

**Terms of Reference of the Compliance Committee
of the General and Supervisory Board of Novo Banco, S.A.**

(Date of last update: 30th of March 2023)

The Compliance Committee and the General and Supervisory Board have approved the present Terms of Reference.

§ 1

Composition and Chairman

- (1) The Compliance Committee (the "**Committee**") consists of at least three members each of whom (including the **Chairman**) is elected by the General and Supervisory Board from among its members.
- (2) The chairman of the Committee (the "**Chairman**") must be an independent member, as defined in the Articles of Association of Novo Banco, S.A. (the "**Bank**").
- (3) Members of the Committee should have collectively appropriate knowledge, expertise and professional experience concerning compliance activities, such as with regard to anti-money laundering ("AML") and anti-bribery regulations, as well as a broad knowledge of the applicable laws, regulations, guidelines, and internal policies of the Bank.
- (4) Members of the Committee should have independence of mind, namely being capable of raising questions, having critical discussion, making their own sound, objective and independent decisions and judgments and, if so required, expressing dissenting views and challenging proposed decisions.

§ 2

Functions

- (1) The Committee shall have the functions set out in these Terms of Reference alongside with any others provided for by applicable law or regulations.
- (2) The Committee advises and supports the General and Supervisory Board in monitoring compliance matters of Novo Banco S.A., which will comprise the Bank and also, in accordance with applicable regulations, any of the following financial subsidiaries: BEST – Banco Electrónico de Serviço Total, S.A., Novo Banco dos Açores, S.A., GNB - Fundos Mobiliários – Sociedade Gestora de Organismos de Investimento Colectivo, S.A., GNB Real Estate – Sociedade Gestora de

Organismos de Investimento Coletivo, S.A., GNB Gestão de Patrimónios – Empresa de Investimentos S.A., GNB - Sociedade Gestora de Fundos de Pensões, S.A. and GNB – Gestão de Ativos, SGPS S.A.. Therefore, the matters and competences foreseen herein shall be exercised considering the Bank and the above-mentioned entities, in accordance with the applicable law and regulations and without prejudice to the responsibilities and competences of the relevant corporate bodies and committees of such entities.

(3) In particular, the Committee has the following tasks:

- a) monitoring compliance by the Bank, the members of its corporate bodies and its employees with legal and regulatory requirements, and the Bank's own internal policies, processes, rules and decisions in compliance areas such as, without limitation, anti-money laundering and terrorism financing prevention, market abuse, securities compliance, insider trading prevention, product governance, preparation, review and monitoring of lists and transactions, KYC procedures, anti-bribery regulation, whistleblowing, conflict of interests, transactions with related parties and complaints monitoring (without duplication of the tasks attributed to the Financial Affairs Committee (Audit));
- b) in particular regarding anti-money laundering and countering the financing of terrorism (“AML/CTF”) oversight:
 - i. be informed of the results of the business-wide AML/TF risk assessment;
 - ii. oversee and monitor the extent to which the AML/CFT policies and procedures are adequate and effective in light of the ML/TF risks to which the credit or financial institution is exposed and take appropriate steps to ensure remedial measures are taken where necessary;
 - iii. at least once a year, review the activity report of the AML/CFT compliance officer and obtain interim updates more frequently for activities that expose the credit or financial institution to higher ML/TF risks; and
 - iv. at least once a year, assess the effective functioning of the AML/CFT compliance function, including by taking into account the conclusions of any AML/CFT-related internal and/or external audits that may have been carried out, including with regard to the appropriateness of the human and technical resources allocated to the AML/CFT compliance officer.
- c) under the delegation of powers granted by the General and Supervisory

- Board, prior consenting and approving the related party transactions foreseen in Article 15 (7) of the Bank's bylaws and submitting them for ratification in the next General and Supervisory Board's meeting;
- d) regularly reviewing the Bank's business conduct and ethics policy to foster conduct on the part of employees that is exemplary in every way, both within and outside the Bank, and that such conduct is not merely in formal alignment with statutory requirements;
 - e) supporting, on request, the Risk Committee in monitoring and analyzing the legal and reputational risks that are material to the Bank. For this purpose, it advises the Executive Board of Directors on how to generate awareness of the importance of such risks (e.g. in the Bank's Code of Conduct, Policy of Conflicts of Interest or any other compliance policies);
 - f) assessing any material and relevant complaint ("*reclamações*") received by the Bank and preparing and submitting to the Financial Affairs Committee a report on the investigation, actions taken and the conclusions thereof;
 - g) preparing recommendations for decisions of the General and Supervisory Board on pursuing claims for damages or taking other measures against incumbent members or former members of the Executive Board of Directors;
 - h) perform the responsibilities to ensure the functional report of the Head of Compliance and monitoring the compliance function of the Bank.
- (4) In case the Executive Board of Directors decides, within its competence, not to follow or implement a recommendation made by the Committee, in the exercise of monitoring and review functions, in relation to the matters referred above, it shall forthwith inform the Committee accordingly and provide it with the grounds for such decision.
- (5) The Committee, the Financial Affairs (Audit) Committee and the Risk Committee coordinate their activities and work together regularly and – if required – on an ad hoc basis to ensure the necessary exchange of information to capture and assess all relevant risks for the performance of their tasks.
- (6) Reports concerning compliance matters are presented in the meetings of the Committee on a regular basis.
- (7) In performing its tasks, the Committee may draw on all resources which it deems appropriate and appoint and engage external advisors for advice or support on compliance related matters.

§ 3

Meeting procedures

- (1) The Committee shall approve an annual calendar of meetings, which shall provide for at least 6 (six) meetings, and provide prior opinion about the annual work program to be ultimately approved by the Executive Board of Directors.
- (2) The Committee shall meet as additional times as necessary, being called upon by a resolution adopted by the committee itself or by the Chair thereof.
- (3) The relevant documentation for each meeting (draft agenda, presentations, reports, past meeting minutes and other supporting documentation) shall be provided to the committee members, at least 2 (two) business days in advance of the meeting date, unless such deadline cannot be met due to reasons of urgency, duly approved by the Chairman, in which case the information shall be delivered to the directors as promptly as possible.

§ 4

Meetings and voting

- (1) Meetings of the Committee are convened by its Chairman or – if he/she is unavailable – by the Chairman of the General and Supervisory Board with an advance notice period of at least 14 (fourteen) days.
- (2) Unless otherwise expressly stipulated herein or in applicable law, the provisions in the Articles of Association and the Terms of Reference of the General and Supervisory Board shall apply accordingly to the Committee.
- (3) The Committee is quorate if at least three of its members participate in the meetings.
- (4) In case of a tie vote, the Chairman has a casting vote.

§5

Participation in meetings

- (1) The Chief Legal and Compliance Officer shall attend the meetings of the Committee unless the Chairman specifies otherwise from case to case and the Chairman of the Executive Board of Directors shall attend at request of the Chairman of the Committee.
- (2) The Chairman may allow other persons to attend the meetings of the Committee.
- (3) The Chairman of the Committee shall hold a closed session with the Head of

Compliance at least once per year.

§ 6

Right to information

The Committee is authorized to obtain, through its Chairman, information directly from the auditor of the Bank, the Executive Board of Directors and from senior managers of the Bank reporting directly to the Executive Board of Directors, in particular the Head of Compliance, the Head of Legal, the Head of Risk and the Head of Internal Audit.

§ 7

Representation

The Chairman or, if he/she is unavailable, the Chairman of the General and Supervisory Board, acts on behalf of the Committee.

§ 8

Reporting to the General and Supervisory Board

- (1) The Chairman reports regularly to the General and Supervisory Board on the work and decisions of the Committee and provide it with any appropriate information requested by such Board. In any case, it will immediately report to the General and Supervisory Board any important and / or urgent matter.
- (2) The Committee shall forthwith submit to the General and Supervisory Board, for its ratification, any decision taken in relation to the matter referred in § 2 (3) (c).

§ 9

Final provisions

- (1) The matters that are not regulated in the current Terms of Reference are governed by the general provisions foreseen in the General and Supervisory Board's Terms of Reference, as applicable.
- (2) A Portuguese version of these Terms of Reference will be prepared. In the event of any discrepancy between the English and the Portuguese versions, the English version shall prevail.
- (3) The Terms of Reference shall be revisited on a yearly basis. Every two years, a formal review process of these Terms of Reference shall be carried out. This formal review process shall be concluded by a resolution of the General and

Supervisory Board and of the Committee approving the relevant amendments to the Terms of Reference or concluding that no amendments required.
