúl Catarino Galamba de Oliveira and Maria da Graça Farinha de Carvalho to replace the resigning members in the exercise of the functions of Chairman and Member of the Bank's Selection and Remuneration Committee, respectively, until the end of the current term of office.

In this context, on 31 December 2021, the Bank’s Selection and Remuneration Committee was composed of the following members:

Members	Position
Raúl Catarino Galamba de Oliveira	Chairman
João Afonso Ramalho Sopas Pereira Bento	Member
Maria da Graça Farinha de Carvalho	Member

In accordance with the Internal Policy for the Selection and Evaluation of the Suitability of the Members of the Management and Supervisory Bodies and the Holders of Essential Functions, as approved at the General Meeting of 24 August 2015, amended by the same body on 10 March 2016 and subsequently amended by the Management and by the General Meeting on 22 and 24 January 2019, respectively (“Selection Policy”), as well as with the Banco CTT Group’s Remuneration Policy approved by the Board of Directors and the Selection and Remuneration Committee on 27 April and 30 June 2020, amended by the same bodies on 29 March and 20 and 23 December 2021, respectively, (“Remuneration Policy”) and, also, with the respective Internal Regulations, all in force on 31 December 2021, it is the responsibility of the Selection and Remuneration Committee, under powers delegated to it by the General Meeting, in particular:

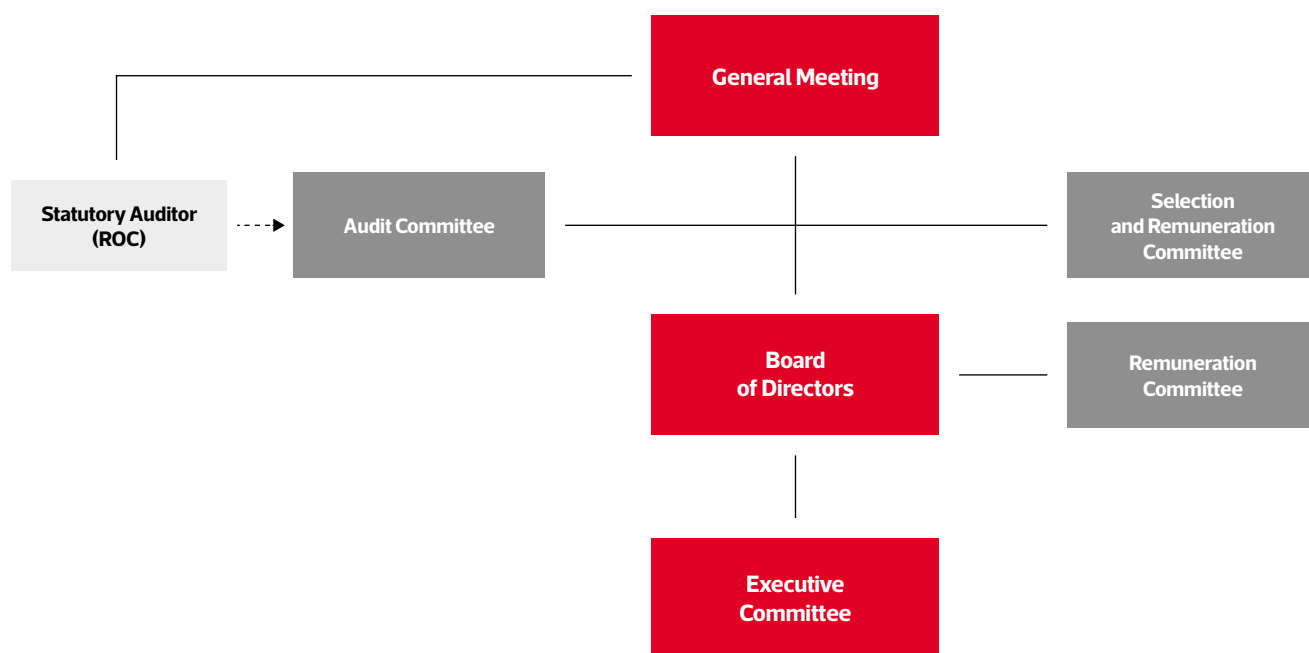
- ▶ Identifying, selecting and recommending possible members of management and supervisory bodies and holders of key positions, checking whether these candidates meet the necessary adequacy requisites (both individual and collective);
- ▶ Preparing the adequacy assessment and reassessment reports and preparing the instruction of requests for authorisation and registration with Banco de 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;
- ▶ Periodically reviewing the Selection Policy;
- ▶ Assessing the structure and dimension of the management and supervisory bodies, their suitability, professional qualifications diversity and availability, as well as the performance in terms of suitability of its members and the 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; and,
- ▶ Approving and reviewing the Remuneration Policy at least annually, defining, in particular, 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 and an appropriate and effective organisational culture, in line with the Bank’s specific characteristics (namely its dimension and activity), as described in this Report, promoting sound and prudent management, the effective performance of functions and coordination of corporate bodies, 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 governing bodies (including the members of the Board of the General Meeting, the Board of Directors and the Audit Committee, as well as the ROC, the latter following a proposal submitted by the Audit Committee); (ii) assessing the report and accounts of the Board of Directors, as well as the opinion of the Audit Committee; (iii) deciding on the appropriation of results; (iv) deciding on amendments to the Articles of Association; and (v) fixing the remuneration of the members of the governing bodies or, alternatively and for that purpose, setting up a Selection and Remuneration Committee and electing the respective members. In

this sense, the General Meeting established, on 13 September 2019, a Selection and Salary Committee composed of three independent members 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).

The Board of Directors, in turn, delegated, in the context of its administrative functions, day-to-day management powers to the Executive Board (see 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 function, with view to contributing to the quality of the financial information and the effectiveness 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 12 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 2021 was composed of the following 12 Directors, appointed for the 2019/2021 term of office of, whose curricula are presented in Annex I attached herewith:

Members	Board of Directors	Executive Committee	Audit Committee	Independent (1)
João de Almada Moreira Rato	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	Member	Member (CIO)		
Luís Jorge de Sousa Uva Patrício Paúl	Member	Member (CRO)		
João Manuel de Matos Loureiro	Member		Chairman	Yes
Clementina Maria Dâmaso de Jesus Silva Barroso	Member		Member	Yes
Susana Maria Morgado Gomez Smith	Member		Member	Yes
António Pedro Ferreira Vaz da Silva	Member			
Guy Patrick Guimarães de Goyri Pacheco	Member			
António Emídio Pessoa Corrêa d’Oliveira	Member			

1) According to the criteria established in Article 414(5) of the CSC (applicable by virtue of Article 31-A(3) of the RGICSF).

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:

- a) Approving the annual, half-yearly and quarterly reports and accounts;
- b) Defining the strategic orientation (including the approval of strategic, activity and business plans), policies, as well as the organisational model and corporate structure of the Bank;
- c) Approving annual and multi-annual budgets and investment and financial plans, and monitoring their implementation;
- d) 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;

e) Adopting an organisational culture that promotes a permanent integrated control of the risks to which the Bank and the Banco CTT Group are exposed, a responsible and prudent professional conduct of its employees and members of the management and supervisory bodies, guided by high standards of ethical requirements, and that contribute to the sound and prudent management of the institution and to strengthen the levels of trust and reputation of the Bank and the Group by monitoring and evaluating the adequacy and effectiveness of the organisational culture and of the governance and internal control systems of the Bank and its subsidiaries;

f) Promoting a control environment that values internal control as an essential element for the long-term resilience and good performance of the Bank and the Banco CTT Group, ensuring that the Bank and the Group have an effective internal control system that ensures their sustainability in the medium and long term and the prudent exercise of their activity, consistently applied to the Bank and its subsidiaries, and monitoring their operation;

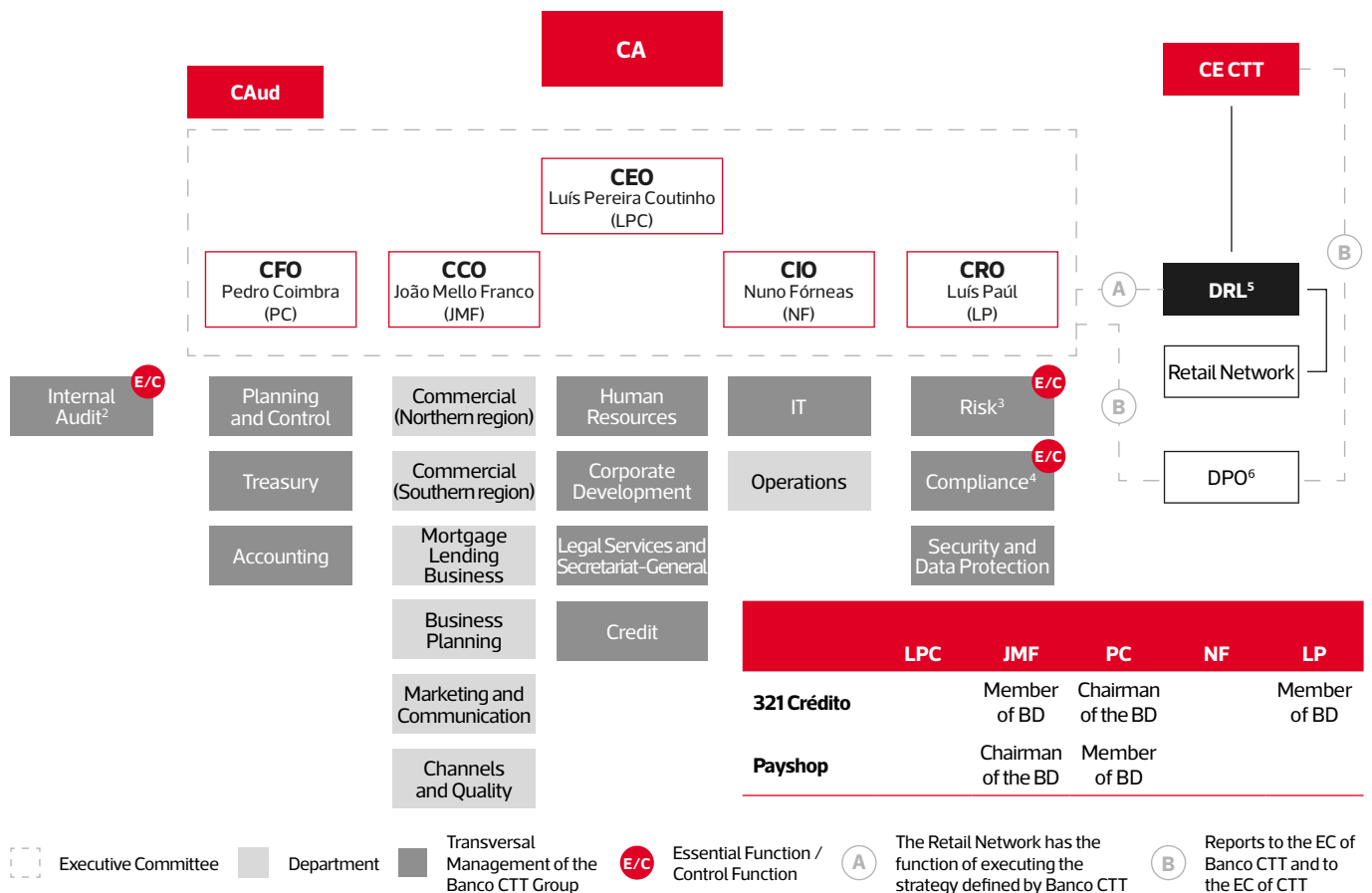
- g) Ensuring the soundness and effectiveness of (i) the processing of information, including the accounting and financial information systems and the processes of disclosure and compliance with reporting duties to Banco de Portugal, and (ii) of the processes of identification, management, control and communication of risks, under the terms of the law and applicable regulations;
- h) Implementing and monitoring the operation of the risk management system that allows the identification, assessment, monitoring and control of all risks to which the Bank and its subsidiaries may be exposed, in order to ensure that they remain at the level defined by the Board of Directors and that they do not significantly affect the financial situation of the Bank and the Group, and informing the different areas, through regular communications, of the Bank's and the Group's risk tolerance level, ensuring that all employees are aware of their responsibilities regarding risk taking and controlling;
- i) 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

- j) Appointing, replacing or removing those responsible for the Compliance, Risk Management and Internal Audit functions of the Bank and the Banco CTT Group, on the recommendation of the Selection and Remuneration Committee and after prior assessment by 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 corporate governance 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 2021, the areas of responsibility of the Bank's Executive Committee and its organisational structure were distributed as follows:



¹ Special project units may be set up by decision of the EC when projects that are justified by their complexity and duration are approved.
² The Internal Audit Officer is responsible for the Internal Audit Control Function of the Bank and its subsidiaries, without prejudice to the possible existence of Internal Audit officers at the level of each of the subsidiaries.
³ The Risk Director is responsible for the Risk Management Control Function of the Bank and its subsidiaries without prejudice to the possible existence of Risk Management officers at the level of each of the subsidiaries.
⁴ The compliance officer is responsible for the Compliance Control Function of the Bank and its subsidiaries, without prejudice to the possible existence of compliance officers at the level of each of the subsidiaries.
⁵ DRL – Store Network Director (s): top of the Store Network structure in plurality of employers, with hierarchical relationship with CEO and functional relationship with all departments within the EC and the Control Functions.
⁶ DPO – Data Protection Officer of the CTT group.

At its meeting of 24 September 2021, the Board of Directors resolved to amend its Regulations and the delegation of powers to the Executive Committee in order to expressly provide for the possibility of sub-delegating some of the powers delegated to the Executive Committee to specialised committees set up by the latter, as well as to terminate 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.

On 6 October 2021, under the powers delegated at the time, the Executive Committee set up six new Committees to support its management activities, with the same designation as those previously appointed by the Board of Directors, namely: 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 regard to the management of the relationship with CTT, under the contracts signed between CTT and the Bank, on which the respective CTT/Bank contracting model is based, there are three discussion forums external to the Bank and created in the context of these contracts, referring to matters of plurality of employers, the availability of resources within the Retail Network and the CTT Channel partnership, and also the provision of services, namely the Business Coordination Committee, the Shared Services Committee and the Partnership Governance Committee.

As at 31 December 2021, 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
	Internal Control Committee
Committees governing the partnership with CTT	Partnership Governance Committee
	Business Coordination Committee
	Shared Services Committee

The Bank also has a Remuneration Committee, created and appointed by the Board of Directors, whose composition and powers are presented in section D. II. below.

III. Oversight

According to the Bank’s Articles of Association, the Audit Committee is composed of 3 non-executive directors, one of which is the

respective Chairman, all elected at the General Meeting (for the 2019/2021 term of office), together with the other Directors, and the lists proposed for the composition of the Board of Directors must specify the members intended to form the Audit Committee and indicate respective Chairman.

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

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

All such members are independent within the meaning of Article 414(5) of the CSC, applicable by reference to Article 31-A(5) of the RGICSF, have a university degree appropriate to the exercise of their duties and other qualifications and, as a whole, the experience required by law, as well as by the Articles of Association and the

Bank’s Selection Policy, with at least one of its members having knowledge of accounting.

The following main powers established by the law, the Articles of Association and the respective Rules of Procedure, in force on 31

December 2021, were assigned to the Audit Committee:

- a) Supervising the Bank's management;
- b) Promoting an organisational culture based on high standards of ethical requirements and that ensures the promotion of sound and prudent management;
- c) Monitoring and ensuring the soundness and effectiveness of the risk management system, the internal control and compliance management system and the Internal Audit Function of the Bank and the Group in particular, and monitoring the Bank's risk strategy and risk appetite;
- d) Being informed and taking account of the communications of irregularities presented, namely through the Ethics Channel, and participate in or accompany the decisions taken by the Ethics Forum concerning the same;
- e) Monitoring and supervising the preparation and disclosure of financial information, including the conformity and accuracy of the financial reporting books, records and documents and other accounting documentation;
- f) Supervising the activity of the Statutory Auditor or the Statutory Audit Firm ("SROC"), as appropriate and monitoring its independence; and,
- g) Overseeing the review of accounts of the financial statements of the Bank.

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

- a) Assessing the appointment, replacement, dismissal and remuneration of those responsible for the Compliance, Risk Management and Internal Audit functions of the Bank and the Group and participating in the respective performance evaluation process, as applicable;
- b) Overseeing the implementation of the Bank's strategic objectives, the strategy on risk and internal governance and, at least annually, assessing their efficacy;
- c) Supervising the policy and processes of identification, management, control and communication of risks of the Bank and the Banco CTT Group;
- d) Annually assessing and issuing an opinion on the adequacy and efficiency of the organisational culture and the governance and internal control systems of the Bank and the Banco CTT Group, the quality of the performance and adequate independence of the Control Functions, as well as the coherence between the internal control systems of the Bank and its subsidiaries;
- e) Monitoring the integrity of the accounting and financial information systems, including financial and operational control and compliance with the laws and regulations applicable to the

Bank and the CTT Bank Group, and supervising the process of disclosing and fulfilling the Bank's reporting obligations to Banco de Portugal;

- f) Assessing whether the accounting policies and procedures and valuation criteria adopted by the Bank and the Banco CTT Group are consistent with generally accepted accounting principles and appropriate to the correct presentation and assessment of their assets, responsibilities and results;
- g) 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;
- h) Preparing the annual activities report and issuing an opinion on the annual management report, the accounts for the financial year, both individual and consolidated, and the proposals submitted by the Board of Directors to the Annual General Meeting;
- i) Selecting the ROC/SROC and proposing to the General Meeting its appointment and dismissal;
- j) Verifying the appropriateness and giving prior approval to the provision of services other than audit services by the ROC/SROC to the Bank, as well as to the entities under its control and their parent companies identified as Public Interest Entities, and assessing the annual communication that the ROC/SROC makes on this matter; and,
- k) Monitoring and supervising the statutory audit of the individual and consolidated annual accounts, namely its execution, and to assess the content of the statutory audit reports of the annual accounts and audit reports.

The Audit Committee, as a supervisory body, also assumes the functions of Risk Committee at Banco CTT, under the terms and for the purposes provided for in Article 115I of the RGICSF, and is responsible for, in particular:

- a) Advising the Board of Directors on risk appetite and on the Bank's general, current and future risk strategies, assisting it in supervising the implementation of the institution's risk strategy;
- b) Analysing whether the conditions of the products and services offered by the Bank to its customers take into account the Bank's business model and risk strategy and submitting, when necessary, a correction plan to the Board of Directors; and,
- c) Examining if incentives set out in the Bank's remuneration policy take into account risk, capital, liquidity and expectations regarding results.

IV. Statutory Auditor

Bywritten resolution by the sole shareholder of the Company, on 30 July 2020, Ernst & Young Audit & Associados - SROC, S.A. ("EY"), Statutory Audit Firm No. 178, represented by Sílvia Maria Teixeira Silva, Statutory Auditor No. 1636, and as Alternate Statutory Auditor of the Bank, Ana Rosa Ribeiro Salcedas Montes Pinto, Statutory Auditor No. 1230, who were in office on 31 December 2021, were elected for the new term of office corresponding to 2021/2023, effective from 1 January 2021.

The rules to be followed in engaging audit services and non-audit services from the Statutory Auditor are set out in the Policy for the Selection, Appointment and Evaluation of Statutory Auditors (ROC) and Audit Firms (SROC) and for the engaging of services from the Statutory Auditor/Audit Firm ("Statutory Auditor Selection Policy") approved by the General Meeting of Banco CTT on 3 July 2020, and amended by the same body on 12 August 2021 in line with the provisions of Regulation (EU) 537/2014 of the European Parliament and of the Council of 16 April 2014, which determines the requirements applicable to statutory audits of public interest entities, in Law 140/2015 of 7 September, which approved the Statutes of the Portuguese Institute of Statutory Auditors, and in Law 148/2015 of 9 September, which establishes the Legal Framework for Audit Supervision.

In 2021, the following non-audit / additional services were contracted/provided to Banco CTT Group by EY, hereinafter the "Non-Audit Services Contracted in 2021":

- ▲ Limited review of Banco CTT's financial statements for the period ended on 30 June 2021;
- ▲ Assessment of the adequacy of the process of quantification of the impairment of the loan portfolio by the External Auditor, as well as the reporting procedures of Banco CTT under the terms set out in Banco de Portugal Instruction No. 5/2013, republished by Banco de Portugal Instruction 18/2018, with reference to June and December of each year of the audit mandate; and
- ▲ Technical support to the supervisory bodies of the Bank, Payshop (Portugal), S.A. ("Payshop") and 321 Crédito, Instituição Financeira de Crédito, S.A. ("321 Crédito") regarding the adequacy and effectiveness of the internal control system for the prevention of money laundering and terrorism financing, reported as at 31 December 2021, required by Banco de Portugal Notice 2/2018.

Under the terms of the Statutory Auditor Selection Policy, the Bank's Audit Committee is responsible for assessing requests to engage non-audit services from the Statutory Auditor, and their engagement is subject to the prior approval of that body and conditioned, as applicable, to the prior approval by the Supervisory Bodies of its (their) parent company(ies) and the entity(ies) under its control that are Public Interest Entities, procedures that were adopted in the engaging of the non-audit services in 2021 indicated above.

The table below shows the values corresponding to the fees of EY for statutory audit, assurance, tax consultancy and non-audit services hired, accounted for and paid/invoiced in 2021, relative to Banco CTT, Payshop and 321 Crédito, as entities that are fully part of the Group:

(amounts in euros)

	Engaged Services ¹		Accounted Services ²		Paid Services ³	
	Amount (€)	%	Amount (€)	%	Amount (€)	%
By the Company	697,594.50	72.0%	294,095.43	77.2%	201,781.50	80.4%
Value of the audit services	569,367.00	58.8%	200,606.40	52.7%	150,736.50	60.0%
Value of the reliability assurance services	128,227.50	13.2%	93,489.03	24.5%	51,045.00	20.3%
Value of the tax advisory services	-	0.0%	-	0.0%	-	0.0%
Value of non-audit services	-	0.0%	-	0.0%	-	0.0%
By entities that are part of the Group⁴	271,461.00	28.0%	86,826.40	22.8%	49,261.50	19.6%
Value of the audit services	227,550.00	23.5%	71,386.36	18.7%	49,261.50	19.6%
Value of the reliability assurance services	43,911.00	4.5%	15,440.04	4.1%	-	0.0%
Value of the tax advisory services	-	0.0%	-	0.0%	-	0.0%
Value of non-audit services	-	0.0%	-	0.0%	-	0.0%
Total	969,055.50	100.00%	380,921.83	100.0%	251,043.00	100.00%
Value of the audit services	796,917.00	82.24%	271,992.76	71.4%	199,998.00	79.7%
Value of non-audit services	-	0.00%	-	0.0%	-	0.0%

¹Includes VAT at the legal rate in force.

²Includes invoiced values and specialised values in the year.

³The paid services refer to services hired in 2021 as well as in previous years whose conditions of payment occurred in 2021.

⁴Payshop and 321 Crédito.

C. INTERNAL ORGANISATION

I. Articles of Association

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

II. Reporting of irregularities

The RGICSF and the European Banking Authority (EBA) Guidelines on Internal Governance (EBA/GL/2021/05) 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.

Consequently, 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 2021, the Bank had a Whistleblowing Policy (resulting from the revision on 2 November 2021 of the former Whistleblowing Policy), the purpose of which is to define the procedures to receive, treat and file communications on the practice of irregularities received by Banco CTT Group entities in matters related to the administration, accounting organisation and internal supervision of the Bank and its subsidiaries, as well as in matters related with the infringement of duties incumbent upon Banco CTT Group entities, namely the prevention of money laundering and terrorism financing, insider trading, fraud or corruption in the performance of professional activities by Members of the Corporate Bodies, Employees or any third party that has a commercial, business or partnership relationship with the Group, namely as a service provider or supplier. Pursuant to what is defined in this Policy, any irregularities can be communicated by employees of the Banco CTT Group as well as 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 for the Treatment of Irregularity Communications - Ethics Channel was also created, which aims to define and detail the process and responsibilities in the context of handling reports of irregularities, and is divided into three parts, the first related to screening, the second referring to the treatment of reports of irregularities relating to harassment and discrimination and the third concerning the treatment of other irregularities covered by the Irregularity Reporting Policy (Whistleblowing).

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 the communications or adoption of other measures.

The Ethics Forum is composed of the Directors of Compliance, Internal Audit, Risk and a member of the Audit Committee, appointed by the latter, who chairs the Forum and has a quality vote. On 9 March 2020, the Audit Committee elected Member Susana Maria Gomez Smith as the member of the Audit Committee appointed to join and chair the Ethics Forum.

The Whistleblowing Policy further establishes, without prejudice to other reporting duties established by law, that: (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 the Bank 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 the Bank in a situation of financial imbalance.

In February and December 2021, the Audit Committee approved the Annual Report on Reporting of Irregularities to be submitted to Banco de Portugal under the terms and for the purposes of Article 116-AA(7) of the RGICSF and Article 35 of Banco de Portugal Notice 3/2020, with reference to the period between 1 January 2020 and 31 January 2021 and the period between 1 February and 30 November 2021, respectively. These Reports describe the process of receipt and treatment of irregularities adopted by Banco CTT, as well as the irregularities reported in the reference periods.

During the aforementioned periods, the Ethics Channel received seven reports, of which four were Customer complaints that were forwarded to the Complaints Management area and dealt with as such, and three related to fraud, which were dealt with by the Fraud Area, thus concluding that, during these periods, no reports of irregularities were received under the terms of the RGICSF, the European Banking Authority (EBA) Guidelines on Internal Governance (EBA/GL/2021/05), Notice 3/2020, the Bank's Code of Conduct, the said Reporting of Irregularities Policy and other applicable regulations.

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, fomenting a culture of control throughout the organisation. The Audit Committee, as the supervisory body of Banco CTT, is responsible for supervising the effectiveness of these systems, in accordance with the terms described in the respective Internal Regulations.

Within the context of the entry into force of Banco de Portugal Notice 3/2020 and Banco de Portugal Instruction 18/2020, a project was started to implement various measures at Group level with a view to complying with the requirements set out in these regulations, which involved the intervention of various areas of the Bank, in particular the Internal Control Functions, and was closely monitored by the Bank's management and supervisory bodies.

As this is a project promoted by the Group, the Bank, as the parent company, issued the necessary instructions to its subsidiaries to ensure compliance with the provisions of the aforementioned regulation, having continuously monitored the activities developed in order to ensure the consistency of the Group's internal control and corporate governance systems.

IV. Investor Support

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

In turn, the Bank's sole shareholder, as an issuer of shares admitted to trading on a regulated market, has an Investor Relations Department whose mission is to ensure a solid and lasting relationship between, on the one hand, shareholders, investors and analysts, the 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. In addition, this department ensures the proactive articulation of the company's strategy with investors and research analysts, and also that the company is aware of the markets' perception of it.

V. Website

Banco CTT's website address is as follows: www.bancoctt.pt.

D. REMUNERATION

I. Power to establish

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. At the General Meeting of 13 September 2019, it was decided to set up a Selection and Remuneration Committee of the Bank, resulting from the merger of the previous Selection Committee and the Remuneration Committee.

The General Meeting and the Selection and Remuneration Committee are supported in the performance of their duties by the Remuneration Committee mentioned in section D.II. below.

II. Remuneration Committee

The Remuneration Committee, created within the Board of Directors and whose term of office matches that of the Board of Directors, had the following composition as at 31 December 2021:

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

In accordance with the provisions of its Internal Regulations, in force on 31 December 2021, the Remuneration Committee was responsible, among other duties, 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;
- ▲ At least annually, analysing and assessing the remuneration policies applicable to the members of the corporate bodies and relevant employees and their implementation, in particular their effect on risk management, capital and liquidity of the institution, namely with the aim of verifying compliance with the remuneration policies and procedures adopted by the competent corporate body, ensuring that (i) they are effectively applied and comply with the legislation and regulations in force and that (ii) the attribution and payment of remuneration are adequate, prevent the existence of conflicts of interest and that the risk profile and long-term objectives of the institution are adequately reflected;
- ▲ At least annually, reviewing and evaluating the remuneration policies and remuneration practices applicable to employees and multi-employer employees involved in the marketing or provision of banking products and services to consumers, in particular to verify how the gender neutrality of the remuneration policy is guaranteed and to ensure that remuneration policies do not prevent employees of the institution from acting honestly, fairly, transparently and professionally, taking into account the rights and interests of consumers;

- ▶ Preparing proposals and recommendations to the competent bodies regarding the definition, calculation and payment of the fixed and variable remuneration and other benefits of the members of the corporate bodies and relevant employees in accordance with the remuneration policies and the legislation and regulations in force; and,
- ▶ Preparing and submitting to the competent governing bodies or assessing, as applicable, the performance evaluation model(s) related to the variable component of remuneration and proposals as to the appraisal of the achievement of objectives in the light of said model(s).

During 2021, the Remuneration Committee met 12 times.

III. Remuneration disclosure

The following tables indicate the gross remuneration amounts due, by reference to the period from 1 January to 31 December 2021, to the members of the Board of Directors and the Audit Committee, in an aggregated and individual manner:

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

(amounts in euros)

Members	Position	Fixed Remuneration ⁽¹⁾
João Manuel de Matos Loureiro	Non-Executive Director and Chairman of the Audit Committee	84,642.84
Clementina Maria Dâmaso de Jesus Silva Barroso	Non-Executive Director, Member of the Audit Committee and Member of the Remuneration Committee	65,000.04
Susana Maria Morgado Gomez Smith	Non-Executive Director, Member of the Audit Committee and Member of the Remuneration Committee	65,000.04
Total of the Audit Committee		214,642.92
João de Almada Moreira Rato	Chairman of the Board of Directors and of the Remuneration Committee	124,999.98
António Pedro Ferreira Vaz da Silva	Non-Executive Director	No remuneration paid by the Bank
Guy Patrick Guimarães de Goyri Pacheco	Non-Executive Director	No remuneration paid by the Bank
António Emídio Corrêa d'Oliveira	Non-Executive Director	47,619.07
Total of the Remuneration of the Non-Executive Directors who are not part of the Audit Committee		172,619.05
Total Non-Executive Directors		387,261.97

(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 2021.

Remuneration of Executive Committee members in 2021

(amounts in euros)

Members	Position	Fixed Remuneration ⁽¹⁾	Variable Remuneration paid in 2021 ⁽²⁾	Deferred Variable Remuneration payable in 2022 ⁽²⁾	Deferred Variable Remuneration payable in 2023 ⁽²⁾	Deferred Variable Remuneration payable in 2024 ⁽²⁾	Total Variable Remuneration awarded in 2021 ⁽²⁾	Total Fixed Remuneration 2021 and Variable 2020 paid in 2021	Total Remuneration awarded in 2021
Luís Maria França de Castro Pereira Coutinho	Chairman of the Executive Committee (CEO)	395,447.03	35,875.00	11,958.33	11,958.33	11,958.33	71,750.00	431,322.03	467,197.03
João Maria Magalhães Barros Mello Franco	Member of the Executive Committee (CCO)	249,642.05	20,895.00	6,965.00	6,965.00	6,965.00	41,790.00	270,537.05	291,432.05
Pedro Rui Fontela Coimbra	Member of the Executive Committee (CFO)	241,128.34	20,895.00	6,965.00	6,965.00	6,965.00	41,790.00	262,023.34	282,918.34
Nuno Carlos Dias dos Santos Fôrneas	Member of the Executive Committee (CIO)	217,111.71	20,265.00	6,755.00	6,755.00	6,755.00	40,530.00	237,376.71	257,641.71
Luís Jorge de Sousa Uva Patrício Paúl	Member of the Executive Committee (CRO)	217,153.01	13,620.74	4,540.25	4,540.25	4,540.25	27,241.48	217,153.01	217,153.01
Total of the Executive Committee		1,320,482.14	111,550.74	37,183.58	37,183.58	37,183.58	223,101.48	1,418,412.14	1,516,342.14

(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 2020.

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 paid in 2020	Deferred Variable Remuneration paid in 2021	Total Variable Remuneration
Luís Maria França de Castro Pereira Coutinho	Chairman of the Executive Committee (CEO)	47,513.00	15,838.00	15,838.00	15,838.00	95,027.00
Luís Miguel Agoas Correia Amado	Member of the Executive Committee (COO)	23,020.00	7,673.00	7,673.00	7,673.00	46,039.00
João Maria Magalhães Barros Mello Franco	Member of the Executive Committee (CCO)	30,980.00	10,327.00	10,327.00	10,327.00	61,961.00
Pedro Rui Fontela Coimbra	Member of the Executive Committee (CFO)	30,980.00	10,327.00	10,327.00	10,327.00	61,961.00
Total of the Executive Committee		132,493.00	44,165.00	44,165.00	44,165.00	264,988.00

Variable Remuneration of Executive Committee members relative to 2018

(amounts in euros)

Members	Position	Variable Remuneration paid in 2019	Deferred Variable Remuneration paid in 2020	Deferred Variable Remuneration paid in 2021	Deferred Variable Remuneration payable in 2022	Total Variable Remuneration
Luís Maria França de Castro Pereira Coutinho	Chairman of the Executive Committee (CEO)	53,550.00	17,850.00	17,850.00	17,850.00	107,100.00
Luís Miguel Agoas Correia Amado	Member of the Executive Committee (COO)	17,992.80	5,997.60	5,997.60	5,997.60	35,985.60
João Maria Magalhães Barros Mello Franco	Member of the Executive Committee (CCO)	39,028.50	13,009.50	13,009.50	13,009.50	78,057.00
Pedro Rui Fontela Coimbra	Member of the Executive Committee (CFO)	39,028.50	13,009.50	13,009.50	13,009.50	78,057.00
Total of the Executive Committee		149,599.80	49,866.60	49,866.60	49,866.60	299,199.60

Variable Remuneration of Executive Committee members relative to 2019

(amounts in euros)

Members	Position	Variable Remuneration paid in 2020	Deferred Variable Remuneration paid in 2021	Variable Remuneration paid in 2022 ⁽¹⁾	Deferred Variable Remuneration payable in 2022	Deferred Variable Remuneration payable in 2023	Deferred Variable Remuneration payable in 2024	Deferred Variable Remuneration payable in 2025	Total Variable Remuneration
Luís Maria França de Castro Pereira Coutinho	Chairman of the Executive Committee (CEO)	-	-	61,225.50	-	20,408.50	20,408.50	20,408.50	122,451.00
João Maria Magalhães Barros Mello Franco	Member of the Executive Committee (CCO)	25,714.71	8,571.57	-	8,571.57	8,571.57	-	-	51,429.42
Pedro Rui Fontela Coimbra	Member of the Executive Committee (CFO)	25,714.71	8,571.57	-	8,571.57	8,571.57	-	-	51,429.42
Nuno Carlos Dias dos Santos Fórneas	Member of the Executive Committee (CIO)	8,752.53	2,917.51	-	2,917.51	2,917.51	-	-	17,505.07
Total of the Executive Committee		60,181.95	20,060.65	61,225.50	81,286.15	40,469.15	20,408.50	20,408.50	242,814.91

(1) In 2020 the variable remuneration of the Chairman of Banco CTT's Executive Committee in respect of 2019 was attributed, which, given the prudential recommendations regarding the payment of variable remuneration in the context of the pandemic outbreak of COVID-19, was effectively paid only at the beginning of 2022 as regards the non-deferred part, with the remaining amount being deferred over three years counted from the date of payment of the non-deferred part (2022).

In 2021 there is no deferred remuneration subject to reduction as a result of adjustments made according to the individual performance of Executive Committee members.

In addition, the Variable Remuneration of the members of the Executive Committee has a Long-Term component, applicable since 2020, for the 2020-2022 three-year period, with the attribution occurring and the payment being due only in 2023, conditional on compliance with the provisions of the current Remuneration Policy, in order to ensure an alignment of this component with the Bank's strategic plan defined for 2020-2022, even if not coinciding with the term of office of the governing bodies (2019- 2021).

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 2021.

Remuneration of Relevant Employees

The gross remuneration amounts due, by reference to the period between 1 January and 31 December 2021, to Relevant Employees, as defined in the Remuneration Policy in force on 31 December 2021 (whose universe comprised 20 Relevant Employees of the Bank, one of whom started duties in April and another in November 2021 and a Relevant Employee who ceased his duties in March and another in September 2021), amounted, in aggregate terms, to 1,823,409.00 euros. The distribution of this remuneration was as follows:

Remuneration of Relevant Employees in 2021

(amounts in euros)

Relevant Employees (1)	Fixed Remuneration (2)	Variable Remuneration paid in 2021 (3)	Deferred Variable Remuneration payable in 2022 (3)	Deferred Variable Remuneration payable in 2023 (3)	Deferred Variable Remuneration payable in 2024 (3)	Total Variable Remuneration awarded in 2021 (3)	Total Fixed Remuneration 2021 and Variable 2020 paid in 2021	Total Remuneration awarded in 2021
A – Responsible for Control Functions (3 employees)	236,482.00	14,587.00	4,862.00	4,862.00	4,862.00	29,173.00	251,069.00	265,656.00
B – Top Management employees with commercial functions (5 employees) (a)	366,066.00	41,421.00	13,807.00	13,807.00	13,807.00	82,841.00	407,487.00	448,907.00
C – Top Management employees with support functions (12 employees) (b)	923,181.00	92,832.00	30,944.00	30,944.00	30,944.00	185,664.00	1,016,014.00	1,108,846.00
Total Relevant Employees	1,525,730.00	148,839.00	49,613.00	49,613.00	49,613.00	297,679.00	1,674,570.00	1,823,409.00

(a) Includes a Relevant Employee who started his duties in April 2021 and includes a Relevant Employee who ceased his duties in March 2021.

(b) Includes a Relevant Employee who started his duties in November 2021 and includes a Relevant Employee who ceased his duties in September 2021.

(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 2020.

Variable Remuneration of Relevant Employees relative to 2017

(amounts in euros)

Relevant Employees ⁽¹⁾	Variable Remuneration paid in 2018	Deferred Variable Remuneration paid in 2019	Deferred Variable Remuneration paid in 2020	Deferred Variable Remuneration paid in 2021	Total Variable Remuneration
A — Responsible for Control Functions (3 employees)	21,631.00	7,210.00	7,210.00	7,210.00	43,261.00
B — Top Management employees with commercial functions (4 employees)	34,062.00	11,354.00	11,354.00	11,354.00	68,124.00
C — Top Management employees with support functions (9 employees)	65,355.00	21,785.00	21,785.00	21,785.00	130,710.00
Total Relevant Employees	121,048.00	40,349.00	40,349.00	4,034.00	242,095.00

(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 2018

(amounts in euros)

Relevant Employees ⁽¹⁾	Variable Remuneration paid in 2019	Deferred Variable Remuneration paid in 2020	Deferred Variable Remuneration paid in 2021	Deferred Variable Remuneration payable in 2022	Total Variable Remuneration
A — Responsible for Control Functions (3 employees)	20,210.00	6,737.00	6,737.00	6,737.00	40,421.00
B — Top Management employees with commercial functions (4 employees)	36,120.00	12,040.00	12,040.00	12,040.00	72,241.00
C — Top Management employees with support functions (9 employees)	71,899.00	23,966.00	23,966.00	23,966.00	143,799.00
Total Relevant Employees	128,230.00	42,744.00	42,744.00	42,744.00	256,461.00

(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 2019

(amounts in euros)

Relevant Employees ⁽¹⁾	Variable Remuneration paid in 2020	Deferred Variable Remuneration paid in 2021	Deferred Variable Remuneration payable in 2022	Deferred Variable Remuneration payable in 2023	Total Variable Remuneration
A — Responsible for Control Functions (2 employees)	15,541.00	5,180.00	5,180.00	5,180.00	31,082.00
B — Top Management employees with commercial functions (4 employees)	44,561.00	14,854.00	14,854.00	14,854.00	89,122.00
C — Top Management employees with support functions (12 employees)	100,884.00	33,628.00	33,628.00	33,628.00	201,769.00
Total Relevant Employees	160,987.00	53,662.00	53,662.00	53,662.00	321.973.00

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

In 2021 there is no deferred remuneration subject to reduction as a result of adjustments made according to the individual performance of Relevant Employees.

In 2021 there were no payments due to early termination of employment contract relative to Relevant Employees.

IV. Agreements with remuneration implications

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.

V. 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 can be paid in cash and/or in the form of non-monetary benefits, namely through flexible benefits. It is the responsibility of the competent bodies to define the method (or combination of methods, as applicable) for each period in question, without prejudice to the fact that until all or part of the variable remuneration is paid, an alternative model may be implemented as defined by the competent bodies, where half of the variable remuneration (including the deferred portion) may be paid in financial instruments and subject to a retention policy.

E. RELATED PARTY TRANSACTIONS

I. Control mechanisms and procedures

According to the Banco CTT Group's Related Party Transactions Policy approved by the Board of Directors on 28 June 2021 (as a result of the splitting of the Conflict of Interest and Related Party Policy into two autonomous policies), the Executive Committee and/or the Board of Directors and/or the area owner submits to the Audit Committee any transaction with a related party, and there is the obligation to issue a prior opinion by the Audit Committee, which applies to:

- Transactions with Related Parties, understood as such, under the terms of the Banco CTT Group Policy on Transactions with Related Parties (which refers to the provisions in IAS 24, in the RGICSF and in Banco de Portugal Notice 3/2020):

 - (i) the holders of a qualified holding in the Institution and other persons or entities covered by the regime provided for in Article 109 of the RGICSF;
 - (ii) the members of the Administrative and Supervisory Bodies;
 - (iii) the spouse, unmarried partner, relative or related in the 1st degree of the members of the Administrative Bodies and of Supervision;
 - (iv) the company in which any member of the Administrative or Surveillance Authority, or his or her spouse, unmarried partner, relative or related in the first degree, holds a qualifying holding equal to or greater than 10% of the capital or voting rights, or in which those persons exercise influence significant or senior management positions or administrative or supervisory functions;
 - (v) the entities in relation to which there is a relationship of economic interdependence, namely due to their insertion in a cross-shareholding relationship with several other entities or which, because they are in such a way linked to the institution, in the event that one of them encounters financial problems, the institution will also have financial difficulties;
 - (vi) persons or entities, including, in particular, depositors, creditors, debtors, entities owned by the institution, employees of the institution or employees of other entities belonging to the same group, whose relationship with the institution potentially allows them to influence their management, in order to achieve a commercial relationship outside normal market conditions. Other entities (other than companies) in which a member of the Board of Directors or the Authority, or his or her spouse, unmarried partner, relative or similar in the first degree holds a qualifying holding equal to or greater than 10% of the capital or of the voting rights, or in which these persons exercise significant influence or hold senior management positions or administrative or supervisory functions. For the

purposes of the Related Party concept, the provisions of IAS 24 – paragraph 9 (a) (iii) shall also be taken into account.

- Transactions to be entered into with members of the management bodies of the entities belonging to the Group or with their Related Parties (or other persons or entities that may be considered as intermediaries), regardless of their value, under the terms and for the purposes of Articles 397 and 423 I-H of the Commercial Companies Code.

Excluded from this provision are transactions within the Company's own trade and where no special advantage is granted to the director or intermediary (according to the reasoning presented at the time of decision making).

Within this scope, the following in particular are subject to assessment: (i) the terms and conditions of the transaction; (ii) the amount of the transaction; (iii) the objectives and timeliness of the transaction; (iv) the duration of the transaction; (v) the contracting process, (vi) respect for the Bank's interests, namely: (a) whether the transactions are within the scope of the Bank's business, established in full respect of the interests of the companies of the Group and in accordance with market conditions and the rules in force; (b) their impact on the financial situation of the Bank and/or the Group; (c) whether the Related Party's interest in the transaction is direct or indirect; (d) their continuous or one-off nature; (e) the prevention and resolution of conflicts of interests; and (f) other aspects that it considers relevant; (vii) if the transaction involves the sale of an asset, its description, year of acquisition and net book value; (viii) any limitations that may be imposed on Banco CTT and its subsidiaries as a result of the conclusion or completion of the transaction; (ix) reputational and compliance risk; and (x) any other information that is considered relevant.

Only after obtaining the prior opinions of the Risk Management and Compliance Functions and the Audit Committee, does the Board of Directors decide on Transactions with a Related Party, which must be approved by a minimum of two thirds of the respective members.

II. Transaction information

The relevant transactions with related parties are described in Note 32 (Transactions with related parties) attached to the consolidated financial statements and in Note 31 (Transactions with related parties) attached to the individual financial statements included in the Annual Report.

ANNEX I

*CURRICULA OF THE MANAGEMENT AND SUPERVISORY BODY
MEMBERS*

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

2019 - ...: Chairman of the Remuneration Committee of Banco CTT, S.A.

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 teacher, both in Portugal and abroad, with a special focus on financial macroeconomics, having taught specialised courses in the areas of corporate finance, financial derivatives, financial management for sovereigns and portfolio management.

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

2020: Provision of services / book publication by Palgrave, part of the Springer Nature Switzerland AG group

2016 - 2020: 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**

--

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)

--

Other external positions (last 20 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)**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**

--

Professional experience

For more than 20 years, he has held positions in sales and 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)

--

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****2021 - ...:** Chairman of the Board of Directors of 321 Crédito, Instituição Financeira de Crédito, S.A.**2019 - 2021:** Member of the Board of Directors of 321 Crédito, Instituição 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**

--

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. Later he held the position of 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

Nuno Carlos Dias dos Santos Fórneas

CIO, Executive Director

Date of birth - 24 February 1967, Portugal

Date of 1st appointment - 13 September 2019

Term of office 2019 / 2021

Education**2012:** Design Thinking pela STANFORD University**2003:** Leading the Professional Service Firm by HARVARD Business School**1999:** Strategic Management in Banking by INSEAD**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 (CIO & COO) of Banco CTT, S.A.**Other internal positions**

--

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, well as the professional experience of more than 18 years in executive management positions, with emphasis on the positions held in the Novabase and Glinnt 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 Glinnt - Global Intelligent Technologies, S.A.**2017 - 2018:** Member of the Board of Directors of Glinnt UK, Limited**2017 - 2018:** Member of the Board of Directors of Glinnt Ireland Solutions, Limited**2016 - 2018:** Member of the Management Board of Glinnt - Business Solutions, Lda.**2016 - 2018:** Member of the Board of Directors of Glinnt - Healthcare Solutions, S.A.**2014 - 2016:** Manager of Livian Technologies, 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.)**Other external positions****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.**2012 - 2013:** Member of the Board of Directors of NOVABASE Consulting, SA (Spain)

Luís Jorge de Sousa Uva Patrício Paúl

CRO, Executive Director

Date of birth - 18 March 1971, Portugal

Date of 1st appointment - 15 June 2020

Term of office 2019 / 2021

Education**2016 - 2017:** "Financial Risk & Regulation" - FRR Certificate Program, GARP- Global Association of Risk Professionals**2015 - 2016:** Training Programme for Senior Management "Corporate Governance Regulations and Models" by the Portuguese Bank Training Institute (IFB)**1990 - 1994:** Degree in Economics, Faculty of Economics, Universidade Nova de Lisboa**Internal management and supervisory positions****2020 -:** Member of the Board of Directors and of the Executive Committee (CRO) of Banco CTT, S.A.**Other internal positions**

--

Professional experience

For 25 years he has been working in the banking sector, especially in the financial and risk area, with strong technical expertise in planning, valuations, financial markets, credit and risk, through functional and coordination experience in these various areas. In Banco Fomento e Exterior, S.A. (later integrated in BPI Group), he worked in the Middle Office Department of the Markets and Treasury Room, with participation in the control of risks and profitability of financial products and, still within the same financial Group, he joined the Planning Department, with functions at the level of the implementation of the profitability analysis model and in the budget preparation process. In Banco Mello, S.A. (subsequently merged into Banco Comercial Português, S.A.), he joined the Financial Department, with responsibility for the Asset & Liabilities Management ("ALM") model and for the analysis of financial margin control. Subsequently, in Banco Comercial Português, S.A., he performed the duties of Deputy Director of the Assets and Liabilities Management area, with participation in the implementation of the market and liquidity risk management methodology in five subsidiaries in Portugal and abroad and, subsequently, assumed the position of Deputy Director in the Risk area, within the same institution. More recently, he held the position of Director of Risk at Bank Millennium, S.A. (banking operation in Poland).

In the last 5 years, he was responsible for Risk Management at Banco CTT, having participated in the Bank's launch and ensured the implementation of internal control and risk *frameworks* (financial and non-financial), through the definition of the risk management governance, *Risk Appetite Statement*, policies, processes, methodologies, controls and reporting for the different types of risk, with permanent participation in several internal committees of the Bank.

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

Other external positions

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

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

--

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 Banco Comercial Português, S.A., 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

1984 -: 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. 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)

2021 – ...: Member of the Board of Directors of Greenvolt – Energias Renováveis, S.A.

2018 – 2021: 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 – 2020: 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)

2020 - ...: Member of the Audit and Risk Committee of Leonteq AG

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

Other external positions

2000 - ...: Member of the Board of Directors of the INSEAD Alumni Association, Portugal

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**2020:** Qualification Course for Insurance Agent, Insurance Broker or Reinsurance Broker - Non-Life businesses and Life business, Portuguese Insurers Association (APS)**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****2021 - ...:** Member of the Board of Directors of CTT IMO - Sociedade Imobiliária, S.A.**2021 - ...:** Member of the Board of Directors of HCCM Outsourcing Investment, S.A.**2020 - ...:** Member of the Board of Directors of CTT Soluções Empresariais, S.A.**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**

--

Professional experience

As a member of CTT's Executive Committee, he is responsible for the areas of Philately, B2C External Channels Management, Own Stores Management, B2C Product Management, B2C Segment Management, Physical Resources and People and Culture (shared responsibility).

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 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)

--

Other external positions (last 5 years)

--

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****2021 – ...:** Member of the Board of Directors of CTT IMO – Sociedade Imobiliária, S.A.**2021 – ...:** Member of the Board of Directors of Newspring Services, S.A.**2021 – ...:** Member of the Board of Directors of HCCM Outsourcing Investment, S.A.**2020 – ...:** Member of the Board of Directors of CTT Soluções Empresariais, S.A.**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 – Serviços Postais e Logística, S.A.**Other internal positions**

--

Professional experience

As CTT's Chief Financial Officer, he is currently responsible for Investor Relations, Corporate Finance, Procurement and Logistics, Accounting and Taxation, Planning and Control 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.**Other external positions (last 5 years)****2018 – ...:** Member of the Board of AEM (Association of Companies Issuing Listed Securities)

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**

--

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. ⁽¹⁾

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**Other external positions****2015:** Non-executive member of the Board of Directors of GLNplast, S.A.**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

ANNEX II

TRANSACTIONS INVOLVING CTT SHARES IN 2021

Details of transactions by Directors and closely related parties during 2021, as disclosed to the Company.

António Emídio Pessoa Corrêa d'Oliveira

Tipo de transação	Local	Preço unitário (€)	Quantidade	Data da transação
Divestment	XLIS	3.180	3,000	24.03.2021
Divestment	XLIS	3.170	3,000	24.03.2021
Divestment	XLIS	3.151	3,000	24.03.2021
Divestment	XLIS	3.160	3,000	24.03.2021
Divestment	XLIS	3.200	3,000	24.03.2021
Divestment	XLIS	3.190	3,000	24.03.2021
Divestment	XLIS	3.220	3,100	24.03.2021
Divestment	XLIS	3.230	3,900	24.03.2021



banco**ctt**