

Policy on prevention, communication and resolution of conflicts of interest involving Related Parties

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1 Object

- a The Policy on the prevention, communication and resolution of conflicts of interest involving Related Parties, (hereinafter the "Policy"), aims to safeguard the interest of the Banco Finantia Group in situations of potential conflict of interest regarding the interests of persons or entities with the possibility of influencing, directly or indirectly, its management or of benefiting from specific acts of that management, and to allow the financial statements to show transactions with Related Parties.
- b The Conflict of Interest Policy regarding the financial intermediation activity carried out by Banco Finantia is set out in a separate document.
- c Banco Finantia will conduct transactions with Related Parties under market conditions, fully observing the internal control procedures in force in the institution and will promote compliance with this Policy by its branches and subsidiaries.

2 Definitions

- a **Banco Finantia:** comprises Banco Finantia, S.A. and its branch in Spain - Banco Finantia, S.A, Sucursal en España (hereinafter referred to as "Bank" or "Banco Finantia").
- b **Conflicts of Interest:** any situation that involves or may involve an overlapping of interests likely to compromise or prejudice the interests of Banco Finantia.
- c **Controlled Entity:** companies controlled, directly or indirectly, by Banco Finantia, under the terms of Article 21 of the Securities Code ("CVM").
- d **Banco Finantia Group:** Banco Finantia holds a full or majority interest in a number of companies, its subsidiaries, all of which together are hereinafter referred to as the "Group" or "Banco Finantia Group".
- e **Relevant Transaction:** any transaction, regardless of the legal form assumed, or Relevant act that has, or may come to have, as a consequence, directly or indirectly, independently or together with other transactions or Relevant acts that form a unit from a temporal or economic point of view, which implies:
 - The creation of an obligation, current or contingent, in the sphere of Banco Finantia or a Controlled Entity, of an amount greater than €100,000 (one hundred thousand euros);
 - The extinction of a legally protected right or interest, previously existing in the sphere of Banco Finantia or a Controlled Entity, of a value greater than €100,000 (one hundred thousand euros);
 - In general, any form of allocation or encumbrance of the assets of Banco Finantia or of a Controlled Entity, in an amount exceeding €100,000 (one hundred thousand euros);

- Any granting of credit to members of the management and supervisory bodies, companies or other legal entities directly or indirectly controlled by them or to holders of Qualifying Holdings, provided that such grant is subject to the prior opinion of the supervisory body and approval by a qualified majority of the members of the board of directors, under the terms of the General Framework of Credit Institutions and Financial Companies ("RGICSF"), in particular Articles 85 and 109.

f Members of the Governing Bodies: the members of the management and supervisory bodies of Banco Finantia.

g Related Parties:

- i Natural or legal person holding a Qualifying Holding in Banco Finantia and other persons or entities covered by the regime provided for in Article 109 of the RGICSF;
- ii Individuals who directly or indirectly control Banco Finantia;
- iii Members of the management and supervisory bodies of Banco Finantia or of companies that directly or indirectly control the Bank;
- iv Spouse, partner, relative or kin to the first degree of the natural persons referred to in the previous paragraphs; In the Branch, spouses or persons related by direct or collateral bloodline, by consanguinity or affinity, up to the Third degree of the Permanent Representatives.
- v Legal Person in which a member of the Bank's management or supervisory bodies, or their spouse, partner, relative or kin to the first degree, holds a Qualifying Holding, or in which they exercise a significant influence or hold senior management positions or management or supervisory functions;
- vi Persons or entities, including, in particular, large depositors, large creditors, large debtors, entities in which the institution has holdings, whose relationship with the institution potentially allows them to influence its management, in order to achieve a transaction relationship outside normal market conditions, meaning for this purpose:

a. Large Depositors: A natural or legal person who holds a deposit contract with the Bank or the Branch and who, together with other entities with which they are in a control or group relationship, holds a deposited amount that exceeds 10% of the total deposits on 31 December of the previous year;

b. Large Creditors: Individual or corporate entity that holds a loan granted to the Bank or to any entity with which it is in a control or group relationship, and that, together with other entities with which it is in a control or group relationship, has a group exposure the value of which exceeds 10% of the total consolidated liabilities at 31 December of the previous year;

c. Large Debtors: Individual or legal persons who are beneficiaries of loans granted by the Bank or by any entity with which it is in a controlling or group relationship, excluding eurozone sovereign issuers, which, together with other entities with which it is in a

controlling or group relationship, are beneficiaries of loans exceeding 10% of total consolidated assets, as at 31 December of the previous year.

vii Employees of the Bank or of another entity with which it has a controlling or group relationship who, by virtue of the functions performed, may potentially influence management to achieve a commercial relationship outside market conditions: for the purposes of this Policy, this includes Employees identified by the institution as Holders of Essential Functions (except when the relationship arises from an employment relationship).

viii Companies that are in a group or control relationship with Banco Finantia and companies that are in a group or control relationship with those;

h Other Transactions: any type of transaction that does not fall under the definition in paragraph c).

i Most Relevant Related Party: Related Party that directly or indirectly controls the Bank, provided it is not included in the consolidation perimeter;

j Qualifying Holding: the direct or indirect holding representing 10% or more of the company's share capital or voting rights.

3 Procedures for Relevant Transactions with Related Parties

a With the exception of the transactions and acts described in paragraph 5 a) of this Policy, if a Relevant Transaction is being considered, prepared or negotiated between Banco Finantia or a Controlled Entity and a Related Party, the heads of the transaction areas involved must immediately carry out a Relevant Transaction notice.

b The Relevant Transaction notice shall be addressed to the board of directors, the supervisory body, the Risk Department and the Compliance Department and includes, at least, the main information about the parties, object, term, guarantees and other relevant elements of the projected Relevant Transaction, allowing a full assessment of the interests involved and how it may affect the assets and the transaction plan of Banco Finantia or the Controlled Entity. The transaction area in question is responsible for filing the prior notice and the related documents in G:\Partes Relacionadas.

c The Risk Department and the Compliance Department shall issue a prompt and reasoned opinion on the projected Relevant Transaction.

d The board of directors, after receiving the opinions of the Risk Department and the Compliance Department, and after prior assessment by the supervisory body, shall decide on the proposed Relevant Transaction: (i) raising no objections; (ii) raising no objections, but imposing conditions; or (iii) raising objections.

- e** The approval of Relevant Transactions with Related Parties requires approval of the board of directors by a qualified majority of at least two thirds of the members of the board of directors. Members of the Governing Bodies that may have any conflict of interest in the transaction in question are barred from participating and voting in resolutions of the board of directors and in the assessment of the supervisory body.
- f** In the cases foreseen in (ii) of (d) above, the heads of the transaction units involved have the duty, after conclusion of the deal, to provide evidence that the conditions imposed by the board of directors have been observed. In the cases foreseen in (iii), the Relevant Transaction is considered rejected, not even being submitted to the approval of the competent body.
- g** Relevant Transactions with Most Relevant Related Parties that are approved by the board of directors are subject to resolution by the general meeting.
- h** The omission of the duties of prior notice of Relevant Transactions with Related Parties under the terms set out above, as well as the conclusion of transactions in relation to which objections have been raised, are considered a serious breach of duty.
- i** Relevant Transactions between Banco Finantia and Controlled Entities, between Controlled Entities, or between Banco Finantia, Controlled Entities and any Related Parties that are financial intermediaries and do not control Banco Finantia, follow only the procedures set out in paragraphs g, h, i and k of point 5, provided that these transactions do not impact the exposure of Banco Finantia or the Controlled Entities to the Related Parties concerned.

4 Procedures for Other Transactions

- a** With the exception of that described in paragraph 5(a), Other Transactions must be notified in advance to the Compliance Department.
- b** Any objection that the Compliance Department has to the aforementioned transactions will be subsequently communicated in a reasoned manner, to the Risks Department.
- c** In cases where there are reasoned objections from the Risks Department and/or the Compliance Department, it is the Compliance Department's responsibility to submit the transaction to the prior opinion of the supervisory body. After the prior opinion has been issued by the supervisory body, the executive directors may decide to proceed with the respective transaction, provided that the decision is duly substantiated.
- d** In the cases provided for in (c) above, if any of the managing directors or members of the supervisory body have a potential conflict of interest in the transaction, the transaction shall be submitted to the board of directors for decision, and the executive director concerned shall be barred from participating and voting on the resolution of the board of directors.

- e In any case, the terms and conditions under which transactions relating to Other Transactions have been contracted shall be sent to the supervisory body.

5 Other procedures

- a Related acts may be carried out such as: (i) opening of bank accounts (including demand deposits, term deposits and custody accounts); (ii) exclusive provision of the intermediation services of receipt, transmission and execution of orders for debt instruments (not held or issued by the Bank or Related Parties); and (iii) purchase of standard insurances between Banco Finantia and Controlled Entities, between Controlled Entities, or between Banco Finantia, Controlled Entities and Related Parties, and the setting of the respective fees shall follow the procedures set out in sub-paragraphs h, i, j, k and l of this Point.
- b The heads of the transaction units must inform, as soon as possible, the board of directors and the supervisory body of any facts, including, in particular, for this purpose, contracts and provision of services of any nature not falling within the concept of Relevant Transactions, which, with reasonable probability, may constitute or cause a conflict between their interests and the interest of Banco Finantia and/or the Controlled Entities.
- c The Members of the Governing Bodies, directors and other employees, consultants and agents who have, or may come to have, conflicts of interest, cannot interfere in the process of assessment and decision on the act in which they are directly or indirectly interested themselves, their spouses, or cohabiting partners, relatives or kin to the First degree, or companies or other collective entities that they directly or indirectly control, without prejudice to the duty to provide information and clarifications requested.
- d The Members of the Governing Bodies have cooperation duties in complying with this Policy, in particular in providing information on Relevant Transaction.
- e The Legal Department is responsible for ensuring the preparation and filing of the list of Related Parties, and, for this purpose: (i) requesting on a quarterly basis the Related Parties to confirm and/or update the information previously provided; (ii) inserting and updating the elements included in the list of Related Parties; (iii) submitting the list of Related Parties for approval by the board of directors and to the supervisory body; and (iv) filing the list of Related Parties in the network folder G:\Partes Relacionadas, for access by the Tax Department, Risk Department, Compliance Department and, in the Branch, the Technical Unit for Prevention (UTP), Risk Management and Taxes.
- f The list referred to in the preceding paragraph shall include, at least, the following fields for completion: name or company name of the Related Party, the tax identification number or corporate entity identification number or equivalent, and the respective percentage of all direct and indirect shareholdings, when applicable.

- g** The Compliance Department shall draw up and keep updated a list of situations in which conflicts of interest occurred and the way in which they were resolved and shall provide this list to the board of directors and to the supervisory body, whenever they request it.
- h** The Tax Department must monitor, with the support of the Accounting, Consolidation and Financial Information Department, that the transactions with Related Parties within the consolidation perimeter of Banco Finantia, S.A., were carried out according to market prices, in accordance with the Transfer Pricing Manual, and must send a report with the list of transactions carried out with Related Parties and with the analysis carried out, including the transactions not contemplated in the transfer pricing matrix, to the Risk Department, for assessment, and to the Compliance Department, for their awareness. The Risk Department must monitor, under the terms foreseen in the Risk Management Manual of Transactions with Related Parties, that the transactions with Related Parties outside the consolidation perimeter of Banco Finantia, S.A. were carried out with market prices, and that the credit concessions to Related Parties and comparable transactions are in compliance with Articles 85 and 109 of RGICSF.
- i** If it is impossible to define, with evidence, the market conditions applicable to a transaction, a process of comparability between the transaction in question and other similar transactions must be established, so as to avoid benefiting the Related Party relative to another entity that does not have this type of relationship with the Bank.
- j** The following control procedures are developed at the Branch: the UTP periodically enters into the system the data contained in the Related Parties list facilitated by the Legal Department. The Tax Department extracts and reviews the transactions carried out with related parties in accordance with the Transfer Pricing Manual of Banco Finantia S.A., Sucursal en España and sends the results of its analysis to the TAX Department, and the Risk Management Department checks that all other transactions with related parties have been carried out at market prices, sending the results of its analysis to the Permanent Representatives and the Bank's Risk Department.
- k** Whenever any abnormal situation related to transfer pricing is identified by the Tax Department, it must be immediately reported to the Risks Department, so that this department may issue an opinion, and to the Compliance Department for recording purposes.
- l** Whenever any abnormal situation is identified by the Risk Department related to transactions with Related Parties outside the consolidation perimeter of Banco Finantia, S.A., and with credit concessions and transactions comparable to the concession of credit to Related Parties, it must be communicated to the Compliance Department, for recording purposes.
- m** Every six months, a global report is drawn up by the Risk Department on the transactions carried out with Related Parties, inside and outside the consolidation perimeter, and a global opinion on them must be issued, which must be communicated to the supervisory and administrative bodies and to the Compliance Department.

- n Banco Finantia will disclose the information that is legally required on Related Parties, in particular the provisions of IAS 24 - International Accounting Standard.

6 Adoption, entry into force and amendments

This Policy and any subsequent amendments are approved by the board of directors, following the prior opinion of the supervisory body.

The Policy must be subject to periodic review at least every 2 years and should be disseminated internally to Employees via the intranet and published on the website by the Compliance Department.