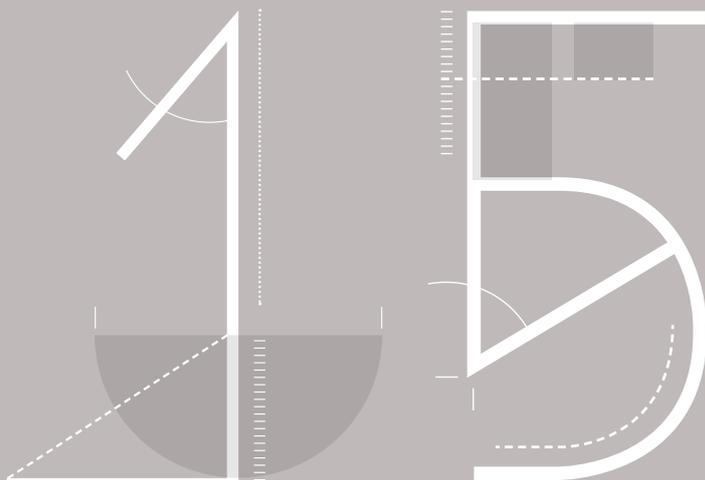




Montepio

CAIXA ECONÓMICA  
MONTEPIO GERAL

CORPORATE  
GOVERNANCE  
REPORT







# Montepio

CAIXA ECONÓMICA  
MONTEPIO GERAL

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## CORPORATE GOVERNANCE REPORT

# CONTENTS

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### Introduction

419

- 1. Introduction • 419
  - 2. Statutory Framework of the CEMG Group • 420
    - 2.1. Nature of Caixa Económica Montepio Geral • 420
    - 2.2. Participation Fund • 420
- 

### Part I - Information on Shareholder Structure, Organisation and Corporate Governance

422

- A. Shareholder Structure • 422
  - B. Corporate Bodies and Commissions • 424
  - C. Internal Organisation • 438
  - D. Remuneration • 441
  - E. Related Parties Transactions • 445
- 

### Part II - Corporate Governance Assessment

447

- 1. Identification of the Adopted Corporate Governance Code • 447
  - 2. Analysis of Compliance with the Corporate Governance Code • 447
  - 3. Other Information • 450
- 

### Annex I

451

### Annex II

458



# Introduction

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## 1. Introduction

Article 245-A of the Portuguese Securities Code, which is titled «Annual Information on Corporate Governance», imposes on issuers of shares admitted to trading on a regulated market the disclosure of information referred to therein on the structure and practices of corporate governance.

The application to CEMG of the aforementioned article 245-A and of the Regulation implementing said article is based on a double analogy, which imposes the placement of this entity under a legal regime designed for corporate type institutions wherein listed shares and the financial instruments representative of the participation fund are treated as identical.

The questionnaire to assess compliance with the mentioned obligations was designed in accordance with an orthodox model of corporate organisation, such that there are numerous cases in which the replies given are only understood within the framework of the nature of the CEMG and the units it has issued.

## 2. Statutory Framework of the CEMG Group

### 2.1. Nature of Caixa Económica Montepio Geral

Affiliated savings banks - type of savings bank which CEMG falls under - are the product of a long historical evolution which brought together the statutory rights solutions that surpassed statutory law and the latter which gradually consolidated and progressed towards these solutions. Setting aside the autonomous or independent savings banks that were close in nature to associative movements with a strong social solidarity motivation, or to corporate models and focusing on affiliated savings banks, we shall consider the contexts under which they were initially set up with a structure similar to undivided aggregations of assets. Such banks ended up obtaining the recognition of their legal personality, which set them apart from the founding entity, in spite of collaborating on the achievement of its objectives and collaborating closely with said entity in terms of organisation. These characteristics give savings banks, which were designated as affiliated, a nature similar to that of foundations.

They are foundations of a special nature, since their activity does not aim to benefit society, nor an extended number of people. Rather, its objective is to benefit the founder or, better said, contribute towards achieving its socially relevant objectives, and in this regard they are similar to some binding institutions of the old regime.

Savings banks, of the model which CEMG falls under, have no partners or associates. The associates of the institutions to which they are attached are not associates of the savings bank, nor are they entitled to receive profits or dividends from them, whose main recipient is the entity to which the savings bank is affiliated, with whom the holders of the units of the participation fund, who may not be associated to the latter, will compete.

It is true that Montepio Geral – Associação Mutualista (MGAM) is represented in the general meeting of CEMG, but not as a shareholder, since if this was the case it would be represented by a single person. It is represented by a set of its associates which during the meeting do not intervene as representatives of MGAM, but rather express their own and autonomous will, although they are duty bound not to pursue individual interests but to defend a collective institutional interest which is that of the mutual association. They are therefore trustees of a collective interest.

The results of the activity of CEMG are earmarked for the affiliated institution, in the present case MGAM, not as dividends but for the satisfaction of its institutional purposes.

All of this demonstrates the founding nature of the CEMG and the peculiarity of its legal status.

### 2.2 Participation Fund

The Participation Fund, governed by article 8 of the Articles of Association of CEMG, was incorporated in the statutory regulations in the reform that was concluded at the general meeting held on 6 September 1990. It was subsequently subject to changes in the law through the reform made in 2013, not having been subject to any subsequent amendments. Inspired by the participatory interests in Spanish savings banks and in the participation funds of the Italian savings banks, its origins in national statutory law lie in the partnership association (joint venture) contract, governed by Decree-Law No. 231/81 of 28 July.

In fact, the fundamental characteristics of the mentioned partnership association (joint venture) contract are laid down in article 8 of the Articles of Association, namely: i) association, without acquiring the status of partner, of a person to an economic activity undertaken by another, with the latter participating in the profits that result from that activity for the former, ii) participation of an associate or of various mutually independent associates, iii) contributions made by the associate to the assets of the associating party shall accrue to it, iv) possibility of the associate being a legal person.

This was the adopted model and not the model of equity securities provided for in Decree-Law 321/85 of 5 August, which could only be issued by public companies or public limited liability companies that are majority State-owned. The idea was to create, alongside the institutional capital, which could only be funded by contributions from MGAM, founder of CEMG, and by incorporation of reserves from CEMG itself, a source of capital inflow available for third parties, but from which MGAM would also not be excluded. By opening up CEMG's capital to contributions from the general public, some limitations were established concerning the holding of securities by third parties, namely the definition of a maximum subscription limit of 10% of the total participation units per holder, with exception of Private Social Solidarity Institutions, for which the established limit was 30%.

Holders of participation units of CEMG's Participation Fund are attributed a series of economic rights, namely:

- a) the right to receive an annual remuneration when, in view of sufficient net income, the General Meeting decides so based on the proposal of the Executive Board of Directors;
- ii) the right to reimbursement of the participation units in the case of dissolution of CEMG, receiving the final balance of the settlement with MGAM, after payment of all the other creditors, including those holding other subordinated credit, with MGAM being entitled to its proportional share of this balance, corresponding to the amount of institutional capital and to the holders of participation units the remaining part, divided among them in proportion to the participation units which they hold;
- iii) the right to have their participation in the Participation Fund increased, so as not to dilute the equity stake of each holder, in the event of any future institutional capital increases, whether by entry of new capital or by incorporation of reserves of CEMG.

# PART I – Information on Shareholder Structure, Organisation and Corporate Governance

## A. Shareholder Structure

### I. Capital Structure

**1. Capital structure (share capital, number of shares, distribution of the capital among the shareholders, etc.), including indication of the non-tradable shares, different categories of shares, their inherent rights and duties and percentage of share capital that each category represents (Art. 245-A, No. 1, sub-paragraph a))**

The capital of CEMG is divided between Institutional Capital, in the amount of 1,500,000,000 euros, as at 31 December 2015, fully paid in and allotted to Montepio Geral - Associação Mutualista, and the Participation Fund, in the amount of 400,000,000 euros, represented by 400,000,000 Participation Units, with a nominal value of 1 euro each, which are admitted to trading on Lisbon Euronext (ISIN Code: PTCMHUIM0015).

In accordance with article 6 of the Articles of Association of CEMG, the institutional capital and the Participation Fund are capital items and funds of CEMG. However, as specified in the introductory part (point 2. Statutory Framework of the CEMG Group), these Participation Units do not entitle their holders to any voting rights.

In 2016, the Institutional Capital of CEMG was reinforced by 270,000,000 euros, fully paid-in by Montepio Geral – Associação Mutualista, which came to 1,770,000,000 euros.

**Capital of CEMG**  
1,900 €Mn



**2. Restrictions to the transferability of the shares, such as clauses of consent for sale or limitations to the ownership of shares (Art. 245-A, No. 1, sub-paragraph b))**

The Public Subscription Offer for the Participation Fund resulted in the opening of the capital of CEMG to public investment, such that the Participation Units have, since 17 December 2013, been admitted to trading on a regulated market (NYSE Euronext Lisbon). This complex financial instrument is an (atypical) equity security, for the purposes of article 1, sub-paragraph g), of the Securities Code (Code SC).

The transfer of Participation Units, between accounts integrated in the CSD, are undertaken in conformity with the procedures for this purpose in force at Interbolsa. The initial and subsequent registrations in individual registries are made based on the written request from the transferor or through documents sufficient to prove the registration.

When the petitioner does not deliver any written document and this is not required to validate or to prove the transmission, the Financial Intermediary affiliated to Interbolsa, responsible for the registration, should provide a written note to justify the registration.

**3. Number of treasury shares, percentage of corresponding share capital and percentage of voting rights to which the treasury shares would correspond (Art. 245-A, No. 1, sub-paragraph a))**

CEMG held on 31 December 2015, through the subsidiary Montepio Investimento S.A., a total of 31,580,918 Units of the Participation Fund of CEMG, corresponding to 7.90% of the respective Participation Fund of CEMG.

It is important to point out that the Participation Units do not entitle their holders to any voting rights, as outlined in article 8 of the Articles of Association of CEMG and explained in the introductory part (point 2. Statutory Framework of the CEMG Group).

**4. Significant agreements of which the company is a party and which enter into force, able of being altered or that cease to be in force following a public tender offer, as well as the respective effects, unless, due to their nature, their disclosure would seriously harm the company, except if the company is specifically obliged to disclose this information due to other legal requirements (art. 245-A, No. 1, sub-paragraph j))**

The existence of such agreements are not allowed under the statutory framework of the CEMG Group, as specified in the introductory part (point 2. Statutory Framework of the CEMG Group) of this Report.

**5. System which is subject to renewal or repeal of defensive measures, particularly those which limit the number of votes which can be held or the exercising by a sole shareholder in an individual manner or jointly with other shareholders**

The existence of such agreements are not allowed under the statutory framework of the CEMG Group, as specified in the introductory part (point 2. Statutory Framework of the CEMG Group) of this Report.

**6. Shareholder agreements which the company is aware of and which could lead to restrictions regarding the transfer of securities or voting rights (art. 245-A, No. 1, sub-paragraph g))**

There are no shareholder agreements which CEMG is aware of.

## II. Shareholdings and Bonds Held

**7. Identification of natural or legal persons which, directly or indirectly, own qualified holdings (art. 245-A, No. 1, sub-paragraphs c) and d) and art. 16), with detailed information on the percentage of capital and attributable votes and the source and causes of such attribution.**

The institutional capital of CEMG is characterised as a capital endowment fund regarding which only Montepio Geral – Associação Mutualista has economic interests, as explained in the introductory part (point 2. Statutory Framework of the CEMG Group) of this Report.

However, following the public offer and admission to trading on a regulated market of the Units representing the Participation Fund of CEMG, it became subject to a specific legal regime and is now identified as a “publicly listed company”.

In this context, the list of holders of qualified holdings, relative to the units representing the Participation Fund of CEMG, with reference to 31 December 2015, is the following:

Ownership	PUs	% of total amount of issued PUs
Montepio Geral - Associação Mutualista	207,260,984	51.82
Montepio Investimento S.A.	31,580,918	7.90
Paulo Jorge Veríssimo Guilherme	13,387,968	3.35
Eurico Hélder Reis Sousa Brito	10,834,076	2.71

**Note:** Stakes bearing Units representing more than 2% of the Participation Fund of CEMG registered at the CSD.

It is important to point out that the Participation Units do not entitle their holders to any voting rights, as outlined in article 8 of the Articles of Association of CEMG and explained in the introductory part (point 2. Statutory Framework of the CEMG Group).

**8. Information on the number of shares and bonds held by members of the management and supervisory bodies**

Held on 31 December 2015	Quantity of PUs
<b>Executive Board of Directors</b>	
Luís Gabriel Moreira Maia Almeida	45,190
<b>General and Supervisory Board</b>	
Francisco José Fonseca da Silva	45,190
Fernando Lopes Ribeiro Mendes <sup>7</sup>	4,563
Vitor Manuel do Carmo Martins	4,563
António Fernando Menezes Rodrigues	4,563
Rui Pedro Brás de Matos Heitor	500

**9. Special powers of the management body, namely with regard to resolutions on share capital increases (art. 245-A, No. 1, sub-paragraph i)), with information on the resolutions referring to the date on which they were attributed, time limit until such competence may be exercised, maximum quantitative limit on share capital increase, amount already issued under the attribution of such powers and method of applying the powers attributed.**

In accordance with the Articles of Association of CEMG, the competence for deliberating on the increase of the institutional capital of an amount in excess of 1,500 million euros lies with the General Meeting, on a proposal from the Executive Board of Directors and based on a previous opinion from the General and Supervisory Board.

In accordance with the articles of association, deliberation on the issue of participation units representing the Participation Fund up to the amount equivalent to the institutional capital comes under the competence of the Executive Board of Directors, upon advice from the General Meeting.

## 10. Information on any significant business relationships between the holders of qualified holdings and the company.

Credit granted to owners of qualified holdings is monitored within the scope of art. 109 of the General Regime of Credit Institutions and Financial Companies.

As at 31 December 2015, the credit granted to the owners of qualified holdings, belonging to the Montepio Geral - Associação Mutualista Group, came to 138.7 million euros, influenced by the amount to be received from the sale of Montepio Seguros SGPS of 45 million euros, having been settled on 31 March 2016. Excluding this amount, credit granted came to 93.7 million euros. The financial statements show that there are no loans granted to natural persons holding qualifying stakes (Participation Units representing CEMG's Participation Fund), further identified in the table of point 7, as at 31 December 2015.

## B. Corporate Bodies and Commissions

### I. General Meeting

#### a) Composition of the Board of the General Meeting

##### 11. Details and position of the members of the Board of the General Meeting and respective term of office

Following the amendment to the Articles of Association of CEMG, undertaken in January 2013, the CEMG bodies elected for the three-year period 2013- 2015 were: the General Meeting; the General and Supervisory Board; the Executive Board of Directors; the Remuneration Committee and the Statutory Auditor.

The members of the Board of the General Meeting were reelected at the Extraordinary General Meeting held on 5 August 2015, for the term of office that ends on 31 December 2018:

Board of the General Meeting	
Chairman	Vítor José Melícias Lopes <sup>8</sup>
1st Secretary	António Dias Sequeira <sup>8</sup>
2nd Secretary	Maria Leonor Loureiro Gonçalves de Oliveira
Alternate	António Miguel Lino Gaio

In order to perform his duties, the Chairman of the Board of the General Meeting is provided with the necessary human and logistic resources, as well as the support of the Institution's General Secretariat's Office.

Another one of the changes is in regard to the inclusion of new institutional bodies, such as: the Remuneration Committee (which replaces the so-called Remuneration Commission), the Assessment Committee and the Risk Committee.

#### b) Exercising the right to vote

##### 12. Any restrictions on the right to vote, such as limitations on voting rights depending on ownership of a certain number or percentage of shares, deadlines for exercising voting rights or systems highlighting ownership rights (Art. 245-A, No. 1, sub-paragraph f)

In accordance with article 6 of the Articles of Association of CEMG, the institutional capital and the Participation Fund are capital items and funds of CEMG.

According to the Prospectus of the Public Offering for Subscription and Admission to Trading made available, at the time of the initial offer, to the potential subscribers of the Units of the Participation Fund of CEMG, "The Units do not entitle their holders to intervene in the CEMG bodies". As a result, Montepio Geral - Associação Mutualista, as the sole shareholder of the institutional capital of CEMG, holds the exclusive right to intervene in the previously mentioned institutional bodies of CEMG.

In the General Meeting of CEMG, voting rights are exercised in person, with each member having one vote, on the resolutions that deal exclusively with the issues included in the call notice and are adopted by simple majority, except in cases of resolutions on the reform of or alteration to the articles of association, merger, demerger, transformation, dissolution and other special cases provided for in article 15 of the Articles of Association.

##### 13. Indication of the maximum percentage of voting rights that may be exercised by a single shareholder or by a group of shareholders that are related to the latter as set forth in No. 1 of art. 20.

The existence of more shareholders is not allowed under the statutory framework of the CEMG Group, as specified in the introductory part (point 2. Statutory Framework of the CEMG Group) of this Report.

**14. Details of the shareholder decisions which, pursuant to the articles of association, can only be made by a qualified majority, in addition to those provided for by law, specifying these majorities**

In accordance with article 15, No. 2 of the Articles of Association of CEMG, the resolutions adopted at extraordinary meetings, implying increases in costs or decreases in revenues or with reference to the reform of or alteration to the Articles of Association, merger, demerger, dissolution and incorporation of or in Caixa Económica, or that authorise it to make demands on the members of the corporate bodies, are only valid if approved by two thirds of the votes of those present and their efficacy depends on ratification by the General Meeting of Montepio Geral. The same applies with reference to transformation projects, according to article 33 which makes reference to article 32.

In force since 2015, the governance model of CEMG, being a two-tier governance model, comprises the following bodies:

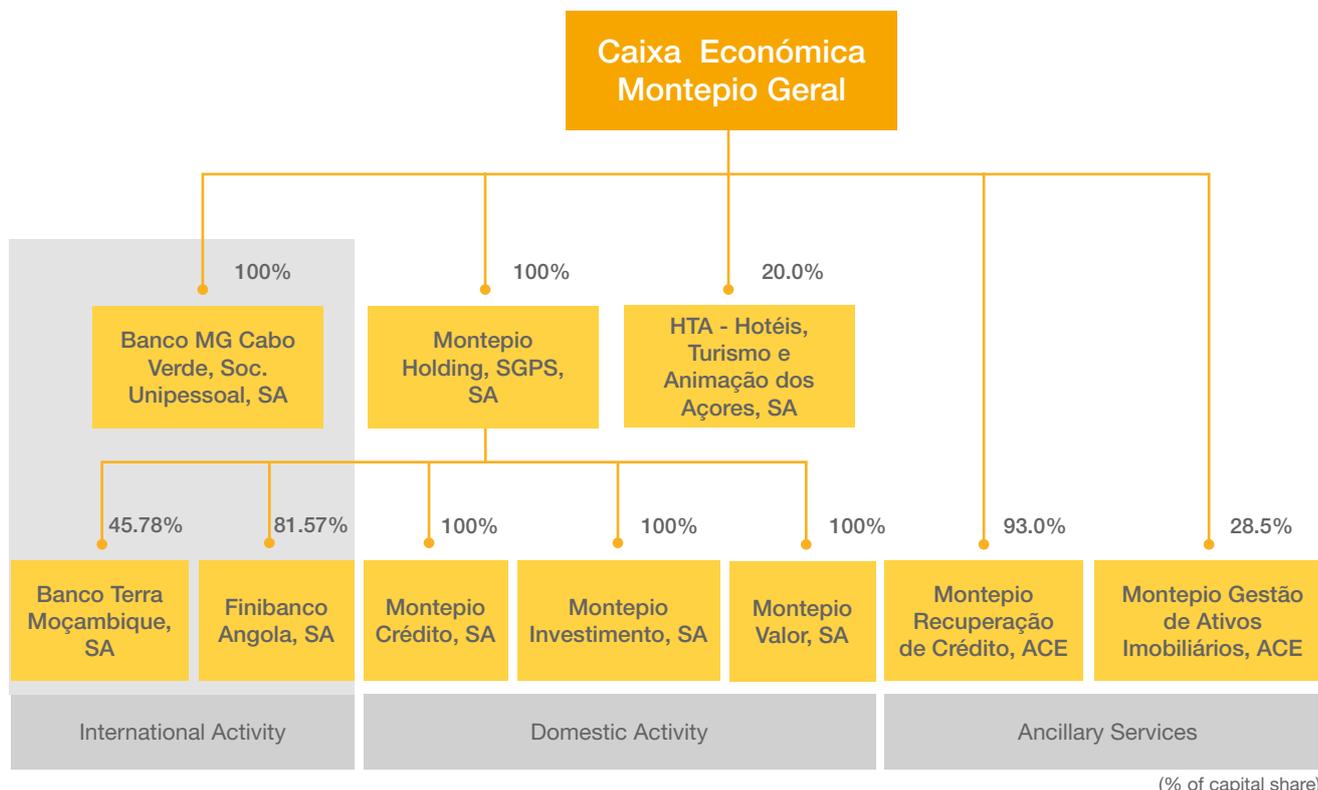
- a) The General Meeting;
- b) The General and Supervisory Board;
- c) The Executive Board of Directors;
- d) The Remuneration Committee;
- e) The Assessment Committee;
- f) The Risk Committee;
- g) The Statutory Auditor.

**II. Management and Supervision**

**a) Composition**

**15. Details of the adopted corporate governance model**

The CEMG Group is made up of the following companies, which have a group and/or controlling relationship with CEMG:



(% of capital share)

The governance model of CEMG may be presented in schematic terms as follows:

## General Meeting

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### General and Supervisory Board

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- Financial Affairs Committee
- Strategic Affairs Committee

### Executive Board of Directors

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- ALCO (Assets and Liabilities Committee)
- Internal Control Committee
- Business Committee
- Costs and Investments Committee
- Risk Committee
- Human Resources Committee
- Pension Fund Monitoring Commission
- Real Estate Risk Committee

### Remuneration Committee

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### Assessment Committee

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### Risks Committee

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### Statutory Auditor

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## 16. Articles of association rules on the procedural requirements and issues governing the appointment and replacement of members of the Executive Board of Directors and of the General and Supervisory Board

At the extraordinary General Meeting held on 19 February 2013, the Executive Board of Directors was elected for the three-year period 2013-2015.

Subsequently, at the General Meeting held on 30 April 2015, continued on 27 May 2015, the partial alteration of the articles of association of CEMG was approved, with the articles of association having been ratified at the General Meeting of Montepio Geral – Associação Mutualista held on 25 June 2015, in conformity with article 36, No. 8.

One of the key alterations introduced to the articles of association refers to the way in which the members of the bodies are elected. According to the new version of the articles of association, all the members of the governing bodies are elected at the General Meeting of the CEMG, i.e. all the members of the General and Supervisory Board are no longer ex-officio appointed.

As at 5 August 2015 and for the term of office that ends on 31 December 2018, the Executive Board of Directors and the General and Supervisory Board were elected.

According to the Articles of Association, the Executive Board of Directors (EBD) functions as a body, being able to deliberate provided the majority of its members is present. The EBD's resolutions are adopted by a majority of the members present, and the Chairman has a casting vote. It may also establish proxies to represent CEMG in any acts and contracts, defining the extent of their powers.

Prior to taking up office, the members of the Executive Board of Directors must become associates of Associação Mutualista (if they are not yet) and the number of members of the EBD can be altered by a qualified majority of two thirds of the General Meeting. It is also important to note that the candidates to membership of this body who, in addition to having to comply with some prior requirements defined in the Articles of Association and in the General Regime of Credit Institutions and Financial Companies, are subject to prior assessment by Banco de Portugal, must declare, in the application for membership, that they will terminate any functions considered incompatible with the performance of their duties.

Regarding the General and Supervisory Board, its members are elected at the General Meeting of CEMG, which also appoints the Chairman.

## 17. Composition of the General and Supervisory Board (GSB) and the Executive Board of Directors (EBD), specifying the minimum and maximum number of members, term of office, number of permanent members, inauguration date and end date of each member's term of office, in accordance with the articles of association.

The General and Supervisory Board is composed of 11 members elected at the General Meeting of CEMG, which also appoints the Chairman.

CEMG's Executive Board of Directors is composed of a Chairman and up to six members, with the Chairman being appointed by the General Meeting.

The members of the bodies of CEMG perform their duties for three-year periods, and may be elected for successive three-year terms, without prejudice to the legal limitations.

The table below presents the composition of the members of the General and Supervisory Board and the Executive Board of Directors with the statutory term of office, date of first appointment and date of end of mandate.

Members of the General and Supervisory Board			
Name	Position	Date of first appointment	Date of end of mandate
José de Almeida Serra	Chairman	2013-02-19	2015-10-01
Vítor José Melícias Lopes	Member	2013-02-19	2015-10-01
Eduardo José da Silva Farinha	Member	2013-02-19	2015-10-01
Carlos Vicente Morais Beato	Member	2013-02-19	2015-10-01
Álvaro João Duarte Pinto Correia	Member	2013-02-19	2015-10-01
Gabriel José dos Santos Fernandes	Member	2013-02-19	2015-10-01
Luísa Maria Xavier Machado	Member	2013-02-19	2015-11-30
Maria Manuela Silva	Member	2013-02-19	2015-10-01
António Gonçalves Ribeiro	Member	2013-02-19	2015-10-01
Eugénio Óscar Garcia Rosa	Member	2013-02-19	2015-10-01

From 1 October 2015 onwards:

Members of the General and Supervisory Board			
Name	Position	Date of first appointment	Date of end of mandate
Álvaro João Duarte Pinto Correia	Chairman	2015-10-01	2018-12-31
Fernando Lopes Ribeiro Mendes <sup>9</sup>	Member	2015-10-01	2016-01-06
António Fernando Menezes Rodrigues	Member	2015-10-01	2018-12-31
José António Arez Romão	Member	2015-10-01	2018-12-31
Virgílio Manuel Boavista Lima <sup>9</sup>	Member	2015-10-01	2016-01-06
Vítor Manuel do Carmo Martins	Member	2015-10-01	2018-12-31
Francisco José Fonseca da Silva	Member	2015-10-01	2018-12-31
Acácio Jaime Liberado Mota Piloto	Member	2015-10-01	2018-12-31
Luís Eduardo H. Guimarães	Member	2015-10-01	2018-12-31
Luísa Maria Xavier Machado <sup>10</sup>	Member	2013-02-19	2018-12-31
Eugénio Óscar Garcia Rosa	Member	2015-10-01	2018-12-31

Members of the Executive Board of Directors			
Name	Position	Date of first appointment	Date of end of mandate
António Tomás Correia	Chairman	2008-05-01	2015-08-07
Jorge Humberto Barros Luís	Member	2013-02-19	2015-08-07
Pedro Miguel de Almeida Alves Ribeiro	Member	2013-02-19	2015-08-07
Fernando Paulo Pereira Magalhães	Member	2013-02-19	2015-08-07
João Carlos Martins da Cunha Neves (*)	Member	2014-12-10	2015-08-07

(\*) Re-elected at the Extraordinary General Meeting of 5 August 2015.

At the Extraordinary General Meeting held on 5 August 2015, the members of the Executive Board of Directors and of the General and Supervisory Board were elected for the term of office that ends on 31 December 2018, and took up duties on 7 August:

Members of the Executive Board of Directors			
Name	Position	Date of first appointment	Date of end of mandate
José Manuel Félix Morgado	Chairman	2015-08-07	2018-12-31
João Carlos Martins da Cunha Neves	Member	2014-12-10	2018-12-31
Luís Gabriel Moreira Maia Almeida	Member	2015-08-07	2018-12-31
Fernando Ferreira Santo	Member	2015-08-07	2018-12-31
João Belard da Fonseca Lopes Raimundo	Member	2015-08-07	2018-12-31
Jorge Manuel Viana de Azevedo Pinto Bravo	Member	2015-08-07	2018-12-31
Luís Miguel Resende de Jesus	Member	2015-08-07	2018-12-31

**18. Distinction between executive and non-executive members of the Board of Directors and, regarding the latter, identification of members who can be considered independent or, when applicable, identification of independent members of the General and Supervisory Board.**

All the members of the EBD of CEMG are executive members, none of whom are independent.

The independent members of the GSB are as follows:

Vítor Manuel do Carmo Martins  
Francisco José Fonseca da Silva  
Acácio Jaime Liberado Mota Piloto  
Luís Eduardo H. Guimarães  
Eugénio Óscar Garcia Rosa

**19. Professional qualifications and other relevant curricular information of each member of the General and Supervisory Board and Executive Board of Directors**

The *curricula* of each of the members referred to is presented in Annex I of this Report.

**20. Regular and significant family, professional or business relationships of members of the General and Supervisory Board and Executive Board of Directors with shareholders that are assigned qualified holdings that are greater than 2% of the voting rights.**

The existence of family, professional or business relationships with shareholders that are assigned qualified holdings that are greater than 2% of the voting rights, due to the foundational nature of the institutional capital, is not allowed under the statutory framework of the CEMG Group, as specified in the introductory

<sup>9</sup> Resigned from the position taking effect from 6 January 2016.

<sup>10</sup> Replaced by Rui Pedro Brás de Matos Heitor on 1 December 2015.

part of this report (point 2. Statutory Framework of the CEMG Group). There are no family, professional or business relations, that are habitual and significant, among the members of the General and Supervisory Board and Executive Board of Directors and the holders of qualifying stakes in the Participation Fund, identified in point 7.

**21. Organisational charts or flowcharts concerning the allocation of powers between the various corporate bodies, committees and/or departments within the company, including information on the delegation of powers, particularly with regard to the delegation of the day-to-day management of the company**

The General and Supervisory Board (GSB) is responsible for:

- a) Playing an advisory role and ensuring the ongoing assessment of the Institution;
- b) Analysing the financial reporting documents and the minutes of the meetings of the Executive Board of Directors;
- c) Supervising the risk and financial reporting policies;
- d) Monitoring the financial performance and budget implementation;
- e) Analysing and discussing the reports of the external auditors;
- f) Controlling and ensuring the effectiveness of the internal audit function;
- g) Issuing an opinion on the Report and Accounts for the financial year to be submitted for deliberation at the General Meeting;
- h) Presenting the proposal of the Statutory Auditor for deliberation at the General Meeting;
- i) Providing an opinion on the action plan and budget;
- j) Controlling the non-conformities with the legal rules, Articles of Association and established policies.

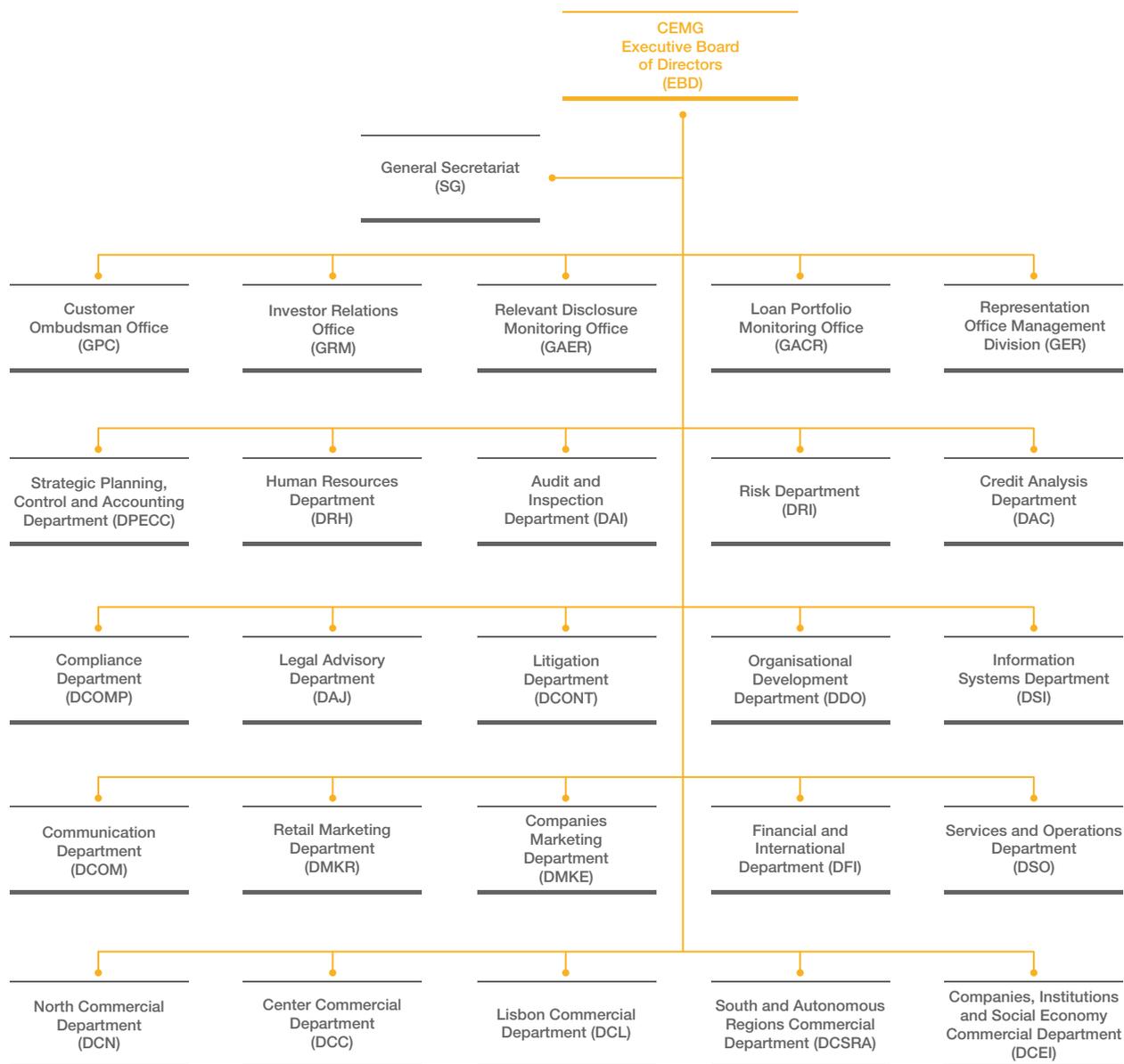
The Chairman of the GSB represents this body, namely in the relations with other institutional bodies, such as with the statutory auditor and the external auditor, in addition to convening and presiding over the meetings and ensuring the correct execution of its resolutions.

The Executive Board of Directors is the body responsible for the management of CEMG, and namely:

- Annually preparing the report and accounts for the financial year and the proposed distribution of net income;
- Preparing the proposed three-year Strategic Guidelines and their reviews to be submitted to the General Meeting, as well as the action plan and annual budget;
- Deliberating on the increase in institutional share capital and on the issue of securities representing units of the participation fund, within the limits set by the articles of association;
- Deliberating on the opening and closing of branches and of any other form of representation;
- Deliberating on the acquisition, disposal and encumbrance of immovable property;
- Setting, in general terms, the interest rates, commissions and prices for banking operations and provision of services.

The organisational model and the allocation of functions and duties between the different organic units is the responsibility of the EBD, which defines the organisational structure model and the allocation of functions between the various organic units. In turn, the organic units form first-line bodies, Divisions, Departments and Offices that report directly to the EBD.

Whenever necessary, adjustments are made to the organic structure, with the adaptations and improvements deemed essential.



The responsibilities of the organic units of CEMG and of subsidiary companies, where the members of the EBD of CEMG exercise supervision and/or perform duties as members of the respective management bodies, are distributed as follows:

**José Félix Morgado** (alternate: João Neves)

- Human Resources Department;
- Communication Department;
- Audit and Inspection Department;
- Compliance Department;
- Ombudsman Office;
- General Secretariat.

Subsidiary companies:

- Montepio Recuperação de Crédito, ACE;
- Finibanco Angola, SA;
- BTM, SA.

**João Neves** (alternate: João Lopes Raimundo)

- Financial and International Department;
- Strategic Planning, Control and Accounting Department;
- Investor Relations Office.

Subsidiary companies:

- Banco MG Cabo Verde, Soc. Unipessoal, SA;
- Montepio Holding SGPS, SA.

**Luís Almeida** (alternate: João Lopes Raimundo)

- North Commercial Department;
- Centre Commercial Department;
- Lisbon Commercial Department;
- South and Autonomous Regions Commercial Department;
- Retail Marketing Department;
- Representation Office Management Division;
- Loan Portfolio Monitoring Office.

Subsidiary companies:

- Montepio Crédito, Instituição Financeira de Crédito, SA.

**João Lopes Raimundo** (alternate: Luís Almeida)

- Companies, Institutions and Social Economy Commercial Department;
- Companies Marketing Department.

Subsidiary companies:

- Montepio Investimento, SA.

**Fernando Ferreira Santo** (alternate: Jorge Bravo)

- Legal Advisory Department;
- Litigation Department.

Subsidiary companies:

- Montepio Valor, SG Fundos de Investimento, SA;
- Montepio Gestão de Activos Imobiliários, ACE.

**Jorge Bravo** (alternate: Fernando Ferreira Santo)

- Services and Operations Department;
- Information Systems Department;
- Organisational Development Department.

**Luís Jesus** (alternate: João Neves)

- Risk Department;
- Credit Analysis Department;
- Relevant Disclosure Monitoring Office.

In turn, each area of responsibility has alternate members. Whenever an organic reorganisation occurs, responsibilities are redistributed.

The Remuneration Committee is composed of three members elected at the General Meeting, which also appoints the Chairman. The members of the Remuneration Committee should be independent from the members of the EBD of CEMG and, in general, from matters on which they deliberate and include at

least one member with knowledge and experience in matters of remuneration policy. The Remuneration Committee is responsible for the exercise of the functions defined by Law, in compliance with the remuneration policy approved at the General Meeting.

The Assessment Committee is composed of three independent members with powers for the exercise of the functions concerned, elected at the General Meeting, which also appoints the Chairman. The Evaluation Committee is responsible for the exercise of the functions related to the internal policy of selection and evaluation of the members of the corporate bodies.

The Risk Committee is composed of three members of the General and Supervisory Board elected for this function at the General Meeting, which also appoints the Chairman. The Risk Committee is responsible for the exercise of the functions defined by Law.

## b) Functioning

### **22. Availability and place where the rules on the functioning of the General and Supervisory Board and the Executive Board of Directors may be consulted.**

In addition to the provisions applicable under the law, the articles of association and regulations, all the activities undertaken by the Institution also comply with the resolutions of the governing bodies, internal rules, rules of conduct and ethical standards.

On the internal portal, Intranet, the Internal Standards, disclosed to all employees, contain an entire set of documents classified in accordance with objectives and corresponding contents, as well as a set of rules regarding professional and ethical uses. With reference to compliance with the prudential standards in force and the respective reporting periods for external entities, there are Internal Regulations with a view to ensuring compliance with the duty of information.

On the Institution's website [www.montepio.org](http://www.montepio.org), general information on CEMG can be consulted, including the regulations on the functioning of the General and Supervisory Board, the Strategic Affairs Committees and the Financial Affairs Committee.

### **23. Number of meetings held and the attendance report for each member of the General and Supervisory Board and the Executive Board of Directors.**

The Articles of Association of CEMG establish that the GSB must hold meetings at least once a month and, in addition, in accordance with its internal regulations, any time a meeting is convened by the Chairman or a

request for a meeting is made to the Chairman by any member for justified reasons.

During 2015, the GSB met fifteen times with the following attendance:

Members	Physical Attendance/ Total
<b>January to September</b>	
José de Almeida Serra	12/12
Eduardo José da Silva Farinha	12/12
Carlos Vicente Morais Beato	12/12
Vítor José Melícias Lopes	9/12
Álvaro João Duarte Pinto Correia	11/12
Gabriel José dos Santos Fernandes	12/12
Luísa Maria Xavier Machado	12/12
Maria Manuela Silva	11/12
Eugénio Óscar Garcia Rosa	10/12
António Gonçalves Ribeiro	12/12
<b>October to December</b>	
Álvaro João Duarte Pinto Correia	3/3
Fernando Lopes Ribeiro Mendes	3/3
António Fernando Menezes Rodrigues	2/3
José António Arez Romão	3/3
Virgílio Manuel Boavista Lima	3/3
Vítor Manuel do Carmo Martins	3/3
Francisco José Fonseca da Silva	2/3
Acácio Jaime Liberado Mota Piloto	2/3
Luís Eduardo Henriques Guimarães	2/3
Luísa Maria Xavier Machado	3/3
Eugénio Óscar Garcia Rosa	3/3

During 2015, the EBD met 102 times with the following attendance:

Members	Physical Attendance/ Total
<b>January to August</b>	
António Tomás Correia	64/66
Jorge Humberto Barros Luís	58/66
Pedro Miguel de Almeida Alves Ribeiro	58/66
Fernando Paulo Pereira Magalhães	63/66
João Carlos Martins da Cunha Neves	59/66
<b>August to December</b>	
José Manuel Félix Morgado	33/36
João Carlos Martins da Cunha Neves	34/36
Luís Gabriel Moreira Maia Almeida	36/36
Fernando Ferreira Santo	32/36
João Belard da Fonseca Lopes Raimundo	36/36
Jorge Manuel Viana de Azevedo Pinto Bravo	34/36
Luís Miguel Resende de Jesus	35/36

## 24. Details of the bodies which are competent to carry out the performance assessment of the executive directors

Without prejudice to the powers of the GSB, the body that is competent to carry out the performance assessment of the executive directors is the General Meeting. An Assessment Committee was created on 5 August 2015.

## 25. Pre-defined criteria for the assessment of the performance of the executive directors

The assessment of the performance of the management body, as well as the other members of the corporate bodies of CEMG, has been founded on a careful judgement criteria based on the experience of the actual institution, on the observation of what occurs in analogous entities, and in line with the global strategy of the Institution approved by the General Meeting.

The pre-determined criteria which cover the remuneration policy of members of the institutional bodies are subject to approval, in their broad outlines, by the General Meeting and then implemented by the Remuneration Committee elected by that same body. This internal selection and evaluation policy was approved at the General Meeting of 2015, in compliance with the:

- a) General Regime of Credit Institutions and Financial Companies;
- b) Legal System for Savings Banks, approved by Decree-Law No. 136/79, of 18 May, as amended;
- c) Companies Code, approved by Decree-Law No. 262/86, of 2 September, as amended;
- d) Guidelines of the European Banking Authority (EBA) GL44, of 27 September 2011, on the internal governance of the institutions, and EBA/GL/2012/06, of 22 November 2012, on the assessment of the suitability of members of the management and supervisory body and of those that perform essential functions.

The predetermined criteria to assess the performance of the executive directors are presented in point 69 and Annex II. This statement on the policy of remuneration of the management and supervision bodies policy describes the applicable remuneration status.

## 26. The availability of each member of the General and Supervisory Board and Executive Board of Directors, and details of the positions held simultaneously in other companies within and outside the Group, and other relevant activities undertaken by members of these boards throughout the financial year

The positions held by the EBD in subsidiary companies are described in detail in Annex I of this Report.

### c) Committees within the management or supervisory body and board delegates

#### 27. Details of the committees created within the General and Supervisory Board and the Executive Board of Directors

The GSB, within the scope of its competencies, appointed from among its members the Financial Affairs Committee and the Strategic Affairs Committee.

Within the Executive Board of Directors, with a view to supporting this body in the strategic management process of the Institution, eight Committees have been created:

COMMITTEE	Coordinator <sup>11</sup>	Members / Organic Units
Alco (Assets and Liabilities Committee)	João Carlos Martins da Cunha Neves	Executive Board of Directors; Strategic Planning, Control and Accounting Department <sup>12</sup> ; Risk Department; Financial and International Department; Audit and Inspection Department; Compliance Department.
Internal Control	José Manuel Félix Morgado	Executive Board of Directors; Audit and Inspection Department <sup>12</sup> ; Strategic Planning, Control and Accounting Department; Risk Department; Compliance Department; Organisational Development Department; Information Systems Department; Other non-permanent elements <sup>13</sup> .
Business	Luís Gabriel Moreira Maia Almeida	Executive Board of Directors; Retail Marketing Department <sup>12</sup> ; Companies Marketing Department; Information Systems Department; Strategic Planning, Control and Accounting Department; Organisational Development Department; Risk Department; Legal Advisory Department; Compliance Department.
Costs and Investments	Jorge Manuel Viana de Azevedo Pinto Bravo	Executive Board of Directors; Strategic Planning, Control and Accounting Department <sup>12</sup> ; Organisational Development Department; Other non-permanent elements <sup>14</sup> .
Risk	Luís Miguel Resende de Jesus	Executive Board of Directors; Risk Department <sup>12</sup> ; Strategic Planning, Control and Accounting Department; Credit Analysis Department; Relevant Disclosure Monitoring Office; Montepio Recuperação de Crédito, ACE; Other non-permanent elements <sup>15</sup> .
Human Resources	José Manuel Félix Morgado	Executive Board of Directors; Human Resources Department <sup>12</sup> ; Legal Advisory Department; Strategic Planning, Control and Accounting Department;
Monitoring of the Pension Fund	João Carlos Martins da Cunha Neves	Two Directors. (Risk area and Planning and Accounting area)
Real Estate Risk	Fernando Ferreira Santo	Executive Board of Directors; Montepio Gestão de Activos Imobiliários, ACE <sup>12</sup> ; Strategic Planning, Control and Accounting Department; Risk Department; Montepio Valor; Montepio Recuperação de Crédito, ACE.

<sup>11</sup> Member of the Executive Board of Directors with the respective area of responsibility.

<sup>12</sup> Secretary

<sup>13</sup> Representatives of the entities of the consolidation perimeter covered by the Internal Control System, according to the agenda of those meetings.

<sup>14</sup> Various Organic Units will, on a case by case basis, be called to each Committee according to the agenda that is defined.

<sup>15</sup> Commercial Directors and Financial and International Department.

The Support Committees are coordinated by a member of the EBD (Member with the respective area of responsibility) that promotes the Committee meetings deemed necessary, calling and chairing the meetings, as well as deciding on all the issues regarding its functioning. For each Committee a Secretary is appointed from among its members, who is responsible, under the guidance of the Coordinator, for scheduling and calling the meetings and circulating the respective agendas and documents for appreciation, preparing and presenting the minutes in each meeting, preparing and presenting the activity report of the Committee and other documents and assisting the Coordinator with whatever is requested.

## **28. Composition, if applicable, of the Executive Committee and/or details of the board delegates**

The existence of an Executive Committee is not allowed under the statutory framework in the CEMG Group, since the actual Board of Directors is only composed of executive members.

## **29. Description of the powers of each of the committees and summary of activities undertaken in exercising said powers**

### **Financial Affairs Committee**

The commissions providing support to the GSB allow this governing body to monitor the activity of the CEMG in an overall and multi-purpose manner: financial and strategic affairs.

The Financial Affairs Committee is responsible for, namely, and in accordance with its operating regulations, monitoring and assessing the internal procedures with reference to audit, internal control, risk control and accounting; monitoring the activity of the statutory auditor and the external auditor.

At these meetings, by invitation of the Financial Affairs Committee, the Heads of the CEMG for the Strategic Planning, Control and Accounting Department, and the Credit Analysis Department, the External Auditor and the Statutory Auditor attended on a regular basis.

This Committee established as a priority, in 2015, the monitoring of the activities of the EBD, the External Auditor and the Statutory Auditor, of the effectiveness of the Internal Control System and of the Risk Management System, and of the evolution of the loan portfolio.

### **Strategic Affairs Committee**

The Strategic Affairs Committee is responsible for, namely, and in accordance with its operating regulations, assessing the situation of CEMG within the

sectorial context; assessing the annual and pluriannual plans; monitoring the application of regulatory measures and the analysis of the prudential ratios.

In 2015, this Committee focused its activity on the updating of the supporting documentation to support the GSB.

The committees providing support to the EBD of the CEMG are structures under the latter, without decision-making competencies unless otherwise indicated, constituting themselves as forums of debate and to support decision-making, through the formulation of proposals and recommendations to the EBD, in the areas within its scope of intervention.

### **ALCO (Assets and Liabilities Committee)**

ALCO is responsible for monitoring the risk profile of CEMG, assessing the risk management strategy and policies, including those related to liquidity and capital management, in order to guarantee that these contribute towards the sustainability of CEMG in the medium and long-term, as well as for analysing the current and prospective behaviour of the results generated by the activity undertaken, with a view towards the identification of opportunities to optimise the balance sheet structure, the operating costs or the redefinition of the risk-return relationship. As a result of the actions undertaken in compliance with its duties, ALCO issues proposals or formulates recommendations for the EBD.

This Committee held 7 meetings in 2015.

### **Internal Control System**

The Internal Control System is responsible for formulating proposals or issuing recommendations to the EBD with a view towards the optimisation of the internal control system and the improvement of the operational risk levels and the implementation of the corrective or improvement measures in accordance with the schedule laid down. During 2015, the following functions of the Committee are noteworthy:

- Verifying the alignment of the internal control system with the strategy and policies of CEMG and that its compliance is ensured by the employees of the institution;
- Verifying if the internal control functions have sufficient and adequate material and human resources for the execution of their responsibilities;
- Assess if the organisational structure is based on a coherent, clear and objective definition of the competencies and responsibilities of each structural unit and/ or function, of the reporting lines and lines of authority;

- Monitor the implementation of the corrective or improvement measures identified by the internal control functions or by third parties;
- Monitor the operational risk profile of CEMG.

This committee has a bi-monthly periodicity.

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### Business Committee

The Business Committee has defined in its functions the development of new products and services and changes to existing products and services, as well as guaranteeing the operationalisation and marketing processes through the commercial networks. Since the competencies of this committee were reviewed in the last quarter of 2015, this monitoring body of the EBD has not initiated its activity.

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### Costs and Investments Committee

The competencies of the Costs and Investments Committee involve assessing, approving and monitoring cost optimisation and return on investment programmes, in conformity with the strategic objectives defined. The Committee intensified its operations in 2015, particularly in the last four months of the year, having outlined, together with the heads of all the institutional bodies, a plan of measures to reduce costs and investments to support the budgeting exercise. The Committee monitors costs and investments on a monthly basis, and optimises the contracts for the acquisition of those goods and services considered more relevant and presents proposals to the EBD, in order to obtain results according to the budgetary targets.

Since the end of December 2015, the Costs and Investments Committee has delegated powers of decision on costs and investments.

The Costs and Investments Committee held 36 meetings in 2015, 34 of which in the last four months of the year.

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### Risk Committee

The risk committee is responsible for evaluating the evolution of the overall risk profile to which CEMG is exposed, through the monitoring of various types of risk, and analysing the compatibility of risk exposure with the financial resources available and the strategies approved for the development of the activity, as well as analysing and following-up the policies, methodologies, models and quantification limits of the relevant risks for the activity of CEMG.

In this way, this committee also monitors the suitability of the governance models, processes and procedures, methodologies and systems of risk identification, quantification, monitoring and reporting. During 2015, this committee held 7 face-to-face sessions.

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### Human Resources Committee

The Human Resources Committee, within the scope of its functions, is responsible for the definition of the Human Resources policy, as well as the promotion of talent management, including the definition of the performance assessment, promotion and career plans system. It periodically assesses the levels of professional satisfaction of employees and defines the annual training plans of the operational areas. This monitoring body of the EBD has not initiated its activity.

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### Pension Fund Monitoring Commission

The Pension Fund Monitoring Commission is responsible for monitoring the management of the Pension Fund and issuing an opinion on any proposals to change the management policy in force at any given time.

Monitoring is undertaken at the level of its total liabilities, non-required or deferred liabilities, minimum liabilities to be financed, value of the pension fund assets, coverage of minimum and total liabilities, movements undertaken during periods of analysis and monitoring with an impact on the value of the fund (contributions to the Fund, actual return on assets, payment of pensions). The portfolio structure, return and benchmark by asset class is also monitored by this Commission.

The Pension Fund Monitoring Commission is permanently composed of two members of the Executive Board of Directors. Other heads of institutional bodies are called to participate in the Commission according to the subjects being considered. The Pension Fund Monitoring Commission held 1 meeting in 2015.

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### Real Estate Risk Committee

The real estate risk committee monitors the implementation of the “Plan to reduce the exposure to real estate risk”, assesses the strategy, organisation and management of the real estate business and promotes an effective link between the various structures involved and an integrated approach. At the same time, the committee monitors and analyses compliance with the guideline measures of the real estate business strategy, assesses the evolution of financial holdings in companies or

vehicles with underlying real estate assets and the incentive structure in real estate marketing, in terms of distribution channels, customers and products.

As a result of the actions and functions undertaken, the Real Estate Risk Committee is responsible for drafting proposals or issuing recommendations to the EBD of CEMG, with a view to promoting an optimised management of real estate risk in line with the defined general objectives. Said objective and duties were met in 2015, with the commission having acted in accordance with the principles underpinning its creation.

The Real Estate Risk Committee, set up in September 2015, has a quarterly periodicity and involves face-to-face meetings. The first meeting was held in December 2015 and the items on the agenda included: "Presentation on the evolution of the exposure to real estate risk until 2015, implemented strategy and results achieved; "Strategic objectives and guidelines for 2016-2018."

### III. SUPERVISION

#### a) Composition

#### 30. Details of the supervisory body representing the adopted model

According to the Institution's governance model, the General and Supervisory Board is the body responsible for the supervision, monitoring and counselling of the Institution's activity.

#### 31. Composition of the General and Supervisory Board or of the Financial Affairs Committee, specifying the minimum and maximum number of members, term of office, number of permanent members, inauguration date and end date of each member's term of office, in accordance with the articles of association. Reference may be made to the point of the report where this information is already provided, in accordance with No. 17

Regarding the composition of the GSB, see Part II - Management and Supervision, point 17.

With regards to the Financial Affairs Committee, composed of a minimum of three and a maximum of five Members, its members are designated by the GSB, and the respective terms of office have the same duration as the term of office of the General and Supervisory Board that appoints them (which in the current case is the three-year period in progress).

With regards to the Strategic Affairs Committee, composed of a minimum of three and a maximum of five elements, its members are also appointed by the General and Supervisory Board, and the respective terms of office coincide, in terms of duration, with the terms of office of the Board that appointed them.

The composition of each of the Committees is as follows:

#### COMPOSITION OF THE FINANCIAL AFFAIRS COMMITTEE

##### End of the term of office on 30 September 2015

Coordinator	Álvaro João Duarte Pinto Correia
	Gabriel José dos Santos Fernandes
	Luísa Maria Xavier Machado
	Eugénio Óscar Garcia Rosa

##### Starting duties on 1 October 2015

Coordinator	Virgílio Manuel Boavista Lima
	Vitor Manuel do Carmo Martins
	Eugénio Óscar Garcia Rosa

#### COMPOSITION OF THE STRATEGIC AFFAIRS COMMITTEE

##### End of the term of office on 30 September 2015

Coordinator	António Gonçalves Ribeiro
	Maria Manuela Silva
	Vitor José Melícias Lopes
	Carlos Vicente Morais Beato

#### 32. Details of the members of the General and Supervisory Board or the Financial Affairs Committee considered to be independent under the terms of art. 414, No. 5 of the Commercial Companies Code. Reference may be made to the point of the report where this information is already provided, in accordance with No. 18

Some members are independent, as noted in point 18.

#### 33. Professional qualifications of the members of the General and Supervisory Board or the Financial Affairs Committee and other relevant background information. Reference may be made to the point of the report where this information is already provided, in accordance with No. 21

The qualifications and curricula of the members of the GSB are presented in Annex I of this Report.

## b) Functioning

**34. Availability and place where the rules on the functioning of the General and Supervisory Board or of the Financial Affairs Committee may be consulted. Reference may be made to the point of the report where this information is already provided, in accordance with No. 22**

The Rules on the functioning of the GSB and the Committees is available for consultation on the website of the Institution ([www.montepio.org](http://www.montepio.org)).

**35. Number of meetings held and the attendance report for each member of the General and Supervisory Board and of the Financial Affairs Committee. Reference may be made to the point of the report where this information is already provided, in accordance with No. 23.**

During 2015, the GSB held fifteen meetings and the respective attendance is detailed in point 23 of this Report.

The Financial Affairs Committee held eighteen meetings and the respective attendance was 100%.

**36. Availability of each member of the General and Supervisory Board or of the Financial Affairs Committee, and details of the positions held at the same time in other companies within and outside the Group, and other relevant activities undertaken by members of these bodies throughout the financial year. Reference may be made to the point of the report where this information is already provided, in accordance with No. 26.**

This information is available in Annex I of this Report.

## c) Powers and duties

**37. Description of the procedures and criteria applicable to the intervention of the supervisory body for the purposes of hiring additional services from the external auditor**

The various audit services are hired under authorisation granted by the EBD, upon advice from the GSB.

**38. Other duties of the supervisory bodies and, if applicable, of the Financial Affairs Committee**

The GSB can also issue a prior opinion, when requested by the EBD, on any matter that is deemed

convenient and urgent. The Committees already mentioned in this Report are available to the GSB, which may, on the initiative of its Chairman, organise working groups for the analysis and supervision of specific matters.

The GSB is the supervisory body that controls and ensures the effectiveness of the internal audit function, its action plans and budget, and controls the non-conformities with the legal rules, Articles of Association and established policies, pursuant to article 20, No. 4, subparagraphs f) and i) of the Articles of Association of CEMG.

The Financial Affairs Committee is responsible for, namely, monitoring and assessing the internal audit, internal control, risk control and accounting procedures; monitoring the activity of the statutory auditor and of the external auditor and assessing the internal control, compliance, audit, certification of accounts reports and their presentation to the GSB, accompanied by the corresponding draft opinion.

In turn, the Strategic Affairs Committee assesses the situation of the Institution in the sectorial context and the hiring or expansion policies, among others.

## IV. STATUTORY AUDITOR

**39. Details of the statutory auditor and the partner that represents the same**

The Statutory Auditor of CEMG is KPMG & Associados – Sociedade de Revisores Oficiais de Contas, SA, represented by Jean-Éric Gaign, ROC No. 1013, until 30 December 2015.

At the Extraordinary General Meeting held on 30 December 2015, KPMG & Associados – Sociedade de Revisores Oficiais de Contas, SA, represented by Ana Cristina Soares Valente Dourado, ROC No. 1011, was elected for the term of office that ends on 31 December 2018.

**40. Indication of the number of years that the statutory auditor consecutively carries out duties with the Institution**

KPMG & Associados – SROC, S.A. has conducted the legal certification of accounts since 2002. At every three-year period, the term of office is assessed at the General Meeting of CEMG.

**41. Description of other services that the statutory auditor provides to the Institution**

KPMG & Associados – Sociedade de Revisores Oficiais de Contas, SA, as Statutory Auditor of CEMG performs the duties of external auditor at this Institution. The services provided in addition to the statutory auditor services are presented in point 47.

**V. EXTERNAL AUDITOR****42. Identification of the external auditor appointed for the purposes of art. 8 and the partner representing it in fulfilling these duties, including the respective CMVM registry number**

The Statutory Auditor of CEMG is KPMG & Associados – Sociedade de Revisores Oficiais de Contas, SA, represented by Jean-éric Gaign, ROC No. 1013, until 30 December 2015, and by Ana Cristina Soares Valente Dourado, ROC No. 1011, for the term of office that ends on 31 December 2018.

**43. Indication of the number of years that the external auditor and the partner representing it in fulfilling these duties have performed these duties consecutively for the company and/or group**

KPMG & Associados – SROC, SA, has conducted the legal certification of accounts at CEMG since 2002. At every three-year period, the term of office is assessed at the General Meeting of CEMG.

The statutory auditor, Ana Cristina Soares Valente Dourado, began duties on 30 December 2015 as a representative of KPMG & Associados, SROC, SA.

**44. Policy and frequency for rotating the external auditor and partner representing it in fulfilling these duties**

KPMG & Associados – Sociedade de Revisores Oficiais de Contas, SA has provided external audit services to CEMG under contracts for the provision of services since 2002. The provision of services by KPMG, governed by general terms and conditions, under a specific contract letter “Engagement Letter”, has been extended every year.

The representation of the Audit Firm has been changed, namely by the regular substitution of the Statutory Auditor, with the last change having taken place on 30 December 2015.

A policy of implementation of rotation of the external auditor is currently under appraisal in view of the parameters defined by the New Audit Guidelines.

**45. Indication of the body responsible for assessing the external auditor, and frequency of assessment**

The GSB is the body of CEMG that analyses and discusses the reports of the external auditors, controls and is responsible for the relations with the external audit. Within GSB it is the Financial Affairs Committee that, within the scope of its duties, monitors the activity of the external auditor, at least, on a quarterly basis.

**46. Details of works, other than auditing, carried out by the external auditor for the company and/or companies controlled by it, internal procedures for approving the hiring of these services and reasons for doing so**

The KPMG contracted services are provided functionally and hierarchically independent in relation to CEMG, in accordance with the applicable regulatory and professional standards.

The legal review of accounts and other reliability services account for approximately 71% of the remuneration attributed to KPMG & Associados, SROC, S.A.

Services other than legal review of accounts approved previously by the Executive Board of Directors include technical support services, namely for the interpretation and review of the necessary procedures for CEMG’s submission of an application to use the internal ratings based approach for purposes of calculation of solvency ratios.

**47. Details of the annual remuneration paid by the company and/or legal persons in a control or group relationship to the auditor and other natural or legal persons pertaining to the same network and the percentage breakdown relating to the following services (for the purposes of this information, the “network” concept results from European Commission Recommendation No. C (2002) 1873, of 16 May):**

During 2015, the fees charged by KPMG & Associados – SROC, SA, in relation to the services provided to the CEMG Group, mainly audit services, came to 3,680,101 euros, which are broken down in the table below:

Composition of the remuneration attributed to KPMG	AMOUNT (€)	%
<b>By CEMG</b>		
Legal accounts review services	940,000	25.5
Other guarantee and reliability services	1,189,500	32.3
Tax consultancy services	172,010	4.7
Services other than accounts legal review services	810,000	22.0
<b>Subtotal</b>	<b>3,111,510</b>	<b>84.5</b>
<b>By Group entities <sup>17</sup></b>		
Legal accounts review services	268,969	7.3
Other guarantee and reliability services	209,329	5.7
Tax consultancy services	62,293	1.7
Services other than accounts legal review services	28,000	0.8
<b>Subtotal</b>	<b>568,591</b>	<b>15.5</b>
<b>Total</b>	<b>3,680,101</b>	<b>100.0</b>

## C. INTERNAL ORGANISATION

### I. Articles of Association

#### 48. Rules applicable to the amendment of the articles of association of the company (art. 245-A, No. 1, sub-paragraph h))

Depending on the type of amendment to the articles of association, the favourable deliberation of the General Meeting or the simple deliberation of the EBD may be sufficient.

The Articles of Association of CEMG may only be amended in accordance with the provisions of chapter VIII, article 36 of said Articles of Association, whose requirements stem from CEMG's foundational and not corporate nature.

As such:

- If the General Meeting of Montepio Geral - Associação Mutualista approves by a majority of at least two thirds of the members present, the proposal presented, duly substantiated, a Committee composed of 5 members shall be elected to prepare the respective project or issue an opinion on the specific terms of the proposal.
- The project or opinion of the Committee shall then be submitted to the chairman of the Board of the General Meeting of CEMG within a maximum of three months, who will convene the extraordinary General Meeting within a period of no longer than one month.

- Once the process has been concluded, the General Meeting of CEMG will deliberate on the proposed amendment.

Following the conclusion of the process, the General Meeting of Montepio Geral - Associação Mutualista will ratify the approved amendments.

## II. Reporting of Irregularities

### 49. Means and policy for reporting irregularities at the company

CEMG reviewed its irregularities reporting policy, having defined a circuit whereby the reporting will be made directly to the supervisory body.

Irregularities refer to acts and omissions related to accounting organisation, management, and internal auditing showing solid evidence of infringement of duties set forth in applicable legislation, regulations, statutes and other rules in force; situations that may place the institution in a situation of financial imbalance, causing damage to customers or shareholders' assets, and reputational damage to the institution.

According to the abovementioned policy, employees that become aware of any irregularities and, in particular, by reason of their duties, namely in the areas covering internal audit, risk management or control of compliance with legal and regulatory obligations, have a duty to report them.

## III. Internal Control and Risk Management

### 50. Individuals, bodies or committees responsible for the internal audit and/or the implementation of the internal control systems

The EBD is responsible for the implementation and maintenance of an adequate and effective internal control system that guarantees the fulfilment of the performance, information and compliance objectives.

The GSB ensures that the EBD establishes and maintains an adequate and effective internal control, and that it ensures and controls the effectiveness of the internal audit function. For this purpose, it has a Financial Affairs Committee which, within the scope of its duties, monitors and assesses the internal audit, internal control, risk control and accounting procedures, and the respective reports and submits them to the GSB accompanied by the corresponding draft opinion.

The internal audit function is ensured by the Audit and Inspection Department and is an integral part of the monitoring of the internal control system process and, as the third line of defence, executes complementary autonomous assessments of the controls performed, identifying any deficiencies and recommendations, which are documented and reported to the management body. These situations are continually monitored by the internal audit function, in order to guarantee that the necessary measures are taken and managed adequately.

The Risk Management function is ensured by the Risk Department, which supports the EBD in decision making associated to the management of the different types of risk inherent to the activity, within the CEMG Group. As a second line of defence of the risk management structure, the Risk Department is responsible for the identification, quantification and monitoring of risk, the definition of limits and the assessment of its compliance. The organic statute of the Risk Department includes in its structure: the Global Risks Department, the Business Risks Department and the Risks Modelling Department, in accordance with the management of liquidity, market and interest rate risks and of solvency levels; the management of credit and operational risk; and the development of risk classification systems to support the credit analysis and decision and of its validation independently from the development function.

#### **51. Details, even if the organisational chart is included, of hierarchical and/or functional dependency in relation to other bodies or committees**

The internal audit, compliance and risk management functions depend hierarchically and functionally on the EBD under supervision of the GSB.

#### **52. Other functional areas responsible for risk control**

The Risk Committee, as a body provided for in the articles of association of CEMG, assumes with independence its responsibility in controlling the risks of the institution.

The Risk Committee of CEMG initiated its duties in October 2015, having undertaken three sessions during the year, in which specific focus was given to the monitoring of the liquidity and capital risk, credit risk, real estate risk and market risk. With the aim of correctly integrating its functions of monitoring

and control of the risk strategy of CEMG, namely through access to adequate information relative to the management and control of the different types of risk that the activity of CEMG is subject to, the Committee participated in some of the meetings of the supporting Committees of the EBD, namely of ALCO.

The Risk Committee also prepared and approved its Internal Regulation, a document that defines the duties and rules of functioning of this body of CEMG.

#### **53. Identification and description of the main economic, financial and legal risks to which the company is exposed during the exercise of its activity**

The main financial and non-financial risks of the activity of CEMG are:

- Credit – Associated with the degree of uncertainty of the expected returns as a result of the inability either of the borrower (and the guarantor, if any) or of the issuer of a security or of the counterparty to an agreement to fulfil their obligations.
- Market – Reflects the potential loss inherent in a given portfolio as a result of changes in rates (interest and exchange) and/or in the prices of the various financial instruments that make up the portfolio, considering both the correlations that exist between them as well as the respective volatility.
- Liquidity - Reflects the Group's inability to meet its obligations at maturity without incurring in significant losses resulting from the deterioration of the funding conditions (funding risk) and/or from the sale of its assets below market value (market liquidity risk).
- Real Estate - Results from possible negative impacts on the results or capital level of CEMG, due to oscillations in the market price of real estate assets.
- Operational – Understood to be the potential loss resulting from failures or inadequacies in internal procedures, persons or systems, and also the potential losses resulting from external events.

It should be noted that the risk monitoring and supervision system of CEMG also recognises other relevant non-financial risks to the activity of CEMG, with emphasis on reputational risk, legal risk and information systems risk.

#### 54. Description of the procedure for identification, assessment, monitoring, control and management of risks

In the Management Report, in a separate chapter ("Risk Management"), there is a detailed description of the principles, methodologies and instruments adopted in the management of the various risks.

#### 55. Core details on the internal control and risk management systems implemented in the Institution regarding the procedure for reporting financial information (art. 245-A, No. 1, subparagraph m))

The EBD is responsible for annually preparing the report and accounts for the year and the proposed distribution of net income, to be presented to the GSB and, with the opinion of the latter, submitted for appreciation at the General Meeting to be held until 31 May.

The Investor Relations Office supports the EBD in the fulfilment of its financial reporting duties.

The Statutory Auditor is responsible for issuing an opinion on the suitability and efficacy of the internal control system underlying the process involving the preparation and disclosure of the individual and consolidated financial information (financial reporting).

### IV. Investor Assistance

#### 56. Department responsible for investor assistance, composition, duties, information provided by said department and contact details

The mission of the Investor Relations Office of CEMG, the body that reports directly to the EBD of CEMG, is to ensure compliance with the duties of communication and provision of information to investors, rating agencies and the market in general, within the scope of the legal and regulatory obligations applicable to publicly traded companies.

Throughout 2015, in compliance with the duties of provision of information to investors and the market, the Investor Relations Office disclosed 147 press releases reporting relevant facts occurred in the CEMG Group.

Within the scope of the provision of financial information, the Investor Relations Office prepared 47 clarifications for investors or the press, and replied to institutions and rating agencies, having carried out 61 presentational presentations or presentations by conference call, which were attended by members of the Executive Board of Directors of CEMG.

The Investor Relations Office is composed of three full-time members, with suitable qualifications and experience in financial and regulatory affairs. In 2016, the team was strengthened with one more member.

All the public information on the CEMG Group may be requested from the Investor Relations Office, by:

- Telephone (+351 213 249 841),
- Email (investors@montepio.pt) or
- Post (Rua do Carmo, 42, 9.º A, 1200-094 Lisboa)

#### 57. Representative for market relations

Following the election of João Carlos Martins Cunha Neves as member of the Executive Board of Directors, Artur Jorge Correia Gama was appointed on 17 March 2015, in his stead, as the Representative for Investor Relations and for Relations with the CMVM.

#### 58. Data on the extent and deadline for replying to the requests for information received throughout the year or pending from previous years

Within the scope of its functions, the Investor Relations Office ensures a swift response to the requests for information made by holders of the Units of the Participation Fund of CEMG, rating agencies and investors in general.

The Investor Relations Office received and replied, during 2015, to a reduced number of internal and external requests for information that had a maximum response time of 3 days.

Within the scope of the Complaints Management Policy, the Ombudsman Office, in 2015, replied to 132 new complaints related with Financial Instruments (FI) and the Participation Fund of CEMG (PF), which represented 3% of the total volume of complaints, 1.2% of which were related with the Participation Fund of CEMG.

Based on the nature of the requests and the quantity of contributions to be obtained from the organic units of the CEMG Group, the average response time to the complaints related with FI and PF came to 16.5 days, with the fact that 42% of the processes were replied to within 8 days being noteworthy.

It is also important to mention that, with respect to the total number of complaints in 2015, the average response time of the Ombudsman Office came to 8.8 days, with 69% of the complaints having been replied to within 8 days.

## V. Internet Site

### 59. Address(es)

Information on the institution is available in both Portuguese and English on CEMG's Internet site, whose address is [www.montepio.org](http://www.montepio.org).

### 60. Place where information on the firm, public company status, registered office and other details referred to in article 171 of the Commercial Companies Code is available.

The Units of the Participation Fund of CEMG (ISIN PTCMHUIM0015) have been, since 17 December 2013, admitted to trading on a regulated market (NYSE Euronext Lisbon), which resulted in the opening of the capital of CEMG to public investment.

CEMG makes available information through the addresses [www.montepio.pt/Investidores](http://www.montepio.pt/Investidores) (version in Portuguese) and [www.montepio.pt/Investors](http://www.montepio.pt/Investors) (version in English), which is essential to ensure an adequate knowledge of its activity.

### 61. Place where the articles of association and regulations on the functioning of the bodies and/or committees are available.

This information may be consulted at the following address: [www.montepio.pt/SitePublico/pt\\_PT/institucional/grupo/sobre/governacao.page?altcode=900GOVERN](http://www.montepio.pt/SitePublico/pt_PT/institucional/grupo/sobre/governacao.page?altcode=900GOVERN)

### 62. Place where information is available on the identity of members of the corporate bodies, investor relations representative, investor support office or equivalent, their respective duties and contact details.

This information may be consulted at the following address:

[http://www.montepio.pt/SitePublico/en\\_GB/institucional/about/caixa-economica-montepio-geral/investor-relations.page?altcode=CEMGIREN01](http://www.montepio.pt/SitePublico/en_GB/institucional/about/caixa-economica-montepio-geral/investor-relations.page?altcode=CEMGIREN01)

### 63. Place where the documents relating to financial accounts reporting are available, and which should be accessible for at least five years, as well as the calendar on company events published at the start of each half-yearly period, including general meetings of shareholders and disclosure of annual, half-yearly and quarterly results, if applicable.

CEMG makes available information through the addresses [www.montepio.pt/Investidores](http://www.montepio.pt/Investidores) (version in Portuguese) and [www.montepio.pt/Investors](http://www.montepio.pt/Investors) (version in English), which is essential to ensure an adequate knowledge of its activity.

### 64. Place where the notice convening the general meeting and all the preparatory and subsequent information related thereto is disclosed.

This information may be consulted at the following address:

[https://www.montepio.pt/SitePublico/pt\\_PT/institucional/grupo/sobre/governacao/assembleias-gerais.page?altcode=AGERAIS](https://www.montepio.pt/SitePublico/pt_PT/institucional/grupo/sobre/governacao/assembleias-gerais.page?altcode=AGERAIS)

The convening notice and information included in the agenda are also disclosed in the area designated as "news".

### 65. Place where the historical archive on the resolutions passed at the company's General Meetings, represented share capital and voting results referring to the previous three years are available

This information may be consulted at the following address:

[https://www.montepio.pt/SitePublico/pt\\_PT/institucional/grupo/sobre/governacao/assembleias-gerais.page?altcode=AGERAIS](https://www.montepio.pt/SitePublico/pt_PT/institucional/grupo/sobre/governacao/assembleias-gerais.page?altcode=AGERAIS)

## D. REMUNERATION

### I. Power to Establish

#### 66. Details of the powers for establishing the remuneration of the corporate bodies, members of the executive committee or chief executive officer and directors of the company

The duties of the Remuneration Committee include presenting to the General Meeting a proposed update of the remuneration policy of the members of corporate bodies of CEMG, where appropriate, and the obligation to submit for approval to the General Meeting a declaration on the remuneration policy of the members of the management and supervisory bodies.

This Committee must be represented at the General Meeting by at least one of its members.

## II. Remuneration Committee

### 67. Composition of the Remuneration Committee, including identification of the natural or legal persons hired to give it support, and statement on the independence of each member and advisor.

The Remuneration Committee, elected at the General Meeting for the three-year period 2015-2018, is composed of the following members:

**Chairman:** Álvaro João Duarte Pinto Correia

**Voting Member:** Fernando Lopes Ribeiro Mendes <sup>18</sup>

**Voting Member:** José António Arez Romão

None of the members of the Committee is a member of the management body, his/her spouse, relative or related in line of descent until the third degree.

And, in accordance with the articles of association, the members of the Remuneration Committee are independent relative to members of the management body.

In addition, CEMG did not contract any natural or legal person to support the Remuneration Committee and neither did the Committee choose to do so.

### 68. Knowledge and experience of members of the Remuneration Committee regarding remuneration policy issues

The members of the Remuneration Committee have knowledge and experience in remuneration issues and hold or held management positions.

They have no employment, service provision, supply or credit contract with CEMG, with the exception of any credits for the purchase of private housing or for the payment of health expenses.

## III. Remuneration Structure

### 69. Description of the remuneration policy of the management and supervisory bodies referred to in article 2 of Law No. 28/2009, of 19 June

As a result of the amendment to the articles of association and the entry into force of the new corporate governance model of CEMG, the remuneration policy was drawn up for the three-year period 2013-2015, with its maintenance being reconfirmed, or not, each year.

The remuneration policy of the management and supervisory bodies is approved by the Remuneration Committee which presents, every year, for approval by the General Meeting, the “declaration on the remuneration policy”.

This Declaration thus constitutes a «mandate» conferred upon the Remuneration Committee to set the remunerations of the members of the management and supervisory bodies, as well as of the other bodies.

The “declaration relative to the remuneration policy of the members of the management and supervisory bodies relative to 2016”, to be submitted to the General Meeting of 5 May 2016, is presented in annex to this report (Annex II).

### 70. Information on how remuneration is structured so as to permit the alignment of the interests of the members of the management body with the long-term interests of the institution, and how it is based on the assessment of performance and discourages excessive risk taking

The remuneration policy is structured taking into consideration the objectives, structure and dimension of the Institution, nature of duties and market practices.

Remuneration consists of the following components:

- i. A fixed component paid on a monthly basis;
- ii. A variable component which may or may not be attributed.

These two remuneration components are based on objective and transparent criteria, consistent with the remuneration practice of the Institution and in keeping with the remuneration structure and chain of responsibilities, as well as compatible with national remuneration standards.

In addition to these two remuneration components, remuneration may be attributed in the form of subsistence expenses to be paid to the EBD in the same terms in which they are due to employees.

Although the payment of a variable remuneration to executive directors is provided for in the articles of association, the Institution has adopted a more restrictive policy, setting a maximum ceiling of variable remuneration dependent on the result of the individual performance appraisal and on the Institution’s performance, thus preventing excessive risk taking behaviour.

<sup>18</sup> Resignation from the position with effect from 6 January 2016

**71. Reference, where applicable, to there being a variable remuneration component and information on any impact of the performance appraisal on this component.**

The remuneration structure of the executive directors has, in addition to a fixed component, a possible variable component based on specific measurable criteria and predetermined assumptions.

This variable component, approved by the General Meeting following a proposal of the Remuneration Committee, may not exceed 20% of the respective annual fixed remuneration, may only be attributed in financial years in which CEMG has not posted any losses and shall be dependent on a multiannual assessment of the performance of each member.

The Remuneration Committee, with reference to the financial year of 2015, maintained its decision not to attribute any variable remuneration.

**72. Deferral of the payment of the variable remuneration component, mentioning the period of deferral**

When the General Meeting decides to attribute a variable remuneration amount to members of the EBD, 70% of that remuneration is deferred for a period of three years as of the date of the decision to attribute said remuneration.

**73. Criteria underlying the attribution of variable remuneration in shares as well as on the holding, by the executive directors, of the shares, on any signing of contracts relative to these shares, namely, hedging or risk transfer contracts, the respective limit, and their relation to the value of the annual total remuneration.**

The amount of the variable remuneration that is not subject to deferral is paid in cash, and the remaining value is paid in units of the Participation Fund of CEMG with reference to its nominal value on the date of the decision to attribute the variable remuneration, with no hedging or risk transfer contracts having been concluded.

**74. Criteria underlying the attribution of variable remuneration in options and indication of the deferral period and price for exercise of the option**

Due to the actual nature of the financial instrument, it cannot be placed in the statutory context of the CEMG Group, as specified in the introductory part (point 2. Statutory Framework of the CEMG Group) of this Report.

**75. The main parameters and grounds for any annual bonus scheme and any additional non-financial benefits**

No provisions have been made in the remuneration policy of CEMG for the existence of prizes, annual bonuses or non-financial benefit schemes.

**76. Main characteristics of the supplementary pension or early retirement schemes for directors and date when said schemes were approved at the general meeting, on an individual basis**

The members of the EBD are entitled to a retirement pension, by application, by analogy, of the regime in force for employment contracts.

The retirement conditions for Directors should be approved at the General Meeting. Members of the Executive Board of Directors, who are participants in CEMG's pension plan, managed by Futuro, S.A., are attributed a supplementary pension to the Social Security general arrangement.

**IV. Remuneration Disclosure**

**77. Indication of the amount relating to the annual remuneration paid as a whole and individually to members of the Institution's management bodies, including fixed and variable remuneration and as regards the latter, reference to the different components that comprise the same**

The remuneration earned by the members of the EBD, in 2015, was as follows:

	(euros)		
	Fixed	Variable	Total
	Remuneration	Remuneration	Remuneration
António Tomás Correia (*)			
Jorge Humberto Barros Luís	254,284.59		254,284.59
Pedro Miguel de Almeida Alves Ribeiro	254,284.59		254,284.59
Fernando Paulo Pereira Magalhães	254,284.59		254,284.59
João Carlos Martins da Cunha Neves	254,284.59		254,284.59

(\*) The remuneration of the Chairman of the Executive Board of Directors, in the amount of 447,924.67 euros, was paid exclusively by MGAM

After the new members of the EBD took up duties on 7 August:

	(euros)		
	Fixed Remuneration	Variable Remuneration	Total Remuneration
José Manuel Félix Morgado	159,023.00		159,023.00
João Carlos Martins da Cunha Neves	(a)		
Luís Gabriel Moreira Maia Almeida	100,446.50		100,446.50
Fernando Ferreira Santo	100,446.50		100,446.50
Jorge Manuel Viana de Azevedo Pinto Bravo	100,446.50		100,446.50
Luís Miguel Resende de Jesus	100,446.50		100,446.50
João Belard da Fonseca Lopes Raimundo	100,446.50		100,446.50

(a) Member of the EBD reelected on 5 August

### 78. Any amounts paid, for any reason whatsoever, by other companies in a control or group relationship, or that are subject to a common control

No remuneration is due for the exercise of duties in subsidiary companies, whether paid by said subsidiaries or by CEMG.

The members of the EBD that accumulate positions in entities integrated in the consolidation perimeter of the CEMG Group, or in which the latter owns a qualified holding, can earn an amount of not more than 10% of the monthly fixed remuneration.

### 79. Remuneration paid in the form of profit sharing and/or bonus payments and the reasons for said bonuses or profit sharing being awarded

In 2015, no variable remuneration was attributed.

### 80. Compensation paid or owed to former executive directors relative to their termination of office during the financial year

During 2015, indemnities to former directors are not payable and have not been paid.

### 81. Indication of the annual remuneration paid, as a whole and individually, to the members of the company's supervisory bodies for the purposes of Law no. 28/2009, of 19 June

The table below presents the remuneration earned by the previous General and Supervisory Board of CEMG, in office up to 1 October 2015, and by the current General and Supervisory Board elected in August 2015 and in office from 1 October 2015:

#### General and Supervisory Board (up to 1 October 2015)

José de Almeida Serra <sup>19</sup>	-
Eduardo José da Silva Farinha <sup>19</sup>	-
Álvaro Cordeiro Dâmaso <sup>19, 20</sup>	-
Vitor José Melícias Lopes	5,000
Carlos Morais Beato <sup>19</sup>	-
Álvaro João Duarte Pinto Correia	5,000
Gabriel José dos Santos Fernandes	5,000
Luísa Maria Xavier Machado	5,000
Maria Manuela da Silva	5,000
António Gonçalves Ribeiro	5,000
Eugénio Óscar Garcia Rosa	5,000

#### General and Supervisory Board (after 1 October 2015)

Álvaro João Duarte Pinto Correia	5,000
Fernando Lopes Ribeiro Mendes <sup>21</sup>	5,000
António Fernando Menezes Rodrigues	5,000
José António Arez Romão	5,000
Virgílio Manuel Boavista Lima <sup>21</sup>	5,000
Vitor Manuel do Carmo Martins	5,000
Francisco José Fonseca da Silva	5,000
Acácio Jaime Liberado Mota Piloto	5,000
Luís Eduardo Henriques Guimarães	5,000
Luísa Maria Xavier Machado <sup>22</sup>	5,000
Eugénio Óscar Garcia Rosa	5,000

The remuneration earned by the Statutory Auditor has already been referred to in point 46 and 47.

### 82. Indication of the remuneration in said year of the Chairman of the Board of the General Meeting

The Chairman of the Board of the General Meeting earned a total amount of 3,741.25 euros in 2015.

## V. Agreements with Remuneration Implications

### 83. Reference to the contractual restraints for compensation payable for unfair dismissal of a director and the relevance thereof to the variable component of the remuneration

Under the terms of the remuneration policy of the members of the EBD, in case of termination of office without just cause, the director is entitled to compensation, whose maximum value corresponds to the fixed monthly remunerations that he is currently earning from the date of dismissal until the end of the planned term of office.

<sup>19</sup> Not earning any remuneration as members of CEMG bodies, but as members of the Board of Directors of Montepio Geral – Associação Mutualista (MGAM).

<sup>20</sup> Resigned from office taking effect from 1 July 2014.

<sup>21</sup> Resigned from office following his election to the Board of Directors of MGAM, taking effect as of 6 January 2016.

<sup>22</sup> Replaced by Rui Pedro Brás de Matos Heitor on 1 December 2015.

**84. Reference to the existence and description, with indication of the amounts involved, of agreements between the company and members of the management body and directors, in observance of no. 3 of article 248-B of the Securities Market Code which establish compensation in the case of resignation, dismissal without fair grounds or termination of the work relation following a change of control of the company. (art. 245-A, No. 1, sub-paragraph I))**

There are no agreements with members of the board of directors or managers that envisage compensation in the event of resignation, unfair dismissal or termination of employment following a takeover bid.

## VI. Share-allocation or Stock Option Plans

**85. Identification of the plan and of the respective beneficiaries**

Is not allowed under the statutory framework of the CEMG Group, as specified in the introductory part (point 2. Statutory Framework of the CEMG Group) of this Report.

**86. Description of the plan (eligibility conditions, inalienability of shares clauses, criteria regarding share prices and the price for exercising options, time frame during which options can be exercised, characteristics of the shares or options to be attributed, existence of incentives to acquire shares and/or exercise options).**

Is not allowed under the statutory framework of the CEMG Group, as specified in the introductory part (point 2. Statutory Framework of the CEMG Group) of this Report.

**87. Option rights attributed for the acquisition of shares (stock options) regarding which the company's employees and workers are the beneficiaries.**

Is not allowed under the statutory framework of the CEMG Group, as specified in the introductory part (point 2. Statutory Framework of the CEMG Group) of this Report.

**88. Control mechanisms established for any system of participation of the workers in the share capital to the extent that voting rights are not exercised directly by them (art. 245-A, No. 1, sub-paragraph e))**

Is not allowed under the statutory framework of the CEMG Group, as specified in the introductory part (point 2. Statutory Framework of the CEMG Group) of this Report.

## E. Related Parties Transactions

### I. Control Mechanisms and Procedures

**89. Mechanisms implemented for the purpose of controlling transactions with related parties (for said purpose, reference is made to the concept resulting from IAS 24)**

The members of the management and supervisory bodies and the entities considered as related parties, i.e. entities and holders, directly or indirectly, of qualified holdings or with which they are in a control or group relationship under the terms of art. 20 of the Securities Code, are identified and marked in the records of the central system of the institution, with ongoing updating.

In addition to the applicable rules laid down by law, regulatory mechanisms and the articles of association for compliance with the relevant accounting standards, namely IAS 24, there are specific regulations relative to the concession of credit to owners of qualified holdings, complementary to the procedural rules for each type of credit and issuing of guarantees. These regulations define the specific procedures for processing the proposals relative to these operations, which includes the issuing of an opinion by the supervisory body - GSB - and the approval, by a qualified majority of at least two thirds, by the EBD.

These operations are monitored on a regular basis by the Risk Department, based on the monthly control reports.

**90. Details of transactions that were subject to control in 2015**

During 2015, the GSB assessed, under the terms of article 109 of the General Regime of Credit Institutions and Financial Companies, the transactions with reference to the concession of credit or review of the limits of exposure to related entities. All the credit operations and transactions were subject to control by the Risk Department.

Within the scope of article 85 of the General Regime of Credit Institutions and Financial Companies, during 2015, there were no significant economic transactions between the institution and members of the management and supervisory bodies.

**91. Description of the procedures and criteria applicable to the intervention of the supervisory body for the purposes of the prior evaluation of the business to be carried out between the institution and owners of the qualified holdings or entities which are in any relationship with it, under the terms of article 20 of the Securities Market Code**

Operations between the institution and owners of qualified holdings, or with entities with which they have a relationship, under the terms of article 20 of the Securities Code, must comply with specific procedures which requires the opinion of the GSB as mentioned in point 89. The opinion of the General and Supervisory Board is issued prior to the opinions of the Credit Analysis Department, the Commercial Departments involved and the Risk Department, mentioning the conformity with the legal and regulatory provisions and internal regulations, accompanied by information relative to the integrated exposures and the foreseeable trend.

## **II. Data on Business Deals**

**92. Details of the place where the financial accounts reporting documents including information on business deals with related parties are available, in accordance with IAS 24, or alternatively a copy of said data**

Note 54 of the notes to the financial statements of 2015 describes the overall amounts of assets, liabilities, net income and non-balance sheet liabilities relative to operations with related parties, in conformity with IAS 24.

## PART II – Corporate Governance Assessment

### 1. Identification of the Adopted Corporate Governance Code

This Corporate Governance Report reflects the governance structure followed by the Institution, directly associated to its organisational performance and in conformity with the governance principles and practices adopted by the Institution, in compliance with the Corporate Governance Code, of July 2013, available on the CMVM website, and with the recommendations of the CMVM.

In addition to the provisions applicable under the law, the articles of association and regulations, all the

activities undertaken also comply with the resolutions of the corporate bodies, internal rules, rules of conduct and ethical standards.

Lastly, it is important to point out that this document must be read as an integral part of the Annual Report relative to the financial year of 2015.

### 2. Analysis of Compliance with the Corporate Governance Code

Under the terms of article 245-A, No. 1, sub-paragraph o) the level of compliance with the recommendations of the Corporate Governance Code is presented:

RECOMMENDATIONS	Adopted	Not applicable	Reference in the Corporate Governance Report
<b>I. Voting and Corporate Control</b>			
I.1. Companies shall encourage shareholders to attend and vote at general meetings and shall not set an excessively large number of shares required for the entitlement of one vote, and implement the means necessary to exercise the right to vote by mail and electronically.		✓	Introduction, 2. Statutory Framework of the CEMG Group (Page 420)
I.2. Companies shall not adopt mechanisms that hinder the passing of resolutions by shareholders, including fixing a quorum for resolutions greater than that provided for by law.		✓	Introduction, 2. Statutory Framework of the CEMG Group (Page 420)
I.3. Companies shall not establish mechanisms intended to cause mismatching between the right to receive dividends or the subscription of new securities and the voting right of each common share, unless duly justified in terms of long-term interests of shareholders.		✓	Introduction, 2. Statutory Framework of the CEMG Group (Page 420)
I.4. The company's articles of association that provide for the restriction of the number of votes that may be held or exercised by a sole shareholder, either individually or in concert with other shareholders, shall also foresee for a resolution by the General Assembly (5 year intervals), on whether that statutory provision is to be amended or prevails – without super quorum requirements as to the one legally in force – and that in said resolution, all votes issued be counted, without applying said restriction.		✓	Introduction, 2. Statutory Framework of the CEMG Group (Page 420)
I.5. Measures that require payment or assumption of fees by the company in the event of change of control or change in the composition of the management body and that which appear likely to impair the free transfer of shares and free assessment by shareholders of the performance of management body members, shall not be adopted.		✓	Introduction, 2. Statutory Framework of the CEMG Group (Page 420)
<b>II. Supervision, Management and Oversight</b>			
<b>II.1. Supervision and Management</b>			
II.1. Within the limits established by law, and except for the small size of the company, the board of directors shall delegate the daily management of the company and said delegated powers shall be identified in the Annual Report on Corporate Governance.		✓	Introduction, 2. Statutory Framework of the CEMG Group (Page 420)
II.1.2. The Board of Directors shall ensure that the company acts in accordance with its objectives, and shall not delegate its responsibilities as regards the following: i) the definition of the strategy and general policies of the company; ii) the definition of the Group's business structure; iii) decisions which should be considered strategic due to their amount, risk or special characteristics.	✓		B. Corporate Bodies and Commissions, II. Management and Supervision - Point 21 (Page 428)
II.1.3. The General and Supervisory Board, in addition to its supervisory duties supervision, shall take full responsibility at corporate governance level, whereby through the statutory provision or by equivalent means, shall enshrine the requirement for this body to decide on the strategy and major policies of the company, the definition of the corporate structure of the Group and the decisions that shall be considered strategic due to the amount or risk involved. This body shall also assess compliance with the strategic plan and the implementation of key policies of the company.	✓		B. Corporate Bodies and Commissions, II. Management and Supervision - Point 21 (Page 428)

RECOMMENDATIONS	Adopted	Not applicable	Reference in the Corporate Governance Report
<p><b>II.1.4.</b> Unless as a result of the small size of the company, the Board of Directors and General and Supervisory Board, according to the adopted model, should create the committees which prove necessary for:</p> <p>a. Ensuring a competent and independent assessment of the performance of the executive directors and its own overall performance, as well as of other committees;</p> <p>b. Reflecting on the system structure and governance practices adopted, verify its efficiency and propose to the competent bodies, measures to be implemented with a view to their improvement.</p>	✓		B. Corporate Bodies and Commissions, II. Management and Supervision - Point 15 (Page 425) and Point 27 (Page 432)
<p><b>II.1.5.</b> The Board of Directors or the General and Supervisory Board, depending on the applicable model, should set goals in terms of risk-taking and create systems for their control to ensure that the risks effectively incurred are consistent with those goals.</p>	✓		C. Internal Organisation, III. Internal Control and Risk Management (Page 438)
<p><b>II.1.6.</b> The Board of Directors shall include a number of non-executive members ensuring effective monitoring, supervision and assessment of the activity of the remaining members of the management body.</p>		✓	Introduction, 2. Statutory Framework of the CEMG Group (Page 420)
<p><b>II.1.7.</b> Non-executive members shall include an appropriate number of independent members, taking into account the adopted governance model, the size of the company, its shareholder structure and the relevant free float. The independence of the members of the General and Supervisory Board and members of the Audit Committee shall be assessed as per the law in force. The other members of the Board of Directors are considered independent if the member is not associated with any specific group of interests in the company nor is under any circumstance likely to affect an expert analysis or decision, particularly due to:</p> <p>a. Having been an employee of the company or at a company holding a controlling or group relationship within the last three years;</p> <p>b. Having, in the past three years, provided services or established commercial relationship with the company or company with which it is in a control or group relationship, either directly or as a partner, board member, manager or director of a legal person;</p> <p>c. Being paid by the company or by a company with which it is in a control or group relationship besides the remuneration arising from the exercise of the functions of a board member;</p> <p>d. Living with a partner or a spouse, relative or any first degree next of kin and up to and including the third degree of collateral affinity of board members or natural persons that are direct and indirectly holders of qualifying holdings;</p> <p>e. Being a qualifying shareholder or representative of a qualifying shareholder.</p>		✓	Introduction, 2. Statutory Framework of the CEMG Group (Page 420)
<p><b>II.1.8.</b> When requested by other members of the governing bodies, the directors performing executive duties should provide, in due time and in a form appropriate to the request, any information requested by them.</p>	✓		B. Corporate Bodies and Commissions, II. Management and Supervision - Points 16 to 18 (Pages 426 and 427)
<p><b>II.1.9.</b> The Chair of the Executive Board or of the Executive Committee shall submit, as applicable, to the Chair of the Board of Directors, the Chair of the Supervisory Board, the Chair of the Audit Committee, the Chair of the General and Supervisory Board and the Chair of the Financial Affairs Committee, the convening notices and minutes of the relevant meetings.</p>	✓		B. Corporate Bodies and Commissions, II. Management and Supervision - Point 21 (Page 428)
<p><b>II.1.10.</b> If the chair of the board of directors carries out executive duties, said body shall appoint, from among its members, an independent member to ensure the coordination of the work of other non-executive members and the conditions so that these can make independent and informed decisions or to ensure the existence of an equivalent mechanism for such coordination.</p>		✓	Introduction, 2. Statutory Framework of the CEMG Group (Page 420)
<b>II.2. Supervision</b>			
<p><b>II.2.1.</b> Depending on the applicable model, the Chair of the Supervisory Board, the Audit Committee or the Financial Affairs Committee shall be independent in accordance with the applicable legal standard, and have the necessary skills to carry out their relevant duties.</p>	✓		B. Corporate Bodies and Commissions, II. Management and Supervision - Point 29 (Page 433)
<p><b>II.2.2.</b> The supervisory body shall be the main representative of the external auditor and the first recipient of the relevant reports, and is responsible, inter alia, for proposing the relevant remuneration and ensuring that the proper conditions for the provision of services are provided within the company.</p>	✓		B. Corporate Bodies and Commissions, III. Supervision - Point 37 (Page 436)
<p><b>II.2.3.</b> The supervisory body shall assess the external auditor on an annual basis and propose to the competent body its dismissal or termination of the contract as to the provision of their services when there is a valid basis for said dismissal.</p>	✓		B. Corporate Bodies and Commissions, V. External Auditor - Point 44 (Page 437)
<p><b>II.2.4.</b> The supervisory body shall assess the functioning of the internal control systems and risk management and propose adjustments as may be deemed necessary.</p>	✓		C. Internal Organisation, III. Internal Control and Risk Management - Point 50 (Page 438)
<p><b>II.2.5.</b> The Audit Committee, the General and Supervisory Board and the Supervisory Board decide on the work plans and resources concerning the internal audit services and services that ensure compliance with the rules applicable to the company (compliance services), and should be recipients of reports made by these services at least when it concerns matters related to accountability, identification or resolution of conflicts of interest and detection of potential improprieties.</p>	✓		C. Internal Organisation, II. Reporting of Irregularities - Point 49 (Page 438)

RECOMMENDATIONS	Adopted	Not applicable	Reference in the Corporate Governance Report
<b>II.3. Remuneration Setting</b>			
<b>II.3.1.</b> All members of the Remuneration Committee or equivalent should be independent from the executive board members and include at least one member with knowledge and experience in matters of remuneration policy.	✓		D. Remuneration, II. Remuneration Committee - Point 67 (Page 442)
<b>II.3.2.</b> Any natural or legal person that provides or has provided services in the past three years, to any structure that is directly responsible to the board of directors, the board of directors of the company itself or who has a current relationship with the company or consultant of the company, shall not be hired to assist the Remuneration Committee in the performance of their duties. This recommendation also applies to any natural or legal person that is related by employment contract or provision of services with the above.	✓		D. Remuneration, II. Remuneration Committee - Point 68 (Page 442)
<b>II.3.3.</b> A statement on the remuneration policy of the management and supervisory bodies referred to in article 2 of Law no. 28/2009 of 19 June, shall also contain the following:: a. Identification and details of the criteria for determining the remuneration paid to the members of the governing bodies; b. Information regarding the maximum potential, in individual terms, and the maximum potential, in aggregate form, to be paid to members of corporate bodies, and identify the circumstances whereby these maximum amounts may be payable; c. Information regarding the enforceability or unenforceability of payments for the dismissal or termination of appointment of board members.	✓		Annex II (Page 458)
<b>II.3.4.</b> Approval of plans for the allotment of shares and/or options to acquire shares or based on share price variation to board members shall be submitted to the General Meeting. The proposal shall contain all the necessary information in order to correctly assess said plan.		✓	Introduction, 2. Statutory Framework of the CEMG Group (Page 420)
<b>II.3.5.</b> Approval of any retirement benefit scheme established for members of corporate bodies shall be submitted to the General Meeting. The proposal shall contain all the necessary information in order to correctly assess said scheme.	✓		Annex II (Page 458)
<b>III. Remuneration</b>			
<b>III.1.</b> The remuneration of the executive members of the board shall be based on actual performance and shall discourage excessive risk-taking	✓		D. Remuneration, II. Remuneration Committee - Point 70 (Page 442)
<b>III.2.</b> The remuneration of non-executive board members and the remuneration of the members of the supervisory board shall not include any component whose value depends on the performance of the company or of its value.	✓		D. Remuneration, II. Remuneration Committee - Point 70 (Page 442)
<b>III.3.</b> The variable component of remuneration shall be reasonable overall in relation to the fixed component of the remuneration and maximum limits should be set for all components.	✓		D. Remuneration, II. Remuneration Committee - Point 70 (Page 442)
<b>III.4.</b> A significant part of the variable remuneration should be deferred for a period of not less than three years, and the right of way payment shall depend on the continued positive performance of the company during that period.	✓		D. Remuneration, II. Remuneration Committee - Point 70 (Page 442)
<b>III.5.</b> Members of the Board of Directors shall not enter into contracts with the company or with third parties which intend to mitigate the risk inherent to remuneration variability set by the company.	✓		D. Remuneration, IV. Remuneration Disclosure - Point 78 (Page 444)
<b>III.6.</b> Executive board members shall maintain the company's shares that were allotted by virtue of variable remuneration schemes, up to twice the value of the total annual remuneration, except for those that need to be sold for paying taxes on the gains of said shares, until the end of their term of office.	✓		D. Remuneration, III. Remuneration Structure (Page 442)
<b>III.7.</b> When the variable remuneration includes the allocation of options, the beginning of the exercise period shall be deferred for a period not less than three years.		✓	Introduction, 2. Statutory Framework of the CEMG Group (Page 420)
<b>III.8.</b> When the removal of a board member is not due to serious breach of their duties nor to their unfitness for the normal exercise of their functions but is yet due on inadequate performance, the company shall be endowed with the adequate and necessary legal instruments so that any damages or compensation, beyond that which is legally due, is unenforceable.	✓		D. Remuneration, IV. Remuneration Disclosure (Page 443)
<b>IV. Auditing</b>			
<b>IV.1.</b> The external auditor shall, within the scope of its duties, verify the implementation of remuneration policies and systems of the corporate bodies as well as the efficiency and effectiveness of the internal control mechanisms and report any shortcomings to the supervisory body of the company.	✓		D. Remuneration (Page 441)
<b>IV.2.</b> The company or any entity with which it maintains a control relationship shall not engage the external auditor or any entity with which it finds itself in a group relationship or that incorporates the same network, for services other than audit services. Where there are motives for the contracting of such services - which should be approved by the supervisory body and explained in its Annual Corporate Governance Report - they cannot represent a figure above 30% of the total value of the services provided to the company	✓		B. Corporate Bodies and Commissions, V. External Auditor - Point 46 (Page 437)

RECOMMENDATIONS	Adopted	Not applicable	Reference in the Corporate Governance Report
<b>IV.3.</b> Companies shall support auditor rotation after two or three terms whether four or three years, respectively. Its continuance beyond this period must be based on a specific opinion of the supervisory board that explicitly considers the conditions of the auditor's independence and the benefits and costs of its replacement.	✓		B. Corporate Bodies and Commissions, V. External Auditor - Point 44 (Page 437)
<b>V. Conflicts of Interest and Related Party Transactions</b>			
<b>V.1.</b> The company's business with holders of qualifying holdings or entities with which they are in any type of relationship pursuant to article 20 of the Portuguese Securities Code, shall be conducted during normal market conditions.	✓		E. Related Parties Transactions, I. Oversight Mechanisms and Procedures - Point 89 (Page 445)
<b>V.2.</b> The supervisory or oversight board shall establish procedures and criteria that are required to define the relevant level of significance of business with holders of qualifying holdings - or entities with which they are in any of the relationships described in no. 1 of article 20 of the Portuguese Securities Code - thus significant relevant business is dependent upon prior opinion of that body.	✓		E. Related Parties Transactions, I. Oversight Mechanisms and Procedures - Point 89 (Page 445)
<b>VI. Information</b>			
<b>VI.1.</b> Companies shall provide, via their websites in both the Portuguese and English languages, access to information on their progress as regards the economic, financial and governance state of play.	✓		E. Related Parties Transactions, II. Data on Business Deals - Point 92 (Page 446)
<b>VI.2.</b> Companies shall ensure the existence of an investor assistance and market liaison office, which responds to requests from investors in a timely fashion, and a record of the submitted requests and their processing shall be kept.	✓		C. Internal Organisation, IV. Investor Assistance (Page 440)

### 3. Other Information

With regards to other quantitative information and following the approval, by the Executive Board of Directors, of the remuneration policy of the "employees" that covers the senior managers that perform duties that can have an impact on the risk profile of the Institution, officers in control functions and other employees which, in remuneration terms, are assimilated to senior managers, the remunerations earned in 2015 by these employees is presented below:

Year 2015	
Number of Directors	23
Number of Assistant Directors	1
Number of Sub-Directors	1
Total Fixed Remuneration	2,920,943.87€
Total Variable Remuneration	0.00€
<b>Total Remuneration</b>	<b>2,920,943.87€</b>

This remuneration policy is the one that is applied to the Employees of Caixa Económica Montepio Geral in general and is based on the existence of remuneration composed of two components: a fixed component and a variable component.

The variable remuneration attributed to senior managers, and those that in remuneration terms are assimilated to them, complies with specific rules and limits.

## ANNEX I

### ACADEMIC QUALIFICATIONS AND POSITIONS HELD BY MEMBERS OF THE GENERAL AND SUPERVISORY BOARD AND OF THE EXECUTIVE BOARD OF DIRECTORS

#### General and Supervisory Board (Term of Office: 2013-2015)

##### José de Almeida Serra

###### Academic qualifications:

Licentiate Degree in Economics from ISCEF and post-graduation from the Massachusetts Institute of Technology

###### Professional activities performed over the last few years:

Member of the Board of Directors of Montepio Geral - since 2004;  
Chairman of the General and Supervisory Board of Caixa Económica Montepio Geral - since 6 May 2013.  
Positions held in subsidiary companies, as at 31 December 2014  
Chairman of the Board of Directors of Montepio Gestão de Ativos – SGFI, SA  
Chairman of the Board of Directors of Futuro – Soc. Gestora de Fundos de Pensões, SA  
Chairman of the Board of Directors of Lestinvest, SGPS, SA  
Chairman of the Board of Directors of Montepio Imóveis – Soc. Imobiliária de Serv. Auxiliares, SA  
Chairman of the Board of Directors of Montepio Gestão de Ativos Imobiliários, A.C.E.  
Member of the Remuneration Committee of SAGIES – Segurança, Higiene e Saúde no Trabalho, SA  
Member of the Remuneration Committee of Clínica CUF Belém, SA

##### Vitor José Melícias Lopes

###### Academic qualifications:

Licentiate Degree in Canon Law and Civil Law

###### Professional activities performed over the last few years:

Chairman of the Board of the General Meeting of Montepio Geral – since 2008;  
Chairman of the Board of the General Meeting of Caixa Económica Montepio Geral, as part of his functions - since 6 May 2013.

##### Eduardo José da Silva Farinha

###### Academic qualifications:

Licentiate Degree in Finance from ISCEF

###### Professional activities performed over the last few years:

Member of the Board of Directors of Montepio Geral - since 2004;  
Member of the General and Supervisory Board of Caixa Económica Montepio Geral, as part of his functions - since 6 May 2013.  
Positions held in subsidiary companies, as at 31 December 2014  
Chairman of the Board of the General Meeting of Montepio Gestão de Ativos – SGFI, SA  
Chairman of the Board of Directors of MG Investimentos Imobiliários, SA  
Chairman of the Board of Directors of Bolsimo – Gestão de Ativos, SA  
Chairman of the Board of Directors of Lusitania – Companhia de Seguros, SA  
Chairman of the Board of Directors of Lusitania Vida – Companhia de Seguros, SA  
Chairman of the Board of Directors of Montepio Seguros, SGPS, SA  
Voting Member of the Board of Directors of Clínica CUF Belém, SA  
Voting Member of the Board of Directors of Lestinvest, SGPS, SA  
Voting Member of the Board of Directors of SAGIES – Segurança, Higiene e Saúde no Trabalho, SA  
Chairman of the Remuneration Committee of Bolsimo – Gestão de Ativos, SA  
Member of the Remuneration Committee of Futuro – Soc. Gestora de Fundos de Pensões, SA  
Member of the Remuneration Committee of Montepio Valor – Soc. Gestora de Fundos de Investimento, SA  
Member of the Remuneration Committee of Montepio Gestão de Ativos, SGFI, SA

##### Carlos Vicente Morais Beato

###### Academic qualifications:

Licentiate Degree in Management from Instituto Superior de Gestão

###### Professional activities performed over the last few years:

Member of the Board of Directors of Montepio Geral - since 2013;  
Member of the General and Supervisory Board of Caixa Económica Montepio Geral, as part of his functions - since 6 May 2013.

Positions held in subsidiary companies, as at 31 December 2014

Chairman of the Board of Directors of Residências Montepio, Serviços de Saúde, SA

### **Álvaro João Duarte Pinto Correia**

Academic qualifications:

Civil Engineer

Professional activities performed over the last few years:

Chairman of the Supervisory Committee of Instituto de Seguros de Portugal (Portuguese Insurance Institute);  
Chairman of the Fundação Cidade de Lisboa (City of Lisbon Foundation);  
Chairman of the Supervisory Board of Montepio Geral - since 2013;  
Member of the General and Supervisory Board of Caixa Económica Montepio Geral, as part of his functions - since 6 May 2013.

### **Gabriel José dos Santos Fernandes**

Academic qualifications:

Licentiate Degree in Economics  
Statutory Auditor

Professional activities performed over the last few years:

Chairman of the Supervisory Board of Finangeste;  
Voting Member of the Supervisory Board of Montepio Geral - since 2007;  
Member of the General and Supervisory Board of Caixa Económica Montepio Geral, as part of his functions - since 6 May 2013.

### **Luísa Maria Xavier Machado**

Academic qualifications:

Licentiate Degree in Management

Professional activities performed over the last few years:

Head of the Budget and Control Department of Caixa Económica Montepio Geral – from 2010 to May 2014;  
Head of the Compliance Office since June 2014;  
Member of the Supervisory Board of Montepio Geral - since 2013;  
Member of the General and Supervisory Board of Caixa Económica Montepio Geral, as part of her functions - since 6 May 2013.

### **Maria Manuela Silva**

Academic qualifications:

Licentiate Degree in Economics

Professional activities performed over the last few years:

Member of the General Board of Montepio Geral - since 2007;  
Member of the General and Supervisory Board of Caixa Económica Montepio Geral, as part of her functions - since 6 May 2013.

### **António Gonçalves Ribeiro**

Academic qualifications:

Lieutenant General

Professional activities performed over the last few years:

Member of the General Board of Montepio Geral - since 2013;  
Member of the General and Supervisory Board of Caixa Económica Montepio Geral, as part of his functions - since 6 May 2013.

### **Eugénio Óscar Garcia Rosa**

Academic qualifications:

Licentiate Degree in Economics and PhD from ISEG

Professional activities performed over the last few years:

Member of the Research Office of CGTP-IN and of the Technical Office of the National Federation of Public Sector Trade Unions, representative of CGTP in the Monitoring Committees of the Human Potential and Competitiveness Factors Operational Programmes;  
Member of the General Board of Montepio Geral - since 2013;  
Member of the General and Supervisory Board of Caixa Económica Montepio Geral, as part of his functions - since 6 May 2013.

### **General and Supervisory Board (Term of Office: 2015-2018)**

#### **Álvaro Duarte Pinto Correia**

Academic qualifications:

Civil Engineer from Instituto Superior Técnico.

Professional activities performed over the last few years:

Director of Caixa Geral de Depósitos from March 1985 to February 2000.  
Chairman of the Board of Directors of Companhia de Seguros Fidelidade, SA from March 1992 to April 2000.  
Chairman of the Board of the General Meeting of the Portuguese Association of Insurers from March 1994 to March 2000.  
Chairman of the Supervisory Committee of ISP – Instituto de Seguros de Portugal since December 2004.

Chairman of the Supervisory Board of Montepio Geral since 2013.

Member of the General and Supervisory Board of Caixa Económica Montepio Geral since 6 May 2013.

### **Fernando Lopes Ribeiro Mendes (\*)**

#### Academic qualifications:

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PhD in Economic Sciences from Institut d'Etudes Politiques de Paris (1993).

Master's in Social Demography from Universidade Nova de Lisboa (1988) and licentiate degree in Economics from Universidade Técnica de Lisboa (1977).

#### Professional activities performed over the last few years:

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He has been Chairman of the Inatel Foundation since 2012 and Professor of the Management Department of Instituto Superior de Economia e Gestão da Universidade de Lisboa (ISEG) since 1995. Permanent member of the General Board of Associação Mutualista from 2012 to October 2015. Elected to the General and Supervisory Board of Caixa Económica Montepio Geral at the Extraordinary General Meeting held on 5 August 2015. Prior to that he held various positions and duties, namely: Chairman of the Committees to Evaluate Tenders from Public-Private Partnerships in the Health Care area (Hospitals of Cascais, Braga, Loures, Vila Franca de Xira and Centro de Medicina Física e de Reabilitação do Algarve - 2005-10); Expert at the DG Employment and Social Affairs of the European Commission (2008-12); State Secretary for Industry, Commerce and Services of the 14th Constitutional Government (2001-02); President of the Governing Board of the Instituto de Gestão Financeira e Patrimonial da Justiça [Justice Services' Financial and Asset Management Institute] (2000-01); State Secretary for Social Security of the 13th Constitutional Government (1995-99).

(\*) Resigned as member of the General and Supervisory Board following his election to the Board of Directors of MGAM.

### **António Fernando Menezes Rodrigues**

#### Academic qualifications:

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Business manager, attended the Finance course at Universidade Técnica de Lisboa.

#### Professional activities performed over the last few years:

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Has been, in the area of business associations, Chairman of ASFAC – Associação de Instituições de Crédito Especializado (Association of Specialised Credit Institutions) since 1991 and member of the Executive Committee of EUROFINAS – European Federation of Finance Houses Association.

In Mutual and Social associativism, he has been a member of the General Board of Montepio (AM) since 2003 and President of Leões de Portugal, IPSS since 2012.

He has been Chairman of the Supervisory Board of G.E. Capital, SGPS since 2012; Chairman of the General Board of ULTRA, SGPS since 2004 and Chairman of the Board of Directors of Realtransfer – Instituição de Pagamento, SA.

He was elected to the General and Supervisory Board of Caixa Económica Montepio Geral, at the Extraordinary General Meeting held on 5 August 2015.

### **José António Arez Romão**

#### Academic qualifications:

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Licentiate Degree in Law from the Faculty of Law of Lisbon in 1967, complementary training in Insurance Management at St. Gall Graduate School for Economics and at the Centre Européen pour la Formation Professionnelle dans l'Assurance – Paris.

#### Professional activities performed over the last few years:

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He previously held duties as Director at Mundial Confiança (1978-1986) and as Chief Executive Officer of Lusitania, Companhia de Seguros (1986-2012). He currently holds the following duties: Chairman of the Board of the General Meeting of Sociedade Gestora de Imóveis da Rua do Prior; Chairman of the Board of Directors of SPA - Sociedade Portuguesa de Administrações; Chief Executive Officer of SIQ - Sociedade Imobiliária da Quinta das Pedreiras, SA. He has been a member of the General Board of Montepio Geral - Associação Mutualista since 2014. Elected to the General and Supervisory Board of Caixa Económica Montepio Geral at the Extraordinary General Meeting held on 5 August 2015.

### **Virgílio Manuel Boavista Lima (\*)**

#### Academic qualifications:

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Licentiate Degree in Business Organisation and Management from ISE – Instituto Superior de Economia (currently ISEG – Instituto Superior de Economia e Gestão).

MBA and Master's in Management from ISEG - Instituto Superior de Economia e Gestão.

#### Professional activities performed over the last few years:

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Elected to the General and Supervisory Board of Caixa Económica Montepio Geral at the Extraordinary General Meeting held on 5 August 2015.

Voting member of the Board of Directors of Lusitania, Companhia de Seguros, SA since 2008, and Chairman of N Seguros, SA since 2010.

(\*) Resigned as member of the General and Supervisory Board following his election to the Board of Directors of MGAM.

### Vítor Manuel do Carmo Martins

#### Academic qualifications:

Licentiate Degree in Finance from ISCEF - Instituto Superior de Ciências Económicas e Financeiras (1973); Preparation Course for Statutory Auditors (1978); Courses of the Portuguese Institute of Statutory Auditors within the context of continuous training (1986 to 2015); Financial Accounting at Arthur Andersen & Co. Madrid (1973); Auditing at Hautes Études Commerciales em Jouy-en-Josas – France (1973); Analysis of Industrial Projects – I.P.E. (1980).

#### Professional activities performed over the last few years:

Statutory Auditor in companies operating in various sectors of economic activity, namely industrial, commercial, SPGS and financial (from 1983 to 2015). Elected to the General and Supervisory Board of Caixa Económica Montepio Geral at the Extraordinary General Meeting held on 5 August 2015.

### Francisco José Fonseca da Silva

#### Academic qualifications:

PhD from the University of Extremadura, Spain. Post-graduation in MBA from Universidade Lusíada de Lisboa; Post-graduation in European Studies, from the Faculty of Human Sciences of Universidade Católica Portuguesa; Licentiate Degree in Economics, from the Faculty of Economics of Universidade Nova de Lisboa.

#### Professional activities performed over the last few years:

He is currently Chairman of the Board of Directors of Food4Kings, SA. Elected to the General and Supervisory Board of Caixa Económica Montepio Geral at the Extraordinary General Meeting held on 5 August 2015.

### Acácio Jaime Liberado Mota Piloto

#### Academic qualifications:

Licentiate Degree in Law, from the Faculty of Law of Universidade de Lisboa. Holder of a scholarship from the Hanns Seidel Foundation, Munich, Post-graduation in Economic Law at Ludwig Maximilian University, Post-graduation in Community Competition Law at the Max Planck Institut (1984/1985). Insead Executive Program (1999).

#### Professional activities performed over the last few years:

Between 1988 and 2012 he worked for Banco Comercial Português (Millennium bcp), as General Director, having also performed, among others, the following duties: Chairman of AF Investimentos Fundos Mobiliários and AF Investimentos Fundos Imobiliários, 1996; Director of Millennium bcp Investimento from 2000 to 2010; Group Treasurer of Millennium bcp, 2006 to 2009; Director of Millennium Gestão de Activos from 2010 to 2012. He is currently non-executive Director and Member of the Nomination and Remuneration Committee of EDP Renováveis, S.A.. Elected to the General and Supervisory Board of Caixa Económica Montepio Geral at the Extraordinary General Meeting held on 5 August 2015.

### Lúis Eduardo H. Guimarães

#### Academic qualifications:

Licentiate Degree in Finance from Instituto Superior de Economia (ISCEF) of Universidade Técnica de Lisboa; Post-graduation in Corporate Finance from Universidade de Direito de Lisboa.

#### Professional activities performed over the last few years:

Performed the duties of Invited Lecturer at Instituto Superior de Economia; Manager Financial Controller (2nd VP) of The Chase Manhattan Bank; Financial Manager of Sofinloc - Soc. Leasing; Manager of Project Finance at Banco CISF; Financial Manager of Banco Investimento Imobiliário; Member of the Senior Management of BCP MILLENNIUM - Coordinator of the Corporate Network and Novarede; He is currently member of the Board of Directors of GENERG SGPS. Elected to the General and Supervisory Board of CEMG at the Extraordinary General Meeting held on 5 August 2015.

### Rui Pedro Brás de Matos Heitor

#### Academic qualifications:

Licentiate Degree in Law from the Faculty of Law of Universidade de Lisboa (2002). Completed the modules of the Post-graduation in Arbitrage at the Faculty of Law of Universidade Nova de Lisboa, namely Arbitration Agreement, Arbitration Court, Applicable Law, Arbitration Process, Arbitration Decision (2009).

#### Professional activities performed over the last few years:

Began his professional career at Montepio in 2005, where he worked as a lawyer in the Credit Recovery Department and Litigation Department of CEMG. Since 2012 he has been responsible for the Lawyers

Area of Montepio Recuperação de Crédito – ACE.  
Member of the General and Supervisory Board of Caixa Económica Montepio Geral, for the three-year period 2016-2018, as the representative of the workers of CEMG and elected by them.

### **Eugénio Óscar Garcia Rosa**

#### Academic qualifications:

Licentiate Degree in Economics from Instituto Superior de Economia e Gestão (1976); Post-graduation in Labour and Social Security Law (Universidade Nova de Lisboa 2005); Post-graduation in Insurance and Pension Fund Management (Instituto Superior de Economia e Gestão 1998); Master's in Multimedia Educational Communication (Open University 2000-2002); Master's in Communication, Culture and Information Technologies (ISCTE 2003-2005).

#### Professional activities performed over the last few years:

Member of the Board of Directors of the insurance company "Sagres" (2000-2008). Member of the General Board of Montepio (2006-2013). Consultant of CGTP-IN and of the National Federation of Public Administration Trade Unions, and representative on the community programmes POEFDS, POPH and Competitiveness Factors Operational Programme and on the Board of Directors of CEDEFOP (EU) from 2004 to 2013, having suspended the activity while he was a member of the Portuguese Parliament (2005 to 2008). Member of the General Board of Montepio Geral since 2013. Member of the General and Supervisory Board of Caixa Económica Montepio Geral since 6 May 2013.

### **Executive Board of Directors (Term of Office: 2013-2015)**

#### **António Tomás Correia**

#### Academic qualifications:

Licentiate Degree in Law from Universidade Clássica de Lisboa

#### Professional activities performed over the last few years:

Chairman of the Board of Directors of Montepio Geral - since 2008;  
Chairman of the Executive Board of Directors of Caixa Económica Montepio Geral - since 18 March 2013.  
Positions held in subsidiary companies, in December 2015  
Chairman of the Board of Directors of Finibanco Angola, SA  
Chairman of the Board of Directors of Montepio Holding, SGPS, SA  
Chairman of the Board of Directors of Montepio Investimento, SA  
Member of the Remuneration Committee of Montepio

Valor – Soc. Gestora de Fundos de Investimento, SA  
Member of the Remuneration Committee of Futuro – Soc. Gestora de Fundos de Pensões, SA  
Member of the Remuneration Committee of Montepio Gestão de Ativos, SGFI, SA

### **Jorge Humberto Barros Luís**

#### Academic qualifications:

Licentiate Degree in Economics from ISCEF

Master's in Economics (specialisation in Monetary and Financial Economics) from ISEG  
Advanced Management Program (AMP), Harvard Business School  
PhD in Economics from University of York

#### Professional activities performed over the last few years:

Manager of the Risk Department of Caixa Económica Montepio Geral from 2004 to 2013;  
Member of the Executive Board of Directors of Caixa Económica Montepio Geral - since 18 March 2013.  
Positions held in subsidiary companies, in December 2015  
Chairman of the Board of Directors of Montepio Valor – Soc. Gest.de Fundos de Investimento, SA  
Chairman of Montepio Crédito – Instituição Financeira de Crédito, SA  
Member of the Board of Directors of Montepio Holding, SGPS, SA  
Member of the Board of Directors of Montepio Gestão de Ativos Imobiliários, A.C.E.

### **Pedro Miguel de Almeida Alves Ribeiro**

#### Academic qualifications:

Licentiate Degree in Economics from the Faculty of Economics of Universidade de Coimbra  
PAGESF – Post-graduation from Universidade Católica de Lisboa

#### Professional activities performed over the last few years:

Director of Accenture – 2001 to 2013;  
Member of the Executive Board of Directors of Caixa Económica Montepio Geral - since 18 March 2013.  
Positions held in subsidiary companies, in December 2015  
Voting Member of the Board of Directors of Montepio Holding, SGPS, SA  
Voting Member of the Board of Directors of Montepio Investimento, SA  
Voting Member of the Board of Directors of SIBS – Soc. Interbancária de Serviços, SA  
Voting Member of the Board of Directors of UNICRE – Instituição Financeira de Crédito, SA  
Voting Member of the Board of Directors of Montepio Crédito – Instituição Financeira de Crédito, SA

**Fernando Paulo Pereira Magalhães**Academic qualifications:

University Degree in Marketing Management from Instituto Superior de Gestão e Marketing

Professional activities performed over the last few years:

Sales Manager of Caixa Económica Montepio Geral from 2009 to 2013;  
Member of the Executive Board of Directors of Caixa Económica Montepio Geral - since 18 March 2013.  
Positions held in subsidiary companies, in December 2015  
Chairman of the Board of Directors of Banco Montepio Geral – Cabo Verde, Soc. Unipessoal, SA  
Voting Member of the Board of Directors of Montepio Holding, SGPS, SA  
Voting Member of the Board of Directors of Montepio Crédito – Instituição Financeira de Crédito, SA

**João Carlos Martins da Cunha Neves**Academic qualifications:

Licentiate degree in Economics from Universidade Católica Portuguesa  
PhD in Economics from University of York  
Master's in Applied Economics from Universidade Nova de Lisboa

Professional activities performed over the last few years:

Corporate Credit Analysis Manager at Caixa Económica Montepio Geral from 2006 to 2010;  
PMO – Banca Invest at Caixa Económica Montepio Geral between 2009 and 2010;  
Manager of Strategic Planning, Control and Accounting at Caixa Económica Montepio Geral from 2010 to 2014;  
Member of the Executive Board of Directors of Caixa Económica Montepio Geral - since 10 December 2014.

**Executive Board of Directors  
(Term of Office: 2015-2018)****José Manuel Félix Morgado**Academic qualifications:

Licentiate Degree in Business Management from Universidade Católica Portuguesa; Specialisation in Assets and Liabilities Management (ALM) from INSEAD Fontainebleau.

Professional activities performed over the last few years:

Chairman of the Executive Committee from 2007 to 2015 and Vice-Chairman of the Board of Directors from 2010 to 2015 at INAPA IPG.  
President of the Council of EUGROPA – European Paper Merchant Association from May 2012 to July 2015.

Chairman of the Executive Board of Directors of Caixa Económica Montepio Geral since 7 August 2015.  
Positions held in subsidiary companies, in December 2015  
Chairman of the Board of Directors of Montepio Recuperação de Crédito ACE  
Chairman of the Board of Directors of Finibanco Angola, SA.  
Voting Member of the Board of Directors of Banco Terra Moçambique, SA.

**João Carlos Martins da Cunha Neves**Academic qualifications:

Licentiate Degree in Economics from Universidade Católica Portuguesa.  
PhD in Economics from University of York.  
Master's in Applied Economics from Universidade Nova de Lisboa.

Professional activities performed over the last few years:

Corporate Credit Analysis Manager at Caixa Económica Montepio Geral from 2006 to 2010.  
PMO – Banca Invest at Caixa Económica Montepio Geral from 2009 to 2010.  
Manager of Strategic Planning, Control and Accounting of Caixa Económica Montepio Geral from 2010 to 2014.  
Member of the Executive Board of Directors of Caixa Económica Montepio Geral since 10 December 2014.  
Positions held in subsidiary companies, in December 2015  
Voting Member of the Board of Directors of Finibanco Angola, SA.

**Luís Gabriel Moreira Maia Almeida**Academic qualifications:

PAGEB – Universidade Católica/ Faculty of Economic and Corporate Sciences.  
GOAR – Universidade Católica/ Faculty of Economic and Corporate Sciences; PEN - Universidade Católica/ Faculty of Economic and Corporate Sciences.

Professional activities performed over the last few years:

President of the Association of Banks of Guinea-Bissau APBEF-GB Guinea-Bissau and UEMOA from 2006 to 2008.  
Director of Banco de África Ocidental, SA – Guinea-Bissau from May 2006 to May 2013.  
Sales Manager of Caixa Económica Montepio Geral from 2008 to 2013; Director of Finibanco Angola from May 2013 to August 2015; Member of the Executive Board of Directors of Caixa Económica Montepio Geral since 7 August 2015.  
Positions held in subsidiary companies, in December 2015  
Member of the Board of Directors of Montepio Crédito – Instituição Financeira de Crédito, SA

**Fernando Ferreira Santo**Academic qualifications:

Civil Engineer from Instituto Superior Técnico (1974).

Professional activities performed over the last few years:

Member of the Portuguese Engineers Order and Specialist in Construction Management; Member of the Board of Directors of Caixa Económica Montepio Geral since 7 August 2015.

Executive Director of Montepio Gestão de Ativos Imobiliários since May 2014.

State Secretary for Property and Equipment Management of the Ministry of Justice between June 2011 and December 2013.

Chairman of the Portuguese Order of Engineers between 2004 and 2010 and President of the National Council of Professional Orders, during the same period.

Post-graduation teacher of Real Estate Valuation and Management at Instituto Superior de Economia e Gestão since 2001.

Positions held in subsidiary companies, on 31 December 2015: Voting Member of Montepio Gestão de Activos Imobiliários, ACE; Voting Member of Montepio Recuperação de Crédito, ACE.

**João Belard da Fonseca Lopes Raimundo**Academic qualifications:

Licentiate Degree in Business Management from Universidade Católica Portuguesa de Lisboa and an MBA from INSEAD (Fontainebleau, France).

Professional activities performed over the last few years:

Between 2006 and 2011, Member of the Board of Directors of Banco Millennium BCP de Investimento, SA. and General Manager of Banco Comercial Português, SA.

Up until 2010, Vice-Chairman of the Board of the General Meeting of Millennium Angola.

From 2009 to 2010, was appointed Vice-Chairman and CEO of Millenniumbcp Bank, NA (USA).

From 2009 to 2012, Member of the Board of Directors of CIMPOR–Cimentos de Portugal, SGPS, SA.

From 2011 to 2014, Head of the Investment Banking Division of Millenniumbcp.

Up to August 2015, Chairman of the Executive Committee and Member of the Board of Directors of BCP Capital – Sociedade de Capital de Risco, SA and Chairman of the Board of Directors of BCP Holdings (USA), Inc. and Member of the Board of Directors of OMIP – Operador do Mercado Ibérico (Portugal) SGPS, SA. He was also a Member of the Investment Boards of the Fundo Revitalizar Norte, FCR (managed by Explorer Investments, SCR, S.A.), of the Fundo Revitalizar

Centro, FCR (managed by Oxy Capital, SCR, S.A.) and of the Fundo Revitalizar Sul, FCR (managed by Capital Criativo, SCR, SA). Member of the Executive Board of Directors of Caixa Económica Montepio Geral since 7 August 2015. He also performs duties as Voting Member of the Board of Directors at SIBS, SGPS, SA and SIBS FPS – Forward Payment Solutions, SA as a representative of CEMG and Member of the Board of Directors of Montepio Recuperação de Crédito. He is also Member of the Board of Directors of EDP Renováveis, SA.

Positions held in subsidiary companies, in December 2015: Chairman of Montepio Capital de Risco, SRC, SA; Voting Member of the Board of Directors of Montepio Recuperação de Crédito, ACE

**Jorge Manuel Viana de Azevedo Pinto Bravo**Academic qualifications:

Licentiate Degree in Engineering from Instituto Superior de Engenharia de Lisboa, Post-graduation in Management and Marketing from Stockley Park Management Center.

Positions held in subsidiary companies, in December 2015; Partner in-charge of Risk Advisory Services at KPMG Portugal between 1998 and 2005.

Vice - Chairman of the Board of Directors of Reditus Gestão, SA between 2009 and 2010. Director of Grupo Tecnidata between October 2007 and 2010. Managing Director Financial Services Iberia of Logica (currently CGI) between January 2006 and July 2007. Director/manager of companies of the Inapa Group. Member of the Executive Board of Directors of Caixa Económica Montepio Geral since 7 August 2015.

**Luís Miguel Resende de Jesus**Academic qualifications:

Licentiate Degree in Economics from Universidade Lusíada (1993-1998). Post-graduation in Risk Management and Derivatives (2005-2006).

Positions held in subsidiary companies, in December 2015.

Member of the Executive Board of Directors of Caixa Económica Montepio Geral since 7 August 2015. Associate Partner at KPMG Portugal – Advisory (Financial Services), from October 2014 to August 2015. Manager at KPMG Portugal – Advisory Department – Financial Services in the Financial Risk Management area in Portugal and Angola (October 2012 to September 2014). Senior Manager at KPMG Portugal – Auditing Department – Financial Services (October 2006 to September 2012).

Positions held in subsidiary companies, in 31 December 2015; Member of the Board of Directors of Montepio Recuperação de Crédito, ACE.

## ANNEX II

### STATEMENT ON THE REMUNERATION POLICY OF MEMBERS OF THE MANAGEMENT AND SUPERVISORY BODIES OF CEMG FOR 2016

1. The general and fundamental rules of remuneration policy are set by the General Meeting and applied to specific situations by a Remuneration Committee, elected under the terms of article 23 of the Articles of Association of CEMG, on 5 August 2015, with no use being made of external consultants in these matters.

2. The Articles of Association of CEMG, in article 11 No. 1, provide that the following are institutional bodies of Caixa Económica: the General Meeting; the General and Supervisory Board; the Executive Board of Directors; the Remuneration Committee; the Assessment Committee, the Risk Committee and the Statutory Auditor.

3. The performance of the management and supervisory body is assessed by the General and Supervisory Board and, ultimately, by the General Meeting.

4. The remuneration statute of the members of the Executive Board of Directors is composed of:

- a) A monthly fixed remuneration, paid in double in the months of January (holiday bonus) and November (Christmas bonus);
- b) Subsistence expenses, in the event of travel, paid under conditions identical to those for staff members;
- c) This variable remuneration may never exceed 20% of the fixed annual remuneration, may only be attributed in financial years in which CEMG has not posted any losses and shall be dependent on a multiannual assessment of the performance of each member, in compliance with the document "Remuneration Policy of the management and supervisory bodies of Caixa Económica Montepio Geral and of the members of other institutional bodies";
- d) The remuneration referred to in a) and b) may be reviewed annually under the same conditions applicable to the review of the remuneration of staff members;

e) The members of the General and Supervisory Board and of the Executive Board of Directors are entitled to the following benefits:

1. A retirement pension, assigned in accordance with the Retirement Plans of the Executive Board members, as approved by the General Meeting;
  2. Compensation for any damage resulting from work accidents and professional diseases, as per clause 38 of the Collective labour agreement;
  3. A health insurance policy with a coverage similar to the one provided for in clause 144 of the Collective labour agreement, if they do not have direct access to this protection.
5. The members of the General and Supervisory Board earn a fixed monthly remuneration, paid in double in the months of January (holiday bonus) and November (Christmas bonus).
6. The members of the Board of the General Meeting, pursuant to No. 1 of art. 17 of the Articles of Association, earn a fixed remuneration paid as a single lump sum, in June of each year.
7. The Statutory Auditor earns a fixed remuneration set annually.

#### The Remuneration Committee









# Montepio

Valores que crescem consigo.

CAIXA ECONÓMICA MONTEPIO GERAL  
CAIXA ECONÓMICA BANCÁRIA  
PUBLICLY LISTED COMPANY

Registered Office: Rua Áurea, 219-241, Lisboa  
Institutional Capital: 1,770,000,000 Euros  
Registered at the Lisbon Commercial Registry Office, under the  
same Registration and Tax Identification Number: 500 792 615

[www.montepio.pt](http://www.montepio.pt)  
[www.montepio.pt/investors](http://www.montepio.pt/investors)