

**SUPPLEMENT DATED 1 FEBRUARY 2021**  
**BASE PROSPECTUS DATED 28 SEPTEMBER 2020**  
**NOVO BANCO, S.A.**  
**(Incorporated with limited liability in Portugal)**  
**€10,000,000,000.00**  
**CONDITIONAL PASS-THROUGH COVERED BONDS PROGRAMME**

This supplement (the “**Supplement**”) to the base prospectus dated 28 September 2020 which comprises a base prospectus (the “**Base Prospectus**”) constitutes a “supplement” for the purposes of Articles 8 and 23 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended from time to time (the “**Prospectus Regulation**”) and is prepared in connection with the €10,000,000,000 Conditional Pass-Through Covered Bonds Programme (the “**Programme**”) established by Novo Banco, S.A. (“**Novo Banco**”, “**Bank**” or “**Issuer**”). This Supplement has been approved by the Central Bank of Ireland (the “**Central Bank**”), as competent authority under the Prospectus Regulation. The Central Bank only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the quality of the Covered Bonds.

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus. Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

## I. PURPOSE OF THE SUPPLEMENT

The purpose of this Supplement is (a) to incorporate by reference the Issuer's results presentation and press release regarding its unaudited consolidated condensed financial statements for the nine-month period ended 30 September 2020; and (b) to update the following sections of the Base Prospectus: (i) "*Overview of the Covered Bonds*" section; (ii) certain risk factors of the "*Risk Factors*" section, (iii) the "*Documents Incorporated by Reference*" section, (iv) the "*Definitions*" sub-section of the "*Terms and Conditions of the Covered Bonds*" section, (v) the "*Common Representative of the Holders of Covered Bonds*" section; (vi) the "*Risk Management*", "*Management and Supervisory Corporate Bodies*", "*Supervision and Regulation*" and the "*Recent Developments*" sub-sections in the "*Description of the Issuer and of the NOVO BANCO Group*" section, (vii) the "*The Portuguese Mortgage Market and the Servicing of the Cover Pool*" section; (viii) the "*Significant or Material Change*" sub-section in the "*General Information*" section, (ix) the "*Definitions*" section and (x) the final pages of the Base Prospectus, as set out below.

## II. OVERVIEW OF THE COVERED BONDS

On page 10 of the Base Prospectus, in the section entitled "*Overview of the Covered Bonds*", the text of the sub-paragraph entitled "*Common Representative*" shall be deleted and replaced by the following:

**"Common Representative:** Bondholders, S.L."

## III. DOCUMENTS INCORPORATED BY REFERENCE

On 13 November 2020, the Issuer published its results presentation and press release regarding its unaudited consolidated condensed financial statements for the nine-month period ended 30 September 2020. A copy of the Issuer's results presentation and press release regarding its unaudited consolidated condensed financial statements for the nine-month period ended 30 September 2020 has been filed with the Central Bank of Ireland and those documents are incorporated in this Supplement, which is supplemental to, and should be read in conjunction with, the Base Prospectus.

Copies of documents incorporated by reference in the Base Prospectus can be obtained from the registered offices of the Issuer. Documents referred to above can be viewed electronically and free of charge at the Issuer's website:

- Press Release regarding NOVO BANCO Group's unaudited consolidated results for the nine-month period ended 30 September 2020:

<https://www.novobanco.pt/site/cms.aspx?srv=207&stp=1&id=1026789&fext=.pdf>

- Results presentation regarding NOVO BANCO Group’s unaudited consolidated results for the nine-month period ended 30 September 2020:

<https://www.novobanco.pt/site/cms.aspx?srv=207&stp=1&id=1026807&fext=.pdf>

#### **IV. RISK FACTORS**

On pages 19 and 20 of the Base Prospectus, in sub-paragraph “A. *Risks relating to the Economic and Financial Environment*” of sub-section “1. *Risks relating to the Issuer*” of the “*Risk Factors*” section, the eighth paragraph in the risk factor entitled “*The NOVO BANCO Group is exposed to the adverse consequences of the Covid-19 pandemic*” shall be deleted and replaced by the following:

“Measures implemented by the Portuguese Government in the context of the pandemic may adversely affect NOVO BANCO’s activity. Amongst the measures already adopted by the Portuguese Government which can have an impact on NOVO BANCO is a moratorium on loan payments (capital and/or interest), implemented by Decree-Law No. 10-J/2020, of 26 March, initially until 30 September 2020 and since subject to several extensions, with interested entities currently being able to request access to the moratorium until 31 March 2021 for a maximum period of 9 months from the date of the notice of adherence (following the approval of Decree-Law 107/2020, of 31 December 2020) (which, for the avoidance of doubt, does not imply a cancellation or pardon of any amounts). The moratorium is available for individuals (in particular, borrowers and entrepreneurs (“*empresários em nome individual*”)) and companies (except for companies in the financial sector, besides certain third sector entities who can also adhere), depending on the fulfillment of certain conditions and, as such, may also be requested by borrowers whose loans are included in the Cover Pool. Decree-Law No. 10-J/2020, of 26 March, as amended, also foresees the granting of guarantees by the Portuguese State, including to non-financial corporate entities, subject to certain conditions. For further details on the moratorium on loan payments see “*The Portuguese Mortgage Market and the Servicing of the Cover Pool*” below.”

On page 21 of the Base Prospectus, in sub-paragraph “A. *Risks relating to the Economic and Financial Environment*” of sub-section “1. *Risks relating to the Issuer*” of the “*Risk Factors*” section, the second paragraph in the sub-heading “*Relief measures regarding asset quality deterioration and non-performing loans (NPL’s)*” of the risk factor entitled “*The NOVO BANCO Group is exposed to the adverse consequences of the Covid-19 pandemic*” shall be deleted and replaced by the following:

“Under the Decree-Law No. 10-J/2020, of 26 March 2020, the Portuguese government approved a six-month moratorium on bank loan repayments for households and companies affected by the COVID-

19 outbreak. The moratorium has subsequently been subject to several extensions, with interested entities currently being able to request access to the moratorium until 31 March 2021 for a maximum period of 9 months from the date of the notice of adherence (following the approval of Decree-Law 107/2020, of 31 December 2020). The Portuguese Government also launched state-guaranteed credit lines for medium, small and micro enterprises in affected sectors which will be operated through the banking system.”

On pages 21 and 22 of the Base Prospectus, in sub-paragraph “A. Risks relating to the Economic and Financial Environment” of sub-section “1. Risks relating to the Issuer” of the “Risk Factors” section, the first paragraph in the sub-heading “Moratoria on loan repayments” of the risk factor entitled “The NOVO BANCO Group is exposed to the adverse consequences of the Covid-19 pandemic” shall be deleted and replaced by the following:

“Decree-Law No. 10-J/2020, of 26 March 2020, as amended, establishes extraordinary measures for debt protection in the context of the Covid-19 pandemic, to which a range of borrowers may adhere. Moratoria measures include: (i) prohibition of revocation of contracted credit lines and granted loans; (ii) extension of contracts with capital payment at the end of the contract; (iii) suspension of payments in respect of claims which are to be repaid in instalments or in respect of other instalments (and adjustment of the instalments calendar accordingly) and (iv) suspension of interest due during the extension period which will be capitalised into the value of the loan. The moratorium has been subject to several extensions, with interested entities currently being able to request access to the moratorium until 31 March 2021 for a maximum period of 9 months from the date of the notice of adherence (following the approval of Decree-Law 107/2020, of 31 December 2020). Regarding loan moratoria, by the end of June 2020, NOVO BANCO approved operations amounting to €6,800,000,000, comprising more than 38 thousand clients. About 67% of the amount were from companies, 30% related to residential mortgage loans moratorium and the remaining related to consumer loans and other. See also above the risk factor entitled “The NOVO BANCO Group is exposed to the adverse consequences of the Covid-19 pandemic”. For further details on the moratoria on loan repayments see “The Portuguese Mortgage Market and the Servicing of the Cover Pool” below.”

On page 30 of the Base Prospectus, in sub-paragraph “B. Risks relating to the Issuer’s Business” of sub-section “1. Risks relating to the Issuer” of the “Risk Factors” section, the first paragraph in the risk factor entitled “The Resolution Fund may fail to make or be prevented from making payments under the Contingent Capitalization Agreement (“CCA”)” shall be deleted and replaced by the following:

“As part of the conditions of the Lone Star Sale, the Resolution Fund and the Issuer have entered into the CCA. Currently there are legal proceedings filed in the Portuguese courts challenging the validity of the CCA and of the obligations of the Resolution Fund in connection with it. The CCA, and consequently, NOVO BANCO, is subject to continuous political and public scrutiny, including as a result of the rules introduced by Law No. 15/2019 of 12 February (on transparency of information concerning granting of credits of significant value and use of public monies), which is the basis for the special audit carried out by Deloitte completed in August 2020 and future audits to be made pursuant to the same regime for each payment made under the CCA. Additionally, the Finance and Budget Committee of the Portuguese Parliament also approved an audit to be made by the Court of Auditors (“*Tribunal de Contas*”) and a Parliamentary Committee of Inquiry to assess, amongst others, management acts performed by NOVO BANCO in the context of the CCA and the compliance of the obligations of the Resolution Fund in connection with it. Recently, in the context of the approval of the State Budget for 2021, the Portuguese Parliament decided to withdraw the authorization for the Portuguese Resolution Fund to transfer further funds to NOVO BANCO under the CCA and resolved afterwards a recommendation for the government not to make payments until an audit is concluded. Although the Resolution Fund has not been legally prevented to make payments under the CCA, the impact of such approval is still to be determined and the approval of such proposal has created uncertainties, from a legal and political perspective, around the next capital call of the CCA.

Any court decision that considers the CCA illegal, void or otherwise invalid, in whole or in part, or any decision or law that prevents, directly or indirectly, the Resolution Fund from financing and particularly that prevents or conditions the Resolution Fund from making any payments under the CCA may have a significant effect on the Group and its financial position, including as a result of any required repayment of funds already disbursed under the CCA. For further details on proceedings relating to the sale of NOVO BANCO see *Tax, Legal and Accounting Risks - Risks related to Legal Proceedings - Proceedings Relating to the sale of Novo Banco* and *Description of the Issuer and of the NOVO BANCO Group - Legal, Administrative and Arbitration Proceedings – Proceedings relating to the Sale of Novo Banco.*”

On page 40 of the Base Prospectus, in the sub-paragraph “*B. Risks relating to the Issuer’s Business*” of sub-section “*1. Risks relating to the Issuer*” of the “*Risk Factors*” section, the third paragraph of the risk factor entitled “*NOVO BANCO’s activity is subject to reputational risks*” shall be deleted and replaced as follows:

“Furthermore, the continuous political and public scrutiny which NOVO BANCO is subject to, including as a result of the several audits and inquiries in course, may materially affect the reputation

of NOVO BANCO, its market perception and its business activities. For further details on the recent audits and public scrutiny see “*Risks Relating to the Issuer - Risks relating to the Issuer’s Business*”.

## **V. TERMS AND CONDITIONS OF THE COVERED BONDS**

On page 102 of the Base Prospectus, in the sub-section entitled “*Definitions*” of the section entitled “*Terms and Conditions of the Covered Bonds*”, the text of the fifth paragraph relating to the definition of “Common Representative” shall be deleted and replaced by the following:

“**Common Representative**” means Bondholders, S.L., in its capacity as representative of the holders of the Covered Bonds pursuant to Article 14 of the Covered Bonds Law in accordance with the Terms and Conditions and the terms of the Common Representative Appointment Agreement, having its registered office at Avenida de Francia 17, A, 1 46023 Valencia (Spain).”

## **VI. COMMON REPRESENTATIVE OF THE HOLDERS OF THE COVERED BONDS**

On page 116 of the Base Prospectus, in the section entitled “*Common Representative of the Holders of the Covered Bonds*” the first sentence of the first paragraph shall be deleted and replaced by the following:

“Bondholders, S.L., with registered office at Avenida de Francia 17, A, 1 46023 Valencia (Spain), having been appointed by resolution of the general meeting of holders of outstanding Covered Bonds issued under the Programme dated 27 November 2020 to represent the holders of Covered Bonds pursuant to Article 14 of the Covered Bonds Law and in accordance with the Terms and Conditions of the Covered Bonds and the terms of the Common Representative Appointment Agreement, is the current Common Representative of the holders of any Covered Bonds issued or to be issued under the Programme.”

On page 116 of the Base Prospectus, the third paragraph in the section entitled “*Common Representative of the Holders of the Covered Bonds*” shall be deleted.

## **VII. DESCRIPTION OF THE ISSUER AND OF THE NOVO BANCO GROUP**

On pages 145 and 146 of the Base Prospectus, in sub-section “*I. Risk Management*” of the “*Description of the Issuer and of the NOVO BANCO Group*” section, the last paragraph of page 145 shall be deleted and replaced as follows:

“The Portuguese Government announced a package that includes several lines of financing, totaling € 6.2 billion of State loan guarantees, particularly aimed at the sectors of tourism, restaurants, textiles, clothing, footwear and the wood sector, as well as the establishment of a 6 month moratorium for companies affected in their activity by the impacts of Covid-19 and for national residents customers with acquisition of their own and permanent housing mortgage loans. The moratorium has been subject to several extensions, with interested entities currently being able to request access to the moratorium until 31 March 2021 for a maximum period of 9 months from the date of the notice of adherence (following the approval of Decree-Law 107/2020, of 31 December 2020. It also launched an EUR 400 million subsidised credit line to support firms, mainly SMEs, already fully used; EUR 5.2 billion tax relief (e.g. possibility of tax payments in installments, firms and independent workers); EUR 1 billion social contribution relief (reduction and partial deferrals); acceleration of Government payments to firms; acceleration of “Portugal 2020” payments; and 12- month postponement of companies’ reimbursements of “QREN” and “Portugal 2020” subsidies. Principal and interest payments due to banks and other financial institutions are suspended for those individuals and firms impacted by the Covid-19 crisis (e.g. firms closed as a result of lockdown measures, unemployed due to layoff measures, quarantines, family assistance). Firms can only apply if fully complying with debt obligations before the crisis. The Government estimates an impact of EUR 20 bn.”

On pages 149 to 158 of the Base Prospectus, in sub-section “*L. Management and Supervisory Corporate Bodies*” of the “*Description of the Issuer and of the NOVO BANCO Group*” section, the following amendments shall be inserted:

- (i) On page 153 of the Base Prospectus, the following shall be inserted at the end of the fourth paragraph in the sub-paragraph entitled “*Executive Board of Directors*”:

“Jorge Freire Cardoso, José Eduardo Bettencourt and Vítor Fernandes resigned from their respective position as members of the Executive Board of Directors, with effect from 30 November 2020. To replace Vítor Fernandes, Andrés Baltar Garcia was appointed by the General and Supervisory Board. On 1 December 2020, following the conclusion of the fit and proper process, Andrés Baltar Garcia started his functions as member of the Executive Board of Directors of NOVO BANCO (Chief Commercial Officer – Corporate) for the 2017-2020 term of office.”

- (ii) On pages 153 and 154 of the Base Prospectus, the table in the sub-paragraph entitled “*Executive Board of Directors*” shall be deleted and replaced by the following:

| <b>Name</b>                                       | <b>Position</b>                            | <b>Principal activities outside of the Group</b>  |
|---|--|---|
| António Manuel Palma Ramalho                      | Chief Executive Officer (CEO)              | - Member of the Board of APB - Associação Portuguesa de Bancos;   |
| Andrés Baltar Garcia                              | Chief Commercial Officer (CCO – Corporate) | - Member of the Board of Câmara Comércio Luso Chinesa<br>- Member of the Board of Câmara Comércio Luso Espanhola  |
| Mark Bourke                                       | Chief Financial Officer (CFO)              |   |
| Luís Miguel Alves Ribeiro                         | Chief Commercial Officer (CCO - Retail)    | - Member of the Board of UNICRE – Instituição Financeira de Crédito S.A.<br>- Member of the Board of SIBS SGPS S.A. Member of the Board of SIBS Forward Payments Solutions S.A. |
| Luísa Marta Santos Soares da Silva Amaro de Matos | Chief Legal and Compliance Officer (CLCO)  | - Member of the General Council of the Instituto Português de Corporate Governance  |
| Rui Miguel Dias Ribeiro Fontes                    | Chief Risk Officer (CRO)                   |   |

(iii) On page 157 of the Base Prospectus, the following shall be inserted at the end of footnote no. 10 in the sub-paragraph entitled “*Monitoring Committee*”:

“On 22 October 2020, NOVO BANCO informed that the General Meeting approved the appointment of Miguel Roballo as Member of the Monitoring Committee to join the current term of office (2017-2020).”

(iv) On page 157 of the Base Prospectus, the following shall be inserted at the end of the table in the sub-paragraph entitled “*Monitoring Committee*”:

|                |                                    |  |
|----------------|------------------------------------|--|
| Miguel Roballo | Member of the Monitoring Committee | Manager of the Value Activation Advisory Unipessoal Lda. |
|----------------|------------------------------------|--|



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On page 177 of the Base Prospectus, in the paragraph entitled “*Portuguese Insurance and Pension Funds Supervisory Authority*” of sub-section “*O. Supervision and Regulation*” of the “*Description of the Issuer and of the NOVO BANCO Group*” section, the last sentence of the first paragraph shall be deleted.

The “*Description of the Issuer and of the NOVO BANCO Group*” section on pages 119 to 188 of the Base Prospectus is further amended by the inclusion of the following paragraphs at the end of “*S. Recent Developments*” sub-section, on page 188 of the Base Prospectus:

“On 8 October 2020, NOVO BANCO informed that, together with its subsidiaries BANCO ELECTRÓNICO DE SERVIÇO TOTAL, S.A. and GNB – GESTÃO DE ATIVOS, SGPS, S.A., signed an agreement for the sale of its 25% shareholding in GNB – Companhia de Seguros, S.A. (“**GNB Seguros**”), a non-life insurance company, for a total consideration of €15.9 million. The equity participation was sold to Crédit Agricole Assurances, S.A., a company of Crédit Agricole Group, which held already the remaining 75% of the share capital of GNB Seguros. This transaction also includes a 22-year agreement between NOVO BANCO and GNB Seguros, to distribute non-life insurance products in Portugal. The sale has an expected positive impact on Income statement, of approximately €6 million. This agreement is an important step forward in NOVO BANCO’s divestment strategy of noncore assets whilst focusing in its core banking activity.

On 22 October 2020, NOVO BANCO informed that the General Meeting approved, subject to the authorization of the relevant regulatory authorities, the composition of the General and Supervisory Board for the quadrennium 2021-2024:

- Byron Haynes – Chairman;
- Karl-Gerhard Eick – Vice-Chairman;
- Donald Quintin;
- Kambiz Nourbakhsh;
- Mark Coker;
- Benjamin Dickgiesser;
- John Herbert;
- Robert A. Sherman;
- Carla Antunes da Silva;
- William Henry Newton (still subject to the fit and proper process).

The General Meeting also approved the composition of the following corporate and statutory bodies for the quadrennium 2021-2024:

### **Board of the General Meeting**

- Fernando Augusto de Sousa Ferreira Pinto – Chairman;
- Magdalena Ivanova Ileva – Vice-Chairman;
- Mário Nuno Adegas – Secretary

### **Statutory Auditor**

Ernst & Young, Audit & Associados – SROC, S.A., registered in CMVM under number 20161480 and in OROC under number 178, represented by António Filipe Dias da Fonseca Brás, and by João Carlos Miguel Alves, as alternate statutory auditor.

Additionally, it was approved the appointment of Miguel Roballo as Member of the Monitoring Committee to join the current mandate (2017-2020).

On 22 October 2020, NOVO BANCO also informed that the members of the Executive Board of Directors, Jorge Freire Cardoso, José Eduardo Bettencourt and Vítor Fernandes, had resigned from their respective position, with effect from 30 November 2020, and that, to replace Vítor Fernandes, Andrés Baltar Garcia was appointed by the General and Supervisory Board as a member of the Executive Board of Directors for the current mandate, subject to the authorization of the relevant regulatory authorities.

In addition, the General and Supervisory Board appointed, as members of the Executive Board of Directors for the 2021-2024 quadrennium, and subject to the authorization of the relevant regulatory authorities:

- António Ramalho – Chief Executive Officer;
- Luis Ribeiro - Chief Commercial Officer (Retail);
- Luísa Soares da Silva - Chief Legal and Compliance Officer;
- Mark Bourke - Chief Financial Officer;
- Rui Fontes - Chief Risk Officer;
- Andrés Baltar Garcia - Chief Commercial Officer (Corporate).

On 30 November 2020, following the announcement made on 22 October 2020, NOVO BANCO informed that, at the General Meeting, held on 26 November 2020, were approved the members of the

Monitoring Committee as foreseen in the Contingent Capitalization Agreement, for the quadrennium 2021-2024.

In the mandate that begins on 1 January 2021, the Monitoring Committee will include the following members:

- **Chairman, appointed by Fundo de Resolução:**  
José Bracinha Vieira, currently Member of the Monitoring Committee for the current term.
- **Member, appointed by Fundo de Resolução:**  
Pedro Miguel Marques e Pereira, registered in the List of Official External Auditors since March 2009.
- **Member, appointed by Fundo de Resolução and Novo Banco:**  
Carlos Miguel de Paula Martins Roballo, currently Member of the Monitoring Committee for the current term.

On 27 November 2020, NOVO BANCO informed that it noted the approval of the legislative proposal no. 61/XIV/2 of the Portuguese Budget for 2021, which aims to withdraw the authorization for the Resolution Fund to transfer further funds to NOVO BANCO under the Contingent Capital Agreement. NOVO BANCO informed that it has fulfilled and continues to fulfil all its commitments. Furthermore, based on 3 years of fulfilment of its payment obligations by the Fundo de Resolução, NOVO BANCO believes that the Fundo de Resolução will continue to do so. Additionally, in this context, NOVO BANCO noted the statement of the Portuguese Prime Minister to the President of the ECB where he guaranteed “full compliance with the commitments undertaken in the framework of the sale of NOVO BANCO”. NOVO BANCO’s good liquidity position allows the Bank to continue to support the Portuguese economy, its corporate as well as retail customers.

On 9 December 2020, NOVO BANCO informed that, following the announcement on 22 October 2020 and the conclusion of the fit and proper process, on 1 December 2020, Andrés Baltar Garcia started his functions as member of the Executive Board of Directors of NOVO BANCO (Chief Commercial Officer – Corporate) for the current term of office (2017-2020).

On 22 December 2020, NOVO BANCO informed that, through its subsidiary GNB Gestão de Ativos, S.A., concluded of the sale of the total share capital of NOVO ACTIVOS FINANCIEROS ESPAÑA, SA (“NAFE”) to TEAM & WORK 5000, SL, which holds 100% of the share capital of TREA ASSET MANAGEMENT, SGIIC, SA, for a total amount of €12.9 million. NAFE holds the total share capital of NOVO BANCO GESTION, S.G.I.I.C., S.A. and NOVO BANCO PENSIONES, S.G.I.I.C., S.A., and in November 2020 the assets under management totaled €678 million. The sale has an expected

positive impact on 2020 Income Statement, of approximately €3.5 million. This agreement is an important milestone in NOVO BANCO's divestment strategy of non-core assets and continuing its strategy of focusing on the domestic banking business.

On 28 December 2020, NOVO BANCO, S.A. ("NOVO BANCO") informed that following a competitive bid process, a Sale and Purchase Agreement was signed on 23 December 2020 for the sale of a portfolio of non-performing loans and related assets (also known as Project Carter), with a gross book value of 79 million euro, to a company owned by affiliated companies and advised by AGG Capital Management Limited and Christofferson, Robb & Company, LLC. The sale price totalled approximately 37 million euros, and the completion of the transaction, on the agreed terms, is expected to have a marginal positive impact on NOVO BANCO's income statement and capital. The agreement is subject to perimeter adjustments usual in transactions of this nature. The portfolio sold includes about 12,000 loans, none of which covered by the Contingent Capital Agreement. This agreement is an important milestone in NOVO BANCO's divestment strategy of nonperforming assets, allowing the Bank to pursue its strategy of focusing on the domestic banking business.

## **VIII. THE PORTUGUESE MORTGAGE MARKET AND THE SERVICING OF THE COVER POOL**

On page 191 of the Base Prospectus, in the sub-section "*The Portuguese Mortgage Market*" of the "*The Portuguese Mortgage Market and the Servicing of the Cover Pool*" section:

- (i) the second paragraph of the page shall be deleted and replaced as follows:

"Among the measures adopted by the Portuguese government, the establishment of a loan moratoria is of particular relevance in this regard. Decree-law no. 10-J/2020 of 26 March, as amended, establishes a temporary legal moratorium on certain financing agreements with a view to protecting the liquidity of companies and families (the "**Temporary Legal Moratorium**"). This regime entered into force on 27 March 2020 and, has subsequently been subject to several extensions, with interested entities currently being able to request access to the moratorium until 31 March 2021 for a maximum period of 9 months from the date of the notice of adherence (following the approval of Decree-Law 107/2020, of 31 December 2020). It includes, in relation to certain credit operations granted by financial institutions (excluding, among others, credit or financing for the purchase of securities or the acquisition of positions in other financial instruments), (i) a prohibition of revocation, in whole or in part, of credit lines and loans, in the amounts contracted, from 27 March 2020, (ii) an extension, for a period equal to the term of the measure, of all credits with payment of principal at the end of the

contract in force as at 27 March 2020, together with all its associated elements, including interest, guarantees, notably those provided by the way of insurance or securities; and (iii) suspension, in relation to credits with partial instalments or other cash amounts payable, of payments of principal, rents and interest due, with the respective contractual payment plan being automatically extended, for a period equal to that of the suspension, in order to ensure that there are no charges other than those which may derive from the variability of the benchmark interest rate underlying the respective contract, and with all the elements associated with the respective contracts, including guarantees, also being extended.”

- (ii) in the fifth line of the third paragraph of the page, the following shall be added after “18 March 2020”:

*“(or, for any interested entities adhering to the moratorium from 1 October 2020 onwards, on 1 January 2021)”*

## **IX. GENERAL INFORMATION**

On page 212 of the Base Prospectus, in the sub-section “*Significant or Material Change*” of the “*General Information*” section, the corresponding paragraph shall be deleted and replaced by the following:

“Save as disclosed elsewhere in this Base Prospectus, including but not limited to the Covid-19 and CCA related disclosures contained herein and in NOVO BANCO’s results presentation and press release regarding its unaudited condensed consolidated financial statements for the nine-month period ended 30 September 2020, (i) there has been no significant change in the financial performance or financial position of the NOVO BANCO Group since 30 September 2020 and (ii) there has been no material adverse change in the prospects of the Issuer since 31 December 2019.”

Furthermore, on page 214 of the Base Prospectus, in the sub-section “*Documents Available*” of the “*General Information*” section, paragraph g) shall be deleted and replaced by the following:

“g) the Common Representative Appointment Agreement” dated 23 October 2020.”

## **X. DEFINITIONS**

On page 219 the Base Prospectus, in the “*Definitions*” section, the ninth and tenth paragraphs referring to the definitions of “Common Representative” and “Common Representative Appointment Agreement”, respectively, shall be deleted and replaced by the following paragraphs:

“**Common Representative**” means Bondholders, S.L., in its capacity as representative of the holders of the Covered Bonds pursuant to Article 14 of the Covered Bonds Law in accordance with the Terms and Conditions of the Covered Bonds and the terms of the Common Representative Appointment Agreement, having its registered office at Avenida de Francia 17, A, 1 46023 Valencia (Spain).

“**Common Representative Appointment Agreement**” means the agreement dated 23 October 2020 entered into between the Issuer and the Common Representative, as amended, supplemented and/or restated from time to time, and which sets out the terms and conditions upon and subject to which the Common Representative has agreed to act as Common Representative.”

## **XI. FINAL PAGES**

On page 233 of the Base Prospectus, the information on the Common Representative shall be deleted and replaced by the following:

**“COMMON REPRESENTATIVE**

**Bondholders, S.L.,**

Avenida de Francia 17, A, 1 46023 Valencia (Spain).”

## **XII. GENERAL**

This Supplement includes in respect of the Issuer all information contained within this Supplement together with all documents incorporated herein by reference.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement (if any) and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

Except as disclosed in this Supplement no significant new factor, material mistake or material inaccuracy relating to information included in the Base Prospectus has arisen or been noted which is capable of affecting the assessment of the Covered Bonds issued under the Programme since the publication of the

Base Prospectus. Copies of this Supplement can be obtained from the registered offices of the Issuer and from the specified offices of the Agent. In addition, copies of this Supplement and the Base Prospectus are available for viewing at the official websites of Euronext Dublin ([www.ise.ie](http://www.ise.ie)) and the Central Bank ([www.centralbank.ie/regulation/securities-markets/prospectus/pages/approvedprospectus.aspx](http://www.centralbank.ie/regulation/securities-markets/prospectus/pages/approvedprospectus.aspx)).