

Dated 15 December 2021

**NOVO BANCO, S.A.**

**INSTRUMENT**

relating to  
NOVO BANCO, S.A.

€275,000,000 4.25 per cent. Fixed/Floating Rate Callable Senior Preferred Notes due 2023

**Linklaters**

Ref: L-318360

Linklaters LLP

**This Instrument** is made on 15 December 2021 by **NOVO BANCO, S.A.** (the “**Issuer**”) in favour of the Noteholders from time to time.

**Whereas:**

- (A) The Issuer has authorised the creation and issue of the Notes (as defined below). The Notes are issued in dematerialised book-entry form (*forma escritural*) and are in registered (*nominativas*) form in the denomination of €100,000 each.
- (B) The Notes are registered with the CVM (as defined below), a Portuguese Securities Centralised System managed and operated by Interbolsa (as defined below).
- (C) The Notes are expected to be admitted to the official list of the Irish Stock Exchange plc trading as Euronext Dublin (“**Euronext Dublin**”) and to trading on the Regulated Market of Euronext Dublin.

**This Instrument witnesses and it is declared** as follows:

## **1 Interpretation**

**Definitions:** Expressions defined in the Agency Terms (as defined in the Conditions) or in the Conditions (as defined below) shall, unless otherwise defined in this Instrument, have the same meanings in this Instrument.

The following expressions have the following meanings:

“**Account**” means a securities account with Affiliated Member of Interbolsa;

“**Affiliated Member**” means an authorised financial intermediary institution entitled to hold control accounts with CVM on behalf of its customers (and includes any depository banks appointed by Euroclear and/or Clearstream, Luxembourg for the purpose of holding accounts on behalf of Euroclear and/or Clearstream, respectively);

“**Clearstream, Luxembourg**” means Clearstream Banking S.A.;

“**Conditions**” means the terms and conditions set out in Schedule 1 as from time to time amended or modified in accordance with this Instrument. Any references to a particularly numbered Condition shall be construed accordingly;

“**CVM**” means Central de Valores Mobiliarios, the centralised securities system managed by Interbolsa;

“**Entry**” means an entry relating to a Note in an Account;

“**Euroclear**” means Euroclear Bank SA/NV;

“**Extraordinary Resolution**” has the meaning specified in Schedule 2;

“**Interbolsa**” means Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários S.A., as management entity of the CVM;

“**Noteholder**” and “**Holder**” have the meanings provided in the Conditions;

“**Notes**” means the €275,000,000 4.25 per cent. Fixed/Floating Rate Callable Senior Preferred Notes due 2023 in the denomination of €100,000 each, issued in dematerialised book entry form (*forma escritural*) and which are in registered (*nominativas*) form (that is, Interbolsa, at the Issuer's request, can ask the Affiliated Members for information regarding

the identity of the Noteholders and transmit such information to the Issuer), held through Interbolsa and governed by the Conditions and this Instrument;

“**outstanding**” means, in relation to the Notes, all the Notes issued except (a) those which have been redeemed, (b) those in respect of which the date for redemption has occurred and the redemption moneys have been duly paid to the relevant Noteholder or on its behalf as provided in Clause 2 and remain available for payment in accordance with the Rules, (c) those Notes in respect of which claims have become void and (d) those which have been purchased and cancelled as provided in the Conditions, provided that for the purposes of (1) ascertaining the right to attend and vote at any meeting of Noteholders and (2) the determination of how many Notes are outstanding for the purposes of Condition 10 and Schedule 2, those Notes which are held by the Issuer, or any of its Subsidiaries, or any holding company of the Issuer, and not cancelled shall (unless no longer so held) be deemed not to remain outstanding;

“**Rules**” means the legislation, rules, regulations and operating procedures from time to time applicable to or stipulated by Interbolsa in relation to the CVM; and

“**this Instrument**” means this Instrument and the Schedules (as from time to time amended, restated, supplemented, modified or replaced in accordance with this Instrument) and any other document executed in accordance with this Instrument (as from time to time amended, restated, supplemented, modified or replaced) and expressed to be supplemental to this Instrument.

## **1.1 Construction of Certain References:** References to:

- 1.1.1 costs, charges, remuneration or expenses include any value added or similar tax charged in respect thereof;
- 1.1.2 “euro” and “€” are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended by the Treaty on European Union;
- 1.1.3 an action, remedy or method of judicial proceedings for the enforcement of creditors’ rights also include references to the action, remedy or method of judicial proceedings in jurisdictions other than England as shall most nearly approximate thereto;
- 1.1.4 words denoting the singular number only shall include the plural number also and vice versa;
- 1.1.5 words denoting one gender only shall include the other genders;
- 1.1.6 words denoting persons only shall include firms and corporations and vice versa;
- 1.1.7 all references in this Instrument to Interbolsa shall, wherever the context so permits, be deemed to include reference to any additional or alternative clearing system approved by the Issuer;
- 1.1.8 any provision of any statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment; and
- 1.1.9 this Instrument or any other document are to this Instrument or those documents as amended, supplemented or replaced from time to time in relation to the Notes and include any document which amends, supplements or replaces them.

- 1.2 Headings:** Headings shall be ignored in construing this Instrument.
- 1.3 Schedules:** The Schedules are part of this Instrument and have effect accordingly.
- 1.4 Enforceability:** If at any time any provision of this Instrument is or becomes illegal, invalid or unenforceable in any respect under the law of any applicable jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Instrument, nor the legality, validity or enforceability of such provision under the law of any other applicable jurisdiction shall in any way be affected or impaired thereby.

## **2 Covenant to Pay**

- 2.1 Covenant to Pay:** The Issuer will on any date when any amount becomes payable in respect of the Notes, or any of them, pursuant to the Conditions, pay to the relevant Noteholders in accordance with the Rules and subject to the Conditions in euro in immediately available funds the amount so payable on that date and will (subject to the Conditions) until such payment (both before and after judgment) unconditionally pay to the Noteholders in accordance with the Rules as aforesaid interest on the aggregate principal amount of the Notes outstanding as provided in the Conditions, provided that (1) payment of any sum due in respect of the Notes made in accordance with the Rules and as provided in the Conditions shall, to that extent, satisfy such obligation and (2) if payment of the aggregate principal amount of the Notes is improperly withheld or refused the Notes will continue to bear interest as provided in the Conditions.
- 2.2 Payment to Relevant Noteholder to Constitute Good Discharge:** Each relevant Noteholder is entitled to receive payment of any amount due in respect of the Notes to which its Entries relate to the exclusion of all other persons and any payment so made by the Issuer to such Noteholder in accordance with the Rules to such extent shall be a good discharge to the Issuer and shall discharge the Issuer from all obligations in respect of each such Note.

## **3 Form of the Notes**

- 3.1 Book-Entry Notes:** Upon acceptance by Interbolsa of the Notes for entry into its book-entry securities settlement system in accordance with the Rules, the Notes will be held and traded only through such book-entry securities settlement system, and ownership of the Notes shall be shown in, and the transfer of such ownership shall be perfected only through, individual securities accounts held by the Noteholders with Affiliated Members in accordance with the Rules. Notes may only be held by through the CVM.
- 3.2 No Rights to Notes in Physical Form:** Neither any Noteholder nor any person claiming any beneficial interest in, or entitlement to, any Note may request or be entitled to receive a Note in physical certificated form.

## **4 Evidence**

- 4.1 Records Conclusive:** The records of the relevant Affiliated Members shall, subject to the Rules and in the absence of manifest error, be conclusive evidence of the following:
- 4.1.1** the name and ownership of each relevant Noteholder;
  - 4.1.2** the principal amount of Notes held in each Account;
  - 4.1.3** any amount paid to each relevant Noteholder and the date, time and currency of each such payment; and

4.1.4 the transfer of any Notes and the date and time of each such transfer.

**4.2 Enforcement:** Each Noteholder may protect and enforce its rights arising out of this Instrument and/or the Notes only in respect of any Entry to which it is entitled in its own name, and shall be entitled to do so without using or obtaining any authority from any predecessor in title, unless otherwise agreed between the Noteholder and any predecessor in title.

## **5 Ranking**

**5.1** The rights and claims of Noteholders in respect of, or arising under, their Notes (including any damages awarded for breach of obligations in respect thereof and any rights and claims under this Instrument) rank, if a Winding-Up occurs, as described in Condition 3.

**5.2** Subject to applicable law, no Noteholder may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Notes or this Instrument and each Noteholder shall, by virtue of his holding of any Note, be deemed, to the extent permitted under applicable law, to have waived all such rights of set-off, compensation or retention. Notwithstanding the preceding sentence, if any of the amounts owing to any Noteholder by the Issuer in respect of, or arising under or in connection with the Notes is discharged by set-off, such Noteholder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or, in the event of the Issuer's winding-up, the liquidator of the Issuer) and, until such time as payment is made, shall hold an amount equal to such amount in trust for the Issuer (or the liquidator of the Issuer) and accordingly any such discharge shall be deemed not to have taken place.

## **6 Stamp Duties and Taxes**

**6.1** The Issuer will pay any stamp, issue, documentary or other similar taxes and duties, including interest and penalties, if any, payable in Portugal or the United Kingdom in respect of the creation, issue and offering of the Notes and the execution or delivery of this Instrument.

**6.2** The Issuer will also indemnify the Noteholders from and against all stamp, issue, documentary or other like taxes paid by any of them in any jurisdiction in connection with any action taken by or on behalf of the Noteholders to enforce the Issuer's obligations under this Instrument and the Notes.

## **7 Covenant to Comply with Provisions**

**7.1** Compliance and Performance: The Issuer hereby covenants with the Noteholders and each of them that it will comply with and perform and observe all the provisions of this Instrument and the Conditions which are expressed to be binding on it. The Conditions shall be binding on the Issuer and the Noteholders. This Instrument shall, together with the Notes, be read and construed as one document with the Notes.

## **8 Benefit of Instrument**

### **8.1 Deed Poll**

This Instrument shall take effect as a deed poll for the benefit of the Noteholders from time to time.

## 8.2 Benefit

This Instrument shall enure to the benefit of each Noteholder and its (and any subsequent) successors and assigns, each of which shall be entitled severally to enforce this Instrument against the Issuer.

## 9 Amendment and Disapplication of this Instrument

Subject to Conditions 5(f) and 10(b), for so long as any Note remains outstanding, the Issuer may not amend, vary, terminate or suspend this Instrument or its obligations under it, unless such amendment, variation, termination or suspension shall have been approved by an Extraordinary Resolution to which the special quorum provisions specified in Schedule 2 may apply, save that (subject to Conditions 5(f) and 10(b)) nothing in this Clause 9 shall prevent the Issuer from increasing or extending its obligations under this Instrument by way of supplement to it at any time.

## 10 Notices

All notices and other communications to the Issuer hereunder shall be made in writing (by letter or email) and shall be sent to the Issuer at:

Address: Avenida da Liberdade,  
n.º 195 1250-142 Lisbon,  
Portugal

Telephone: +351 213 109 595

Email: dtf.fundingmlt@novobanco.pt

Attention: Treasury and Financial Department

or to such other address or email address or for the attention of such other person or department as the Issuer has notified to the Noteholders in the manner prescribed for the giving of notices in connection with the Notes.

## 11 Effectiveness

Every notice or other communication sent in accordance with Clause 10 shall be effective upon receipt by the Issuer provided, however, that any such notice or other communication which would otherwise take effect after 4.00 p.m. on any particular day shall not take effect until 10.00 a.m. on the immediately succeeding business day in the place of the Issuer.

## 12 Governing Law and Jurisdiction

**12.1 Governing Law:** This Instrument, the Notes and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, the laws of England, save that the provisions of (i) this Instrument and Condition 1 relating to the form ("*representação formal*") and transfer of the Notes, creation of security over the Notes and the Interbolsa procedures for the exercise of rights under the Notes; (ii) Clause 5 and Condition 3 relating to the ranking of the Notes and set-off; and (iii) Condition 14(d) are governed by, and shall be construed in accordance with, the laws of Portugal.

**12.2 Jurisdiction:** The courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with this Instrument or the Notes (other than the provisions of

(i) this Instrument and Condition 1 relating to the form and transfer of the Notes, creation of security over the Notes and the Interbolsa procedures for the exercise of rights under the Notes; (ii) Clause 5 and Condition 3 relating to the ranking of the Notes and set-off; and (iii) Condition 14(d) (together the “**Excluded Matters**”), in respect of which the courts of Portugal shall have jurisdiction) and accordingly any legal action or proceedings arising out of or in connection with the Notes (including any legal action or proceedings relating to non-contractual obligations arising out of or in connection with them) (“**Proceedings**”) may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of the courts of England (other than in respect of Excluded Matters) and to the jurisdiction of the courts of Portugal in respect of any Proceedings relating to Excluded Matters and waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the Noteholders and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

**12.3 Agent for Service of Process:** The Issuer irrevocably appoints Law Debenture Corporate Services Limited of 8th Floor, 100 Bishopsgate, London EC2N 4AG as agent in England to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not it is forwarded to and received by the Issuer). If for any reason such process agent ceases to be able to act as such or no longer has an address in London, the Issuer irrevocably agrees to appoint a substitute process agent and shall immediately notify the Noteholders of such appointment. Nothing shall affect the right to serve process in any manner permitted by law.

# SCHEDULE 1

## TERMS AND CONDITIONS OF THE NOTES

*The following are the terms and conditions of the Notes.*

The issue of the €275,000,000 4.25 per cent. Fixed/Floating Rate Callable Senior Preferred Notes due 2023 (the “**Notes**”) of Novo Banco, S.A. (the “**Issuer**”) was authorised by a resolution of the Executive Board of Directors of the Issuer passed on 2 December 2021, further to the prior consent of the General and Supervisory Board by a resolution passed on 30 November 2021. The Notes are governed by these terms and conditions (the “**Conditions**”) and a deed poll given by the Issuer in favour of the Holders dated 15 December 2021 (the “**Instrument**”). The Notes also have the benefit of the Agency Terms dated 15 December 2021 (such Agency Terms as amended and/or restated and/or supplemented from time to time, the “**Agency Terms**”). The Issuer will be the initial paying agent (the “**Paying Agent**”) and the initial agent bank (the “**Agent Bank**”) in respect of the Notes. The Holders are entitled to the benefits of, bound by, and are deemed to have notice of, all the provisions of the Instrument and the Agency Terms applicable to them. Copies of the Instrument and the Agency Terms are available for inspection by Holders during normal business hours at the registered office of the Issuer.

Words and expressions defined in the Instrument or the Agency Terms shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of any inconsistency between the Agency Terms and the Instrument, the Instrument will prevail and that in the event of any inconsistency between the Agency Terms or the Instrument and the Conditions, the Conditions will prevail.

### 1 **Form, Denomination, Title and Transfer**

The Notes are issued in denominations of €100,000. The Notes are issued in dematerialised book-entry form (*forma escritural*) and are registered (*nominativas*) and constituted by registration in individual securities accounts (“**Securities Accounts**”). The Notes are registered with the Central de Valores Mobiliários (the “**CVM**”), a Portuguese Securities Centralised System managed and operated by Interbolsa – *Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A.* (“**Interbolsa**”). Each person shown in the individual Securities Accounts held with an Affiliate Member of Interbolsa as having an interest in the Notes shall be considered the Holder of the principal amount of Notes recorded therein. Title to the Notes passes upon registration in the relevant individual Securities Accounts held with an Affiliate Member of Interbolsa. Any Holder will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in respect of it) and no person will be liable for so treating the Holder.

In these Conditions, “**Holder**” means the person in whose name a Note is registered in the relevant individual Securities Accounts held with an Affiliate Member of Interbolsa.

### 2 **Status**

The Notes constitute direct, unsecured, unsubordinated and unguaranteed obligations of the Issuer and rank *pari passu* and without any preference among themselves.

### 3 **Ranking**

#### (a) ***Winding-Up***

The Issuer and, by virtue of its holding of any Note or any beneficial interest therein, each Holder acknowledge and agree that if a Winding-Up occurs, the rights and claims of the Holders against the Issuer in respect of, or arising under, each Note shall be for (in lieu of any other payment by the Issuer) an amount equal to the principal amount of the relevant Note, together with, to the extent not otherwise included within the foregoing, any other amounts attributable to such Note, including any accrued and unpaid interest thereon,



Additional Amounts and any damages awarded for breach of any obligations in respect of such Note, provided however that such rights and claims shall rank:

- (i) *pari passu* among themselves and with any other Senior Higher Priority Liabilities; and
- (ii) senior to (i) Senior Non Preferred Liabilities and (ii) all present and future subordinated obligations and all classes of share capital of the Issuer.

(b) ***Set-Off***

Subject to applicable law, no Holder may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Notes or the Instrument and each Holder shall, by virtue of his holding of any Note, be deemed, to the extent permitted under applicable law, to have waived all such rights of set-off, compensation or retention. Notwithstanding the preceding sentence, if any of the amounts owing to any Holder by the Issuer in respect of, or arising under or in connection with the Notes is discharged by set-off, such Holder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or, in the event of its winding-up, the liquidator of the Issuer) and, until such time as payment is made, shall hold an amount equal to such amount in trust for the Issuer (or the liquidator of the Issuer) and accordingly any such discharge shall be deemed not to have taken place.

#### **4 Interest Payments**

(a) ***Interest Rate***

The Notes bear interest at the applicable Interest Rate from (and including) the Issue Date in accordance with the provisions of this Condition 4.

Interest on the Notes in respect of the Initial Fixed Rate Interest Period shall be payable on 15 September 2022 and shall amount to €3,190.41 per Calculation Amount, and thereafter interest shall be payable on the Notes quarterly in arrear on each Interest Payment Date, in each case as provided in this Condition 4.

Where it is necessary to compute an amount of interest in respect of any Note during the Initial Fixed Rate Interest Period for a period which is less than nine months, the relevant day-count fraction shall be determined on the basis of the number of days in the relevant period, from and including the date from which interest begins to accrue to but excluding the date on which it falls due, divided by the actual number of days from and including 15 September 2021 to but excluding 15 September 2022.

Interest shall accrue on the Notes in respect of all Interest Periods (and any other period in respect of which interest may fall to be calculated) commencing on or after the Call Date on the basis of a day-count fraction equal to the actual number of days elapsed in the relevant period divided by 360.

(b) ***Interest Accrual***

The Notes will cease to bear interest from (and including) the due date for redemption thereof pursuant to Condition 5(a), (c), (d) or (e) or the date of substitution thereof pursuant to Condition 5(f), as the case may be, unless payment of all amounts due in respect of such Note is not properly and duly made, in which event interest shall continue to accrue on the Notes, both before and after judgment, and shall be payable, as provided in these Conditions up to (but excluding) the Relevant Date. Interest in respect of any Note shall be calculated per Calculation Amount and the amount of interest per Calculation Amount shall, save as provided in Condition 4(a) in relation to payments of Interest for each Interest Period up to the Call Date, be equal to the product of the Calculation Amount, the relevant Interest Rate and the day-count fraction as described in Condition 4(a) for the relevant period, rounding the resultant figure to the nearest cent (half a cent being rounded upwards).

(c) ***Initial Fixed Interest Rate***

For the Initial Fixed Rate Interest Period, the Notes bear interest at the rate of 4.25 per cent. per annum (the “**Initial Fixed Interest Rate**”).

(d) ***Floating Interest Rate***

From and including the Call Date, the Notes will bear interest at a floating rate of interest (the “**Floating Interest Rate**”). The Floating Interest Rate in respect of each Interest Period commencing on or after the Call Date will be determined by the Agent Bank on the basis of the following provisions:

- (i) On each Interest Determination Date, the Agent Bank will determine the offered rate (expressed as a rate per annum) for 3-month deposits in euro as at 11 a.m. (Central European time) on such Interest Determination Date, as displayed on Reuters Page EURIBOR01. The Floating Interest Rate for the relevant Interest Period shall be such offered rate as determined by the Agent Bank plus the Margin.
- (ii) If such offered rate does not so appear, or if Reuters Page EURIBOR01 is unavailable, the Agent Bank will, on such date, request the principal eurozone office of the Reference Banks to provide the Agent Bank with its offered quotation to leading banks in the eurozone inter bank market for 3-month deposits in euro at approximately 11 a.m. (Central European time) on the Interest Determination Date in question in an amount that is representative for a single transaction in the market at that time. If at least two of the Reference Banks provide the Agent Bank with such offered quotations, the Floating Interest Rate for the relevant Interest Period shall be the rate determined by the Agent Bank to be the arithmetic mean (rounded if necessary to the nearest one hundred thousandth of a percentage point (0.000005 per cent. being rounded upwards)) of such offered quotations plus the Margin.
- (iii) If on any Interest Determination Date to which the provisions of paragraph (ii) above apply, one only or none of the Reference Banks provides the Agent Bank with such a quotation, the Floating Interest Rate for the relevant Interest Period shall be the rate which the Agent Bank determines to be the aggregate of the Margin and the arithmetic mean (rounded, if necessary, to the nearest one hundred thousandth of a percentage point (0.000005 per cent. being rounded upwards)) of the euro lending rates which leading banks in the eurozone selected by the Agent Bank are quoting, at approximately 11 a.m. (Central European time) on the relevant Interest Determination Date, to leading banks in the eurozone for a period of 3 months in an amount that is representative for a single transaction in the market at that time, provided that if the applicable Floating Interest Rate cannot be determined in accordance with the foregoing provisions of this paragraph, the relevant Floating Interest Rate shall be determined by the Agent Bank as the rate applicable at the last preceding Interest Determination Date or if there has not been a first Interest Payment Date after the Call Date, the Floating Rate of Interest shall be determined using the rate last displayed on Reuters Page EURIBOR01 plus the Margin.

(e) ***Floating Interest Rate and Calculation of Floating Interest Amounts***

The Agent Bank will, as soon as practicable after 11:00 a.m. (Central European time) on each Interest Determination Date, determine the Floating Interest Rate in respect of the relevant Interest Period and calculate the amount of interest which is payable in respect of a Calculation Amount on the Interest Payment Date for that Interest Period (the “**Floating Interest Amounts**”). The determination of the applicable Floating Interest Rate and the amount of interest which is payable per Calculation Amount by the Agent Bank shall (in the absence of manifest error) be final and binding upon all parties.

(f) ***Publication of Floating Interest Rate and Floating Interest Amounts***

The Agent Bank shall cause notice of the Floating Interest Rate determined in accordance with this Condition 4 in respect of each relevant Interest Period, the Floating Interest Amount per Calculation Amount and the

relevant date scheduled for payment to be given to the Paying Agent (if a different entity to the Agent Bank), any stock exchange on which the Notes are for the time being listed or admitted to trading and, in accordance with Condition 11, the Holders, in each case as soon as practicable after its determination but in any event not later than the fourth TARGET Business Day thereafter.

The Floating Interest Amount and the date scheduled for payment so notified may subsequently be amended without notice in the event of any extension or shortening of the relevant period in accordance with these Conditions. If the Notes become due and payable pursuant to Condition 7(a), the accrued interest per Calculation Amount and the Floating Interest Rate payable, as applicable, in respect of the Notes shall nevertheless continue to be calculated as previously by the Agent Bank in accordance with this Condition 4 but no publication of the Floating Interest Rate or the amount of interest payable per Calculation Amount so calculated need be made.

(g) ***Agent Bank and Reference Banks***

Whenever a function expressed in these Conditions to be performed by the Agent Bank and Reference Banks falls to be performed, the Issuer will maintain an Agent Bank and (if required) the number of Reference Banks provided below where the Floating Interest Rate is to be calculated by reference to them.

The Issuer may from time to time replace the Agent Bank or any Reference Bank with another leading investment, merchant or commercial bank or financial institution. If the Agent Bank is unable or unwilling to continue to act as the Agent Bank or fails duly to determine the Floating Interest Rate in respect of any Interest Period as provided in Condition 4(d) or calculate the Floating Interest Amount, the Issuer shall forthwith appoint another leading investment, merchant or commercial bank or financial institution in the eurozone to act as such in its place. The Agent Bank may not resign its duties or be removed without a successor having been appointed as aforesaid. A Reference Bank may not be the Issuer or any of its affiliates.

(h) ***Determinations of Agent Bank Binding***

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 4 by the Agent Bank, shall (in the absence of manifest error) be binding on the Issuer, the Agent Bank, the Paying Agent and all Holders and (in the absence of wilful default or negligence) no liability to the Holders or the Issuer shall attach to the Agent Bank in connection with the exercise or non-exercise by it of any of its powers, duties and discretions.

(i) ***Benchmark Discontinuation***

(i) ***Independent Adviser***

Notwithstanding the foregoing, if a Benchmark Event occurs in relation to the Original Reference Rate when any Floating Interest Rate (or any component part thereof) remains to be determined by reference to such Original Reference Rate, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 4(i)(ii)) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 4(i)(iv)), provided that such appointment need not be made earlier than 30 days prior to the first date on which the Original Reference Rate is to be used to determine any Floating Interest Rate (or any component part thereof). In making such determination, the Independent Adviser appointed pursuant to this Condition 4(i) shall act in good faith and in a commercially reasonable manner. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Agent Bank, the Paying Agent, or the Holders for any determination made by it, pursuant to this Condition 4(i).

If (a) the Issuer is unable to appoint an Independent Adviser; or (b) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this

Condition 4(i)(i) prior to the date which is 10 TARGET Business Days prior to the relevant Interest Determination Date, the Floating Interest Rate applicable to the next succeeding Interest Period shall be equal to the Floating Interest Rate last determined in relation to the Notes in respect of the immediately preceding Interest Period. If there has not been a first Interest Payment Date after the Call Date, the Floating Rate of Interest shall be determined using the Original Reference Rate last displayed on Reuters Page EURIBOR01 plus the Margin. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 4(i)(i).

(ii) *Successor Rate or Alternative Rate*

If the Independent Adviser, determines that:

- (a) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Floating Interest Rate (or the relevant component part thereof), subject to the subsequent operation of this Condition 4(i); or
- (b) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Floating Interest Rate (or the relevant component part thereof), subject to the subsequent operation of this Condition 4(i).

(iii) *Adjustment Spread*

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be), subject to the subsequent operation of this Condition 4(i). If the Independent Adviser is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate or Alternative Rate (as applicable) will apply without an Adjustment Spread.

(iv) *Benchmark Amendments*

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 4(i) and the Independent Adviser determines (i) that amendments to these Conditions, the Instrument or the Agency Terms are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4(i)(v), without any requirement for the consent or approval of Holders, vary these Conditions, the Instrument or the Agency Terms to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 4(i)(iv), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

Notwithstanding any other provision of this Condition 4(i), no Successor Rate or Alternative Rate will be adopted, nor will the applicable Adjustment Spread be applied, nor will any Benchmark Amendments be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to (i) prejudice the qualification of the Notes as eligible liabilities or loss absorbing capacity instruments for the purposes of the Loss Absorption Regulations or (ii) result in the Relevant Regulator treating the next Interest Payment Date or the Call Date, as the case may be, as the effective maturity of the Notes, rather than the maturity date of the Notes for the purposes of

qualification of the Notes as eligible liabilities or loss absorbing capacity instruments for the purposes of the Loss Absorption Regulations.

(v) *Notices*

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 4(i) will be notified at least 10 TARGET Business Days prior to the relevant Interest Determination Date by the Issuer to the Agent Bank and the Paying Agent. In accordance with Condition 11, notice shall be provided to the Holders promptly thereafter. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Holders of the same, the Issuer shall deliver to the Paying Agent to make available at its registered office to the Holders a certificate signed by two members of the Executive Board of Directors of the Issuer:

- (a) confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate, (iii) the applicable Adjustment Spread and (iv) the specific terms of the Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 4(i); and
- (b) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

The Agent Bank and the Paying Agent shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the ability of the Agent Bank and the Paying Agent to rely on such certificate as aforesaid) be binding on the Issuer, the Agent Bank, the Paying Agent and the Holders.

(vi) *Survival of Original Reference Rate*

Without prejudice to the obligations of the Issuer under Condition 4(i)(i), (ii), (iii) and (iv), the Original Reference Rate and the fallback provisions provided for in Condition 4(d) will continue to apply unless and until a Benchmark Event has occurred.

## 5 **Redemption, Substitution, Variation and Purchase**

(a) ***Final Redemption***

Unless previously redeemed or purchased and cancelled or (pursuant to Condition 5(f)) substituted, the Notes will be redeemed at their principal amount, together with accrued and unpaid interest, on the Interest Payment Date falling on, or nearest to, 15 September 2023. The Notes may not be redeemed at the option of the Issuer other than in accordance with this Condition 5.

(b) ***Conditions to Redemption, Substitution or Variation, and Purchase***

Any redemption, substitution, variation or purchase of the Notes in accordance with Conditions 5(c), (d), (e), (f) or (g) is subject to:

- (i) the Issuer obtaining prior Regulatory Permission therefor; and

- (ii) in the case of any substitution or variation, such substitution or variation being permitted by, and conducted in accordance with, any other applicable requirement of the Relevant Regulator or under the Loss Absorption Regulations at such time.

Notwithstanding the above conditions, if, at the time of any redemption, substitution, variation or purchase, the prevailing Loss Absorption Regulations permit the repayment, substitution, variation or purchase only after compliance with one or more alternative or additional pre-conditions to those set out above in this Condition 5(b), the Issuer shall comply with such other and/or, as appropriate, additional pre-condition(s).

For the avoidance of doubt, any failure by the Issuer to obtain Regulatory Permission (whether from the Relevant Regulator or otherwise) as contemplated above shall not constitute a default of the Issuer under the Notes or for any purpose.

Prior to the publication of any notice of substitution, variation or redemption pursuant to this Condition 5 (other than a redemption pursuant to Condition 5(c)), the Issuer shall deliver to the Paying Agent to make available at its registered office to the Holders a copy of a certificate signed by two members of the Executive Board of Directors of the Issuer stating that the relevant requirement or circumstance giving rise to the right to redeem, substitute or, as appropriate, vary is satisfied and, in the case of a substitution or variation, that the terms of the relevant Loss Absorption Compliant Notes comply with the definition thereof in Condition 16 and, in the case of a redemption pursuant to Condition 5(d) only, an opinion from a nationally recognised law firm or other tax adviser in Portugal, experienced in such matters to the effect that the relevant requirement or circumstance referred to in any of paragraphs (i) to (iii) (inclusive) of the definition of “Tax Event” applies.

(c) ***Issuer’s Call Option***

Subject to Condition 5(b), the Issuer may, by giving not less than 30 nor more than 60 days’ notice to the Holders in accordance with Condition 11 and the Paying Agent (which notice shall be irrevocable), elect to redeem all, but not some only, of the Notes on the Call Date at their principal amount, together with any accrued and unpaid interest thereon to (but excluding) the date fixed for redemption.

(d) ***Redemption Due to Tax Event***

If, prior to the giving of the notice referred to in this Condition 5(d), a Tax Event has occurred and is continuing, then the Issuer may, subject to Condition 5(b) and having given not less than 30 nor more than 60 days’ notice to the Holders in accordance with Condition 11 and the Paying Agent (which notice shall be irrevocable and shall specify the date for redemption), elect to redeem in accordance with these Conditions at any time all, but not some only, of the Notes at their principal amount, together with any accrued and unpaid interest thereon to (but excluding) the date fixed for redemption.

(e) ***Redemption Due to Loss Absorption Disqualification Event***

If, prior to the giving of the notice referred to in this Condition 5(e), a Loss Absorption Disqualification Event has occurred and is continuing, then the Issuer may, subject to Condition 5(b) and having given not less than 30 nor more than 60 days’ notice to the Holders in accordance with Condition 11 and the Paying Agent (which notice shall be irrevocable and shall specify the date for redemption), elect to redeem in accordance with these Conditions at any time all, but not some only, of the Notes at their principal amount, together with any accrued and unpaid interest thereon to (but excluding) the date fixed for redemption.

(f) ***Substitution or Variation***

If a Tax Event or a Loss Absorption Disqualification Event has occurred and is continuing or in order to ensure the effectiveness and enforceability of Condition 14(d), then the Issuer may, subject to Condition 5(b) and having given not less than 30 nor more than 60 days’ notice to the Holders in accordance with Condition 11 and the Paying Agent (which notice shall be irrevocable and shall specify the date for substitution or, as

the case may be, variation of the Notes) but without any requirement for the consent or approval of the Holders, at any time (whether before or following the Call Date) either substitute all (but not some only) of the Notes for, or vary the terms of the Notes so that they remain or, as appropriate, become, Loss Absorption Compliant Notes and may make any consequential amendments to the Instrument and the Agency Terms. Upon the expiry of such notice, the Issuer shall either vary the terms of or substitute the Notes in accordance with this Condition 5(f), as the case may be and make any consequential amendments to the Instrument and the Agency Terms.

In connection with any substitution or variation in accordance with this Condition 5(f), the Issuer shall comply with all securities and other laws and the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

*The exercise of such substitution or variation rights may have adverse tax and other consequences for Holders and Holders should consult their own tax and other advisers in connection therewith. The Issuer is not required to take into account the consequences to Holders if it exercises its rights of substitution or variation hereunder.*

(g) **Purchases**

The Issuer may, subject to Condition 5(b), purchase (or otherwise acquire), or procure others to purchase (or otherwise acquire) beneficially for its account, Notes in any manner and at any price. The Notes so purchased (or acquired), while held by or on behalf of the Issuer, shall not entitle the Holder to vote at any meetings of the Holders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Holders.

(h) **Cancellation**

All Notes redeemed or substituted by the Issuer pursuant to this Condition 5 will forthwith be cancelled in accordance with the applicable regulations of Interbolsa. All Notes purchased by or on behalf of the Issuer may, subject to obtaining any Regulatory Permission therefor, be held, reissued, resold or, at the option of the Issuer, cancelled in accordance with the applicable regulations of Interbolsa.

## 6 Payments

(a) **Method of Payment**

Payments in respect of the Notes will be made by transfer to the account of the Holder maintained by or on its behalf in the relevant Affiliate Member of Interbolsa, details of which appear in the records of the relevant Affiliate Member of Interbolsa at close of business on the TARGET Business Day before the due date for payment of principal and/or interest.

If the due date for payment of any amount in respect of any Note is not a TARGET Business Day, the Holder shall not be entitled to payment of the amount due until the next succeeding TARGET Business Day and shall not be entitled to any further interest or other payment in respect of any such delay.

(b) **Payments Subject to Laws**

Save as provided in Condition 8, payments will be subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment or other laws or regulations to which the Issuer or its Agents agree to be subject and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements. No commissions or expenses shall be charged to the Holders in respect of such payments.

## 7 Default

### (a) *Default*

- (i) If the Issuer shall not make payment in respect of the Notes for a period of 14 days or more after the date on which such payment is due, the Issuer shall be deemed to be in default under the Instrument and the Notes and a Holder may notwithstanding the provisions of Condition 7(b), institute proceedings for the winding-up of the Issuer.
- (ii) In the event of a Winding-Up of the Issuer (whether or not instituted by a Holder pursuant to the foregoing), a Holder may prove and/or claim in such Winding-Up of the Issuer, such claim being as contemplated in Condition 3(a). If a Winding-Up occurs, then any Holder may give notice to the Issuer and to the Paying Agent at their respective registered offices, effective upon the date of receipt thereof by the Issuer, that the Notes held by such Holder(s) are, and they shall accordingly thereby forthwith become, immediately due and repayable together with accrued interest and any Additional Amounts thereon.

### (b) *Enforcement*

Without prejudice and subject to Condition 7(a), a Holder may at its discretion and without notice institute such steps, actions or proceedings against the Issuer as it may think fit to enforce any term or condition binding on the Issuer under the Instrument, the Agency Terms or the Notes (other than any payment obligation of the Issuer under or arising from the Instrument, the Agency Terms or the Notes, including, without limitation, payment of any principal or interest in respect of the Notes, including any damages awarded for breach of any obligations) provided that in no event shall the Issuer, by virtue of the institution of any such steps, actions or proceedings, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it pursuant to these Conditions, the Instrument and the Agency Terms. Nothing in this Condition 7(b) shall, however, prevent a Holder from instituting proceedings for the winding-up of the Issuer (in accordance with and to the extent permitted by applicable law at the relevant time) and/or proving and/or claiming in any Winding-Up of the Issuer in respect of any payment obligations of the Issuer arising from the Notes, the Instrument and the Agency Terms (including any damages awarded for breach of any obligations) in the circumstances provided in Conditions 3(a) and 7(a).

### (c) *Extent of Holders' Remedy*

No remedy against the Issuer, other than as referred to in this Condition 7, shall be available to the Holders, whether for the recovery of amounts owing in respect of the Instrument, the Notes or in respect of the Agency Terms or any breach by the Issuer of any of its other obligations under or in respect of the Instrument, the Notes or under the Agency Terms.

## 8 Taxation

All payments of principal, interest and any other amounts by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Relevant Jurisdiction or any political subdivision thereof or by any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, in respect of payments of interest (but not principal or any other amount) the Issuer will pay such additional amounts (“**Additional Amounts**”) as will result in receipt by the Holders of such amounts as would have been received by them in respect of payments of interest had no such withholding or deduction been required, except that no such Additional Amounts shall be payable in respect of any Note:

- (a) held by a recipient which is not the ultimate beneficial owner of the income arising from such Note; or



- (b) held by or on behalf of a Holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note by reason of his having some connection with the Relevant Jurisdiction other than a mere holding of such Note; or
- (c) held by, or by a third party on behalf of, a Holder who could lawfully prevent (but has not so prevented) such deduction or withholding by complying or procuring that any third party complied with any statutory requirements or by making or procuring that any third party made a declaration of non-residence or other similar claim for exemption to any applicable tax authority; or
- (d) held by, or by a third party on behalf of, an entity resident for income tax purposes in a country, territory or region subject to a clearly more favourable tax regime, as listed in the Ministerial Order no. 150/2004, of 13 February 2004, issued by the Portuguese Minister of Finance and Public Administration (as amended), or legislation replacing it, unless a Double Tax Convention or a Tax Information Exchange Agreement entered into between such country, territory or region and Portugal is in force at the time the interest becomes due and payable; or
- (e) to, or to a third party on behalf of, a Holder in respect of whom the documentation required to certify the tax residence, pursuant to the conditions set forth in Decree-Law No. 193/2005, of 7 November 2005, as amended, and accessory regulations, or legislation replacing it, is not provided within 30 days after the Relevant Date.

References in these Conditions to interest shall be deemed also to refer to any Additional Amounts which may be payable under this Condition 8.

Notwithstanding any other provisions of these Conditions, any amounts to be paid on the Notes by or on behalf of the Issuer shall be made net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue code of 1986, as amended (the “Code”), or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or any intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a “**FATCA Withholding**”). Neither the Issuer nor any other person will be required to pay any Additional Amounts in respect of FATCA Withholding.

## 9 Prescription

Claims against the Issuer for payment in respect of the Notes shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

## 10 Meetings of Holders, Modification and Waiver

### (a) *Meetings of Holders*

The Instrument contains provisions for convening meetings of Holders (including by way of conference call) to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Instrument. Such a meeting may be convened by the Issuer or Holders holding not less than 10 per cent. in principal amount of the Notes for the time being outstanding.

The quorum at any such meeting for passing an Extraordinary Resolution will be one or more persons holding or representing more than 50 per cent. in principal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Holders whatever the principal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain of these Conditions (including, *inter alia*, the provisions regarding ranking referred to in Condition

3, the terms concerning currency and due dates for payment of principal or interest payments in respect of the Notes and reducing or cancelling the principal amount of, or interest on, any Notes or the Interest Rate or varying the method of calculating the Interest Rate) the quorum will be one or more persons holding or representing not less than two-thirds, or at any adjourned such meeting not less than one-third, in principal amount of the Notes for the time being outstanding.

The agreement or approval of the Holders shall not be required (i) in the case of any substitution or variation of the Notes required to be made in the circumstances described in Condition 5(f) in connection with the substitution of the Notes for, or variation of the terms of the Notes so that they remain, or as appropriate become, Loss Absorption Compliant Notes or (ii) in the case of any variation of these Conditions, the Instrument or the Agency Terms required to be made in the circumstances described in Condition 4(i).

An Extraordinary Resolution passed at any meeting of Holders will be binding on all Holders, whether or not they are present at the meeting.

The Instrument provides that a resolution in writing signed by or on behalf of the Holders of not less than 75 per cent. in principal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Holders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Holders.

(b) ***Modification of the Notes***

The Agent and the Issuer may, without the consent of the Holders, make any modification of these Conditions, the Instrument or the Agency Terms which (i) is not prejudicial to the interests of the Holders, (ii) is of a formal, minor or technical nature, (iii) is made to correct a manifest error, or (iv) is to comply with mandatory provisions of any applicable law.

Any such modification shall be binding on the Holders and shall be notified to the Holders as soon as practicable. No modification to these Conditions or any provisions of the Instrument shall become effective unless (if and to the extent required at the relevant time by the Relevant Regulator) the Issuer shall have given such period of prior written notice thereof required by the Relevant Regulator, to, and received Regulatory Permission therefor from, the Relevant Regulator (provided that there is a requirement to give such notice and obtain such Regulatory Permission).

(c) ***Notices***

Any such modification shall be binding on all Holders and shall be notified to the Holders in accordance with Condition 11 as soon as practicable thereafter.

## **11 Notices**

Notices required to be given to the Holders pursuant to the Conditions shall be valid if published in such manner as the stock exchange on which Notes are listed or its rules and regulations may prescribe or accept. The Issuer shall also ensure that all such notices are duly published (if such publication is required) in a manner which complies with the rules and regulations of any other stock exchange or other relevant authority on which the Notes are for the time being listed and/or admitted to trading.

Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above. The Issuer shall also comply with the requirements of Interbolsa and of Portuguese law generally in respect of notices relating to the Notes.

As at the Issue Date, notices are required to be (i) published on the website of Euronext Dublin and (ii) delivered to Interbolsa for communication to its Affiliate Members.

## 12 Further Issues

The Issuer may from time to time without the consent of the Holders, but subject to any Regulatory Permission required, create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Notes.

## 13 Agents

The Issuer shall be the initial Paying Agent and the initial Agent Bank. Any Paying Agent or Agent Bank does not assume any obligation or relationship of agency or trust for or with any Holder. The Issuer reserves the right at any time to vary or terminate the appointment of the Paying Agent or the Agent Bank and to appoint replacement agents, provided that it will:

- (a) at all times maintain a Paying Agent; and
- (b) whenever a function expressed in these Conditions to be performed by the Agent Bank falls to be performed, appoint and (for so long as such function is required to be performed) maintain an Agent Bank.

Notice of any such termination or appointment and of any change in the registered offices of the Paying Agent or Agent Bank will be given to the Holders in accordance with Condition 11. If either the Agent Bank or the Paying Agent is unable or unwilling to act as such or if it fails to make a determination or calculation or otherwise fails to perform its duties under these Conditions, the Issuer shall appoint an independent financial institution to act as such in its place. All calculations and determinations made by the Agent Bank or the Paying Agent in relation to the Notes shall (save in the case of manifest error) be final and binding on the Issuer, the Agent Bank, the Paying Agent and the Holders.

## 14 Governing Law and Jurisdiction

### (a) *Governing Law*

The Instrument, the Notes and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, the laws of England, save that the provisions of (i) Condition 1 relating to the form (*representação formal*) and transfer of the Notes, creation of security over the Notes and the Interbolsa procedures for the exercise of rights under the Notes; (ii) Condition 3 relating to the ranking of the Notes and set-off and (iii) Condition 14(d) are governed by, and shall be construed in accordance with, the laws of Portugal. The Agency Terms and any non-contractual obligations arising out of or in connection therewith, shall be governed by, and shall be construed in accordance with, the laws of Portugal.

### (b) *Jurisdiction*

The courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with the Instrument or the Notes (other than the provisions of (i) Condition 1 relating to the form and transfer of the Notes, creation of security over the Notes, and the Interbolsa procedures for the exercise of rights under the Notes; (ii) Condition 3 relating to the ranking of the Notes and set-off and (iii) Condition 14(d) (together the “**Excluded Matters**”), in respect of which the courts of Portugal shall have jurisdiction) and accordingly any legal action or proceedings arising out of or in connection with the Notes (including any legal action or proceedings relating to non-contractual obligations arising out of or in connection with them) (“**Proceedings**”) may be brought in such courts. The Issuer has in the Instrument irrevocably submitted to the jurisdiction of the courts of England in respect of any such Proceedings (other than in respect of Excluded

Matters) and to the jurisdiction of the courts of Portugal in respect of any Proceedings relating to Excluded Matters.

(c) ***Service of Process***

The Issuer has in the Instrument irrevocably appointed Law Debenture Corporate Services Limited of 8th Floor, 100 Bishopsgate, London EC2N 4AG as agent in England to receive, for it and on its behalf, service of process in any Proceedings in England.

(d) ***Acknowledgement of Statutory Loss Absorption Powers***

Notwithstanding and to the exclusion of any other term of the Notes or any other agreements, arrangements or understanding between the Issuer and any Holder (which, for the purposes of this Condition 14(d), includes each Holder of a beneficial interest in the Notes), by its acquisition of the Notes, each Holder acknowledges and accepts that any liability arising under the Notes may be subject to the exercise of Statutory Loss Absorption Powers by the Relevant Resolution Authority and acknowledges, accepts, consents to and agrees to be bound by:

- (1) the effect of the exercise of any Statutory Loss Absorption Powers by the Relevant Resolution Authority, which exercise (without limitation) may include and result in any of the following, or a combination thereof:
  - (i) the reduction of all, or a portion, of the Relevant Amounts in respect of the Notes;
  - (ii) the conversion of all, or a portion, of the Relevant Amounts in respect of the Notes into shares, other securities or other obligations of the Issuer or another person, and the issue to or conferral on the Holder of such shares, securities or obligations, including by means of an amendment, modification or variation of the terms of the Notes, in which case the Holder agrees to accept in lieu of its rights under the Notes any such shares, other securities or other obligations of the Issuer or another person;
  - (iii) the cancellation of the Notes or the Relevant Amounts in respect of the Notes; or
  - (iv) the amendment or alteration of the maturity date of the Notes or amendment of the amount of interest payable on the Notes, or the date on which interest becomes payable, including by suspending payment for a temporary period; and
- (2) the variation of the terms of the Notes, as deemed necessary by the Relevant Resolution Authority, to give effect to the exercise of any Statutory Loss Absorption Powers by the Relevant Resolution Authority.

No repayment or payment of Relevant Amounts in respect of the Notes will become due and payable or be paid after the exercise of any Statutory Loss Absorption Powers by the Relevant Resolution Authority if and to the extent such amounts have been reduced, converted, cancelled, amended or altered as a result of such exercise.

Neither a reduction or cancellation, in part or in full, of the Relevant Amounts, the conversion thereof into another security or obligation of the Issuer or another person, as a result of the exercise of the Statutory Loss Absorption Powers by the Relevant Resolution Authority with respect to the Issuer, nor the exercise of the Statutory Loss Absorption Powers by the Relevant Resolution Authority with respect to the Notes will be an event of default.

Upon the exercise of the Statutory Loss Absorption Powers by the Relevant Resolution Authority with respect to the Notes, the Issuer will provide a written notice to the Holders in accordance with Condition 11 as soon as practicable regarding such exercise of the Statutory Loss Absorption Powers but any failure to

provide such notice shall not affect the validity or enforceability of such exercise of the Statutory Loss Absorption Powers.

## 15 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes by virtue of the Contracts (Rights of Third Parties) Act 1999.

## 16 Definitions

In these Conditions:

“**Additional Amounts**” has the meaning given to it in Condition 8;

“**Adjustment Spread**” means either (a) a spread (which may be positive, negative or zero) or (b) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate)
- (ii) the Independent Adviser determines is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or (if Independent Adviser determines that no such spread is customarily applied)
- (iii) the Independent Adviser determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be);

“**Affiliate Member**” means any authorised financial intermediary entitled to hold control accounts with the CVM and includes any banks or financial intermediaries appointed by Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream, Luxembourg**”) for the purpose of holding individual Securities Accounts on behalf of Euroclear and Clearstream, Luxembourg;

“**Agency Terms**” has the meaning given to it in the preamble of these Conditions;

“**Agent Bank**” has the meaning given to it in the preamble to these Conditions;

“**Alternative Rate**” means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 4(i)(ii) is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in euro.

“**Article 8-A**” means Article 8-A of Decree-Law 199/2006 of 25 October 2006, as amended or superseded (including by Law 23/2019 of 13 March 2019, which implemented Directive (EU) 2017/2399 of the European Parliament and of the Council of 12 December 2017);

“**Benchmark Amendments**” has the meaning given to it in Condition 4(i)(iv);

“**Benchmark Event**” means:

- (i) the Original Reference Rate ceasing to be published for a period of at least 5 TARGET Business Days or ceasing to exist; or

- (ii) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (iii) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or
- (iv) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes; or
- (v) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market; or
- (vi) it has become unlawful for the Paying Agent, the Agent Bank, the Issuer or any other party to calculate any payments due to be made to any Holder using the Original Reference Rate,

provided that the Benchmark Event shall be deemed to occur (a) in the case of (ii) and (iii) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be, (b) in the case of (iv) above, on the date of the prohibition of use of the Original Reference Rate and (c) in the case of (v) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and in each case, not the date of the relevant public statement.

The occurrence of a Benchmark Event shall be determined by the Issuer and promptly notified to the Paying Agent and the Agent Bank. For the avoidance of doubt, neither the Paying Agent nor the Agent Bank shall have any responsibility for making such determination;

“**BRRD**” means Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms, as the same may be amended or replaced from time to time (including, without limitation, by Directive (EU) 2017/2399 and by Directive (EU) 2019/879);

“**Calculation Amount**” means €100,000 in principal amount;

“**Call Date**” means 15 September 2022;

“**Conditions**” means these terms and conditions of the Notes, as amended from time to time;

“**euro**” or “**€**” means the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty of Rome establishing the European Communities as amended;

“**Euronext Dublin**” means the Irish Stock Exchange plc trading as Euronext Dublin;

“**Extraordinary Resolution**” has the meaning given to it in the Instrument;

“**Floating Interest Amounts**” has the meaning given to it in Condition 4(e);

“**Floating Interest Rate**” has the meaning given to it in Condition 4(d);

“**GEM**” means the Global Exchange Market of Euronext Dublin;

“**Group**” means the Issuer and its Subsidiaries;

“**Holder**” has the meaning given to it in Condition 1;

“**Independent Adviser**” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 4(i)(i);

“**Initial Fixed Interest Rate**” has the meaning given to it in Condition 4(c);

“**Initial Fixed Rate Interest Period**” means the period from (and including) the Issue Date to (but excluding) the Call Date;

“**Interest Determination Date**” means, in relation to each Interest Period from and including the Interest Period beginning on the Call Date, the second TARGET Business Day prior to the commencement of the relevant Interest Period;

“**Interest Payment Date**” means (i) in respect of the period from the Issue Date to (and including) the Call Date, 15 September 2022 and (ii) after the Call Date, 15 December 2022, 15 March 2023, 15 June 2023 and 15 September 2023, provided that if any Interest Payment Date after the Call Date would otherwise fall on a day which is not a TARGET Business Day, it shall be postponed to the next day which is a TARGET Business Day;

“**Interest Period**” means the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date;

“**Interest Rate**” means the Initial Fixed Interest Rate and/or the Floating Interest Rate, as the case may be;

“**Issue Date**” means 15 December 2021, being the date of the initial issue of the Notes;

“**Issuer**” means Novo Banco, S.A.;

“**Loss Absorption Compliant Notes**” means securities issued directly by the Issuer that:

- (a) have terms which are not materially less favourable to an investor than the terms of the Notes (as reasonably determined by the Issuer in consultation with an investment bank or financial adviser of international standing (which in either case is independent of the Issuer)) prior to the issue of the relevant securities or, as appropriate, variation of the Notes, and, subject thereto, which (1) contain terms which comply with the then current Loss Absorption Regulations in order to be eligible to qualify in full towards the Issuer’s and/or the Group’s minimum requirement for own funds and eligible liabilities and/or loss absorbing capacity instruments; (2) provide for the same Interest Rate and Interest Payment Dates from time to time applying to the Notes; (3) rank *pari passu* with the ranking of the Notes; (4) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the Notes, including (without limitation) as to timing of, and amounts payable upon, such redemption; (5) preserve any existing rights under these Conditions to any accrued interest or other amounts which have not been paid; (6) do not contain terms which provide for interest cancellation or deferral (provided that this paragraph (6) shall not preclude the inclusion of any provision analogous to Condition 14(d)); and (7) do not contain terms providing for loss absorption through principal write-down or conversion to ordinary shares (provided that this paragraph (7) shall not preclude the inclusion of any provision analogous to Condition 14(d));
- (b) are (i) listed on the Official List and admitted to trading on the GEM or (ii) listed on such other internationally recognised stock exchange as selected by the Issuer; and
- (c) where the Notes which have been substituted or varied had a published rating from a Rating Agency immediately prior to their substitution or variation and such rating was solicited by or on behalf of the Issuer, each such Rating Agency has ascribed, or announced its intention to ascribe, a published rating to the relevant Loss Absorption Compliant Notes equal to or higher than (i) the solicited published rating of the Notes from the Rating Agency immediately prior to their substitution or variation or (ii) where the solicited published rating of the Notes was, as a result of Condition 14(d) becoming ineffective and/or unenforceable, amended prior to such substitution or variation, the solicited published rating of the Notes from the Rating Agency immediately prior to such amendment, save that this proviso shall not prevent any changes being made to the governing law of Condition 14(d) where such changes are needed to ensure the effectiveness or enforceability of Condition 14(d).

Any change to the governing law of Condition 14(d) in order to ensure the effectiveness or enforceability of Condition 14(d) shall, of itself, be deemed for the purposes of (a) above not to be materially less favourable to an investor.

**“Loss Absorption Disqualification Event”** shall be deemed to have occurred if, as a result of any amendment to, or change in, any Loss Absorption Regulations, or any change in the application or official interpretation of any Loss Absorption Regulations, in any such case becoming effective on or after the Reference Date, the entire principal amount of the Notes or any part thereof, is, or (in the opinion of the Issuer or the Relevant Regulator) is likely to be, excluded from the Issuer’s and/or the Group’s minimum requirements for (i) own funds and eligible liabilities and/or (ii) loss absorbing capacity instruments, in each case as such minimum requirements are applicable to the Issuer and/or the Group and determined in accordance with, and pursuant to, the relevant Loss Absorption Regulations; provided that a Loss Absorption Disqualification Event shall not occur (a) where the relevant exclusion is due to the remaining maturity of the Notes being less than any period prescribed by any applicable eligibility criteria for such minimum requirements under the relevant Loss Absorption Regulations effective with respect to the Issuer and/or the Group on the Reference Date; or (b) where the relevant exclusion is as a result of any applicable limitation on the amount of liabilities of the Issuer that may qualify as (i) own funds and eligible liabilities and/or (ii) loss absorbing capacity instruments, of the Issuer or the Group;

**“Loss Absorption Regulations”** means, at any time, the laws, regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments of Portugal, the Relevant Regulator and/or of the European Parliament or of the Council of the European Union then in effect in Portugal and applicable to the Issuer and/or the Group, including, without limitation to the generality of the foregoing, any applicable delegated or implementing acts (such as regulatory technical standards) adopted by the European Commission and any regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments adopted by any Relevant Regulator from time to time (whether such regulations, requirements, guidelines, rules, standards or policies are applied generally or specifically to the Issuer and/or the Group);

**“Margin”** means 4.776 per cent.;

**“Notes”** has the meaning given to it in the preamble to these Conditions;

**“Official List”** means the official list of Euronext Dublin;

**“Original Reference Rate”** means the originally-specified benchmark or screen rate (as applicable) used to determine the Floating Interest Rate (or any component part thereof) on the Notes or, if applicable, any other successor or alternative rate (or any component part thereof) determined and applicable to the Notes pursuant to the earlier operation of Condition 4(i);

**“Paying Agent”** has the meaning given to it in the preamble to these Conditions;

**“Rating Agency”** means Moody’s Investors Service España S.A. or its successor;

**“Reference Banks”** means five leading banks in the principal interbank market relating to euro selected by the Agent Bank in its discretion after consultation (if the Agent Bank is not the Issuer at the relevant time) with the Issuer;

**“Reference Date”** means the later of (i) the Issue Date and (ii) the latest date (if any) on which any further Notes have been issued pursuant to Condition 12;

**“Regulatory Permission”** means, in relation to any action, such notice, regulatory permission (and/or, as appropriate, consent, approval or waiver) as is required therefor under prevailing Loss Absorption Regulations (if any);

**“Relevant Amounts”** means the outstanding principal amount of the Notes, together with any accrued but unpaid interest and Additional Amounts due on the Notes. References to such amounts will include amounts that have



become due and payable, but which have not been paid, prior to the exercise of any Statutory Loss Absorption Powers by the Relevant Resolution Authority;

“**Relevant Date**” means (i) in respect of any payment other than a sum to be paid by the Issuer in a Winding-Up of the Issuer, the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Holders that such payment will be made, provided that payment is in fact made, and (ii) in respect of a sum to be paid by the Issuer in a Winding-Up of the Issuer, the date which is one day prior to the date on which an order is made or a resolution is passed for the Winding-Up;

“**Relevant Jurisdiction**” means Portugal or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and/or interest on the Notes;

“**Relevant Nominating Body**” means, in respect of a benchmark or screen rate (as applicable):

- (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof;

“**Relevant Regulator**” means the Bank of Portugal, the Single Resolution Board, the European Central Bank or such other authority having primary supervisory authority with respect to prudential and/or resolution matters concerning the Issuer and/or the Group, as may be relevant in the context and circumstances;

“**Relevant Resolution Authority**” means the resolution authority with the ability to exercise any Statutory Loss Absorption Powers in relation to the Issuer;

“**Reuters Page EURIBOR01**” means the display page or screen so designated on Reuters (or such other page or screen as may replace that page on that service, or such other service as may be nominated as the information vendor);

“**Senior Higher Priority Liabilities**” means any unsecured, unsubordinated and unguaranteed obligations of the Issuer other than Senior Non Preferred Liabilities;

“**Senior Non Preferred Liabilities**” means any unsubordinated and unsecured senior non preferred obligations of the Issuer issued under Article 8-A and any other obligations which, by law and/or by their terms, and to the extent permitted by Portuguese law, rank *pari passu* with unsubordinated and unsecured senior non preferred obligations of the Issuer issued under Article 8-A;

“**Statutory Loss Absorption Powers**” means any write-down, conversion, transfer, modification, suspension or similar or related power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in Portugal, relating to (i) the transposition of the BRRD (including but not limited to the General Framework for Credit Institutions and Financial Companies (*Regime Geral das Instituições de Crédito e Sociedades Financeiras*), established by Decree-Law No. 298/92 of December 1992, as amended or superseded (including by any banking activity code that may enter into force)) and (ii) the instruments, rules and standards created thereunder, pursuant to which any obligation of the Issuer (or any affiliate of the Issuer) can be reduced, cancelled, modified, or converted into shares, other securities or other obligations of the Issuer or any other person (or suspended for a temporary period);

“**Subsidiaries**” means any entity of which the Issuer, from time to time (i) owns, directly or indirectly, more than 50 per cent. of the share capital or similar right of ownership, or (ii) owns or is able to exercise, directly or indirectly, more than 50 per cent. of the voting rights, or (iii) has the right to appoint the majority of the members of the board of directors, and in each case is within the consolidation perimeter of the Issuer;

“**Successor Rate**” means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body;

“**TARGET Business Day**” means a day on which the TARGET System is operating;

“**TARGET System**” means the Trans European Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto);

“**Tax Event**” is deemed to have occurred if, as a result of a Tax Law Change:

- (i) in making any payments on the Notes, the Issuer has paid or will or would on the next payment date be required to pay Additional Amounts; or
- (ii) the Issuer is no longer entitled to claim a deduction in respect of any payments in respect of the Notes in computing its taxation liabilities or the amount of such deduction is materially reduced; or
- (iii) the Issuer is not able to have losses or deductions set against the profits or gains, or profits or gains offset by the losses or deductions, of companies with which it is or would otherwise be so grouped for applicable Portuguese tax purposes (whether under the tax grouping system current as at the date of issue of the Notes or any similar system or systems having like effect as may from time to time exist),

and, in any such case, the Issuer could not avoid the foregoing by taking measures reasonably available to it;

“**Tax Law Change**” means a change in, or amendment to, the laws or regulations of a Relevant Jurisdiction, including any treaty to which such Relevant Jurisdiction is a party, or any change in the application of official or generally published interpretation of such laws, including a decision of any court or tribunal, or any interpretation or pronouncement by any relevant tax authority that provides for a position with respect to such laws or regulations that differs from the previously generally accepted position in relation to similar transactions or which differs from any specific written statements made by a tax authority regarding the anticipated tax treatment of the Notes, which change or amendment becomes public or becomes effective on or after the Reference Date; and

“**Winding-Up**” means:

- (i) an order is made, or an effective resolution is passed, for the winding-up of the Issuer (except, in any such case, a solvent winding-up solely for the purposes of a reorganisation, reconstruction or amalgamation, the terms of which reorganisation, reconstruction or amalgamation have previously been approved in writing by an Extraordinary Resolution and do not provide that the Notes thereby become redeemable or repayable in accordance with these Conditions); or
- (ii) liquidation or dissolution of the Issuer or any procedure similar to that described in paragraph (i) of this definition is commenced in respect of the Issuer, including any bank insolvency procedure or bank administration procedure pursuant to the General Framework for Credit Institutions and Financial Companies (*Regime Geral das Instituições de Crédito e Sociedades Financeiras*), established by Decree-Law No. 298/92 of December 1992, as amended or superseded (including by any banking activity code that may enter into force).

## SCHEDULE 2

### Provisions for Meetings of Noteholders

#### 1 Interpretation

In this Schedule:

- (a) references to a meeting are to a physical meeting or a virtual meeting of Noteholders of the Notes and include, unless the context otherwise requires, any adjournment;
- (b) references to “**Notes**” and “**Noteholders**” are only to the Notes in respect of which a meeting has been, or is to be, called, and to the holders of these Notes, respectively;
- (c) “**agent**” means a holder of a voting certificate or a proxy for, or representative of, a Noteholder;
- (d) “**block voting instruction**” means an instruction issued in accordance with paragraph 8;
- (e) “**electronic platform**” means any form of telephony or electronic platform or facility and includes, without limitation, telephone and video conference call and application technology systems;
- (f) “**Extraordinary Resolution**” means a resolution passed (a) at a meeting duly convened and held in accordance with the Instrument by a majority of at least 75 per cent. of the votes cast or (b) by a Written Resolution;
- (g) “**meeting**” means a meeting convened pursuant to this Schedule by the Issuer and whether held as a physical meeting or as a virtual meeting;
- (h) “**physical meeting**” means any meeting attended by persons present in person at the physical location specified in the notice of such meeting;
- (i) “**present**” means physically present in person at a physical meeting, or able to participate in a virtual meeting via an electronic platform;
- (j) “**virtual meeting**” means any meeting held via an electronic platform;
- (k) “**voting certificate**” means a certificate issued in accordance with paragraphs 6 and 7;
- (l) “**Written Resolution**” means a resolution in writing signed by the Noteholders of not less than 75 per cent. in principal amount of the Notes outstanding; and
- (m) references to persons representing a proportion of the Notes are to Noteholders or agents holding or representing in the aggregate at least that proportion in principal amount of the Notes for the time being outstanding.

#### 2 Powers of meetings

A meeting shall, subject to the Conditions, have power by Extraordinary Resolution:

- (a) to sanction any proposal by the Issuer for any modification, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Noteholders against the Issuer whether or not those rights arise under the Instrument or the Notes;

- (b) to sanction the exchange or substitution for the Notes (other than in circumstances described in Condition 5(f)) of, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other entity;
- (c) to assent to any modification of the Instrument or the Notes proposed by the Issuer;
- (d) to authorise anyone to concur in and do anything necessary to carry out and give effect to an Extraordinary Resolution;
- (e) to give any authority, direction or sanction required to be given by Extraordinary Resolution;
- (f) to appoint any persons (whether Noteholders or not) as a committee or committees to represent the Noteholders' interests and to confer on them any powers or discretions which the Noteholders could themselves exercise by Extraordinary Resolution; and
- (g) to approve the substitution of any entity for the Issuer (or any previous substitute) as principal debtor under the Instrument,

*provided* that (other than in the circumstances described in Condition 5(f)) the special quorum provisions in paragraph 11 shall apply to any Extraordinary Resolution (a "**special quorum resolution**") for the purpose of sub-paragraph 2(b) or 2(g), or for the purpose of making a modification to this Agreement or the Notes which would have the effect of:

- (i) modifying the provisions regarding the status of the Notes referred to in Conditions 2 and 3 and Clause 5 of the Instrument
- (ii) modifying the maturity of the Notes or the dates on which interest is payable in respect of the Notes
- (iii) reducing or cancelling the principal amount of or interest on, or varying the method of calculating the rate of interest on, the Notes
- (iv) changing the currency of payment of the Notes
- (v) modifying the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution or
- (vi) amending this proviso.

### **3 Convening a Meeting**

The Issuer or Noteholders holding not less than 10 per cent. in principal amount of the Notes for the time being outstanding may convene a meeting of the Noteholders.

### **4 Notice**

At least 21 days' notice (exclusive of the day on which the notice is given and of the day of the meeting) shall be given to the Noteholders. A copy of the notice shall be given by the party convening the meeting to the other parties. The notice shall specify the day, time and place of meeting (or the details of the electronic platform to be used in the case of a virtual meeting) and the nature of the resolutions to be proposed and shall explain how Noteholders may appoint proxies or representatives, obtain voting certificates and use block voting instructions and the details of the time limits applicable. With respect to a virtual meeting, each such notice shall set out such other and further details as are required under paragraph 17.

## **5 Cancellation of a meeting**

A meeting that has been validly convened in accordance with paragraph 3 above may be cancelled by the person who convened such meeting by giving at least 3 days' notice (exclusive of the day on which the notice is given or deemed to be given and of the day of the meeting) to the Noteholders. Any meeting cancelled in accordance with this paragraph 5 shall be deemed not to have been convened.

## **6 Arrangements for Voting**

A Noteholder may, in accordance with the Rules, obtain a voting certificate in respect of Notes held by it for a meeting by requesting the relevant custodian of the Notes to block such Notes and then issue a voting certificate in respect of them.

## **7 Voting Certificates**

### **7.1** A voting certificate shall:

- (a) be a document in the English language;
- (b) be dated;
- (c) specify the meeting concerned and the serial numbers of the relevant Notes; and
- (d) entitle, and state that it entitles, its holder to attend and vote at that meeting in respect of those Notes.

### **7.2** Once the relevant custodian of the Notes has issued a voting certificate for a meeting in respect of a Note in accordance with the Rules, it shall not release the Note until either:

- (a) the meeting has been concluded; or
- (b) the voting certificate has been surrendered to the relevant custodian of the Notes.

## **8 Block Voting**

### **8.1** A block voting instruction shall:

- (a) be a document in the English language;
- (b) be dated;
- (c) specify the meeting concerned;
- (d) list the total number of Notes, distinguishing with regard to each resolution between those voting for and those voting against it;
- (e) certify that such list is in accordance with Notes deposited and directions received; and
- (f) appoint a named person (a "proxy") to vote at that meeting in respect of those Notes and in accordance with that list. A proxy need not be a Noteholder.

### **8.2** Once the custodian of the Notes has issued a block voting instruction for a meeting in respect of the votes attributable to any Notes:

- (a) it shall not unblock the Notes, except as provided in paragraph 8.3, until the meeting has been concluded; and

- (b) the directions to which it gives effect may not be revoked or altered during the 48 hours before the time fixed for the meeting.

**8.3** If a request for a voting certificate is made to the custodian of the Notes at least 48 hours before the time fixed for the meeting, the custodian shall unblock the Notes and exclude the votes attributable to such Notes from the block voting instruction.

**8.4** Each block voting instruction shall be deposited at least 24 hours before the time fixed for the meeting at such place as the Issuer shall designate or approve, and in default it shall not be valid unless the chairperson of the meeting decides otherwise before the meeting proceeds to business.

**8.5** A vote cast in accordance with a block voting instruction shall be valid even if it or any of the Noteholders' instructions pursuant to which it was executed has previously been revoked or amended, unless written intimation of such revocation or amendment is received from the custodian of the Notes by the Issuer at its registered office or by the chairperson of the meeting in each case at least 24 hours before the time fixed for the meeting.

## **9 Chairperson**

The chairperson of a meeting shall be the common representative if one has been appointed, or the chairperson designated by the Issuer for general shareholder meetings.

## **10 Attendance**

The following may attend and speak at a meeting:

- (a) Noteholders and agents;
- (b) the chairperson; and
- (c) the Issuer (through its legal representatives) and its financial and legal advisers.

No-one else may attend or speak.

## **11 Quorum and Adjournment**

**11.1** No business shall be transacted at a meeting unless a quorum is present at the commencement of business. If a quorum is not present within 15 minutes from the time initially fixed for the meeting, it shall, if convened on the requisition of Noteholders or if the Issuer agrees, be dissolved. In any other case it shall be adjourned until such date, not less than 14 nor more than 42 days later, and time and place as the chairperson may decide. If a quorum is not present within 15 minutes from the time fixed for a meeting so adjourned, the meeting shall be dissolved.

**11.2** One or more Noteholders or agents present in person shall be a quorum:

**11.2.1** in the cases marked "No minimum proportion" in the table below, whatever the proportion of the Notes which they represent; and

**11.2.2** in any other case, only if they represent the proportion of the outstanding Notes shown by the table below.

COLUMN 1	COLUMN 2	COLUMN 3
Purpose of meeting	Any meeting except one referred to in column 3	Meeting previously adjourned through want of a quorum
	Required proportion	Required proportion
To pass a special quorum resolution	Two-thirds	One-third
To pass any other Extraordinary Resolution	More than 50 per cent.	No minimum proportion
Any other purpose	10 per cent.	No minimum proportion

**11.3** The chairperson may with the consent of (and shall if directed by) a meeting adjourn the meeting from time to time and from place to place. Only business which could have been transacted at the original meeting may be transacted at a meeting adjourned in accordance with this paragraph or paragraph 11.1.

**11.4** At least 10 days' notice (exclusive of the day on which the notice is given and the day of the adjourned meeting) of a meeting adjourned through want of a quorum shall be given in the same manner as for an original meeting and that notice shall state the quorum required at the adjourned meeting. No notice need, however, otherwise be given of an adjourned meeting.

## **12 Voting**

**12.1** At a meeting which is held only as a physical meeting, each question submitted to such meeting shall be decided by a show of hands unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by the chairperson, the Issuer or one or more persons representing not less than 2 per cent. of the Notes outstanding.

**12.2** Unless a poll is demanded a declaration by the chairperson that a resolution has or has not been passed shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of or against it.

**12.3** If a poll is demanded, it shall be taken in such manner and (subject as provided below) either at once or after such adjournment as the chairperson directs. The result of the poll shall be deemed to be the resolution of the meeting at which it was demanded as at the date it was taken. A demand for a poll shall not prevent the meeting continuing for the transaction of business other than the question on which it has been demanded.

**12.4** A poll demanded on the election of a chairperson or on a question of adjournment shall be taken at once.

**12.5** On a show of hands every person who is present in person and who produces a Note or a voting certificate or is a proxy or representative has one vote. On a poll every such person has one vote in respect of each €1.00 in principal amount of Notes so produced or represented by the voting certificate so produced or for which he is a proxy or representative. Without prejudice to the obligations of proxies, a person entitled to more than one vote need

**12.6** In case of equality of votes the chairperson shall both on a show of hands and on a poll have a casting vote in addition to any other votes which he may have.

**12.7** At a virtual meeting, a resolution put to the vote of the meeting shall be decided on a poll in accordance with paragraph 19, and any such poll will be deemed to have been validly demanded at the time fixed for holding the meeting to which it relates.

### **13 Effect of a Resolution**

An Extraordinary Resolution shall be binding on all the Noteholders, whether or not present at the meeting and each of them shall be bound to give effect to it accordingly. The passing of such a resolution shall be conclusive evidence that the circumstances justify its being passed. The Issuer shall give notice of the passing of an Extraordinary Resolution to Noteholders within 14 days but failure to do so shall not invalidate the resolution.

### **14 Written Resolution**

**14.1** For the purpose of determining whether a Written Resolution has been validly passed, the Issuer shall be entitled to rely on consent or instructions given in writing directly to the Issuer (a) by accountholders in the clearing system(s) with entitlements to the Notes and/or, (b) where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A. or any other relevant alternative clearing system (the “**relevant clearing system**”) and, in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Noteholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document shall be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system in accordance with its usual procedures and in which the accountholder of a particular principal amount of the Notes is clearly identified together with the amount of such holding. The Issuer shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

**14.2** A Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Noteholders.

**14.3** A Written Resolution shall take effect as an Extraordinary Resolution. A Written Resolution will be binding on all Noteholders, whether or not they participated in such Written Resolution.

### **15 Minutes**

Minutes shall be made of all resolutions and proceedings at every meeting and, if purporting to be signed by the chairperson of that meeting or of the next succeeding meeting, shall be conclusive evidence of the matters in them. Until the contrary is proved every meeting for which minutes have been so made and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.



## **16 Inconsistency with Rules**

To the extent of any inconsistency between the foregoing paragraphs and the Rules, the Rules shall prevail.

### **Additional provisions applicable to Virtual Meetings**

- 17** The Issuer, in its sole discretion may decide to hold a virtual meeting and, in such case, shall provide details of the means for Noteholders or their proxies or representatives to attend and participate in the meeting, including the electronic platform to be used.
- 18** The Issuer or the chairperson in its sole discretion may make any arrangement and impose any requirement or restriction as is necessary to ensure the identification of those entitled to take part in the virtual meeting and the security of the electronic platform. All documentation that is required to be passed between persons present at the virtual meeting (in whatever capacity) shall be communicated by email.
- 19** All resolutions put to a virtual meeting shall be voted on by a poll in accordance with paragraphs 12.3-12.7 above (inclusive) and such poll votes may be cast by such means as the Issuer in its sole discretion considers appropriate for the purposes of the virtual meeting.
- 20** Persons seeking to attend or participate in a virtual meeting shall be responsible for ensuring that they have access to the facilities (including, without limitation, IT systems, equipment and connectivity) which are necessary to enable them to do so.
- 21** In determining whether persons are attending or participating in a virtual meeting, it is immaterial whether any two or more members attending it are in the same physical location as each other or how they are able to communicate with each other.
- 22** Two or more persons who are not in the same physical location as each other attend a virtual meeting if their circumstances are such that if they have (or were to have) rights to speak or vote at that meeting, they are (or would be) able to exercise them.
- 23** The Issuer in its sole discretion may make whatever arrangements they consider appropriate to enable those attending a virtual meeting to exercise their rights to speak or vote at it.
- 24** A person is able to exercise the right to speak at a virtual meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, as contemplated by the relevant provisions of this Schedule.
- 25** A person is able to exercise the right to vote at a virtual meeting when that person is able to vote, during the meeting, on resolutions put to the vote at the meeting.

**In witness** whereof this Instrument has been executed and delivered as a deed on the date stated at the beginning.

**NOVO BANCO, S.A.**

By:

By:

Authorised Signatory

Authorised Signatory