



Banco Montepio

Articles of Association of Banco Montepio

(Caixa Económica Montepio Geral, caixa económica bancária, S.A.)

(Approved at the Universal Assembly of Caixa Económica Montepio Geral, on 5th december 2019)

**Valores que
crescem consigo.**

ARTICLES OF ASSOCIATION
of
CAIXA ECONÓMICA MONTEPIO GERAL

CHAPTER I
NAME, NATURE, REGISTERED OFFICE AND PURPOSE

Article 1

(Name and Nature)

1. Caixa Económica Montepio Geral, caixa económica bancária, S.A., founded in 1844 by Montepio Geral – Associação Mutualista to support it in the pursuit of its goals, hereinafter referred to as Caixa Económica, is a credit institution of the savings bank type operating in the social economy as a public limited company, which is governed by the applicable legislation and these Articles of Association.
2. Montepio Geral – Associação Mutualista is the institutional owner of Caixa Económica, pursuant to article 6 (2) of the Savings Banks Law.

Article 2

(Registered Office, Branches, Offices and Other Forms of Representation)

1. Caixa Económica has its registered office at Rua Castilho, nº 5, in Lisbon.
2. Its registered office can be transferred to any other place within Portuguese territory following a Board of Directors' decision.
3. Caixa Económica may set up branches, offices, and any other form of representation, and provide services across borders.

Article 3

(Purpose)

Caixa Económica's purpose is to pursue the business of banking.

CHAPTER II

CAPITAL AND RESERVES

Article 4

(Share Capital)

1. Caixa Económica's share capital is 2,420,000,000 Euros, made up of 2.420,000,000 registered shares, with a nominal value of 1 euro each.
2. The shares are nominative and registered, and may be converted into share certificates and vice-versa, pursuant to the law, by way of a Board of Directors decision. Whenever share certificates are issued they may refer to any number of shares.
3. The Board of Directors may increase the Share Capital, by way of cash inflows, on one or more occasions up to a maximum amount equal to 10% (ten percent) of the Share Capital stated in paragraph one of this article (2,420,000,000 Euros).

CHAPTER III

GOVERNING BODIES

Article 5

(List and Term of Office)

1. The Governing Bodies of Caixa Económica are:
 - a) The General Meeting;
 - b) The Board of Directors, which includes a Audit Committee; and
 - c) The Statutory Auditor.
2. The General Meeting Board, the Board of Directors, including the Audit Committee, and the Statutory Auditor shall be elected pursuant to the terms of the law and these Articles of Association.
3. The term of office shall be four years and members may be re-elected.
4. The provisions of the above paragraph shall not prevent the number of members of a governing body being amended, during a term of office, up to the limit laid down in the law or the Articles of Association; whenever there is a supplementary election the term of office of those elected shall match that of the other members of the respective governing body.

5. Except when a single member is to be elected, elections for each governing body shall be contested by lists of candidates and electors may only vote for a single list.

Section I – General Meeting

Article 6

(Composition of the General Meeting)

1. A General Meeting of shall consist of shareholders who have voting rights.
2. Each share shall represent one vote.
3. Only those shareholders with voting rights may attend, speak and vote at a General Meeting, in person or through a representative, who at the registration date, which is equal to zero hours (GMT) on the [fifth/tenth] working day prior to the holding of the Meeting (“Registration Date”), are the owners of at least one share.
4. For the purposes of the previous paragraph, proof of ownership of shares shall be provided by sending the Chair of the General Meeting Board, by the Registration Date, the declaration issued in accordance with the law by the financial intermediary charged with registering share ownership, which should state that the shares in question were recorded in the respective account on the Registration Date and confirm that the shares will remain blocked until the end of the Meeting, pursuant to article 72 (1) of the Securities Code. The information may be sent by email.
5. When shares are jointly owned, only the common representative or his/her representative may attend General Meetings.
6. A shareholder may choose to be represented at a General Meeting by any person legally empowered to do so.
7. The common representative of bondholders may attend General Meetings but shall not take part in the discussion of items on the agenda.
8. Directors shall attend General Meetings and the statutory auditors who have examined the Caixa Económica accounts shall attend the Annual General Meeting.
9. All other persons authorised or invited by the Chair of the General Meeting Board may attend the meetings.

Article 7

(Postal Votes)

1. Shareholders may exercise their right to vote by postal vote, and to that end shall ensure an indication of their vote on each of the items on the agenda reaches the Chair of the General Meeting Board by the second working day prior to the date set for the holding of the General Meeting.
2. When postal vote envelopes are received their authenticity is checked as is the shareholder's compliance with the voting right and General Meeting attendance requirements set out in this article, and all votes in envelopes not deemed authentic and from shareholders who do not meet the requirements shall not be taken into account.
3. Envelopes from shareholders that comply with the conditions set out in the previous paragraph shall be opened at the General Meeting, immediately after the vote on the respective item on the agenda. All votes deemed valid shall be included in the votes counted and the final outcome.
4. Postal votes shall be deemed negative votes in regard to proposals presented after the date on which those votes were cast.
5. Electronic votes are not admissible.

Article 8

(General Meeting Board)

1. The General Meeting Board shall consist of a Chair and a Secretary, elected at a General Meeting.
2. The remuneration of the Chair and the Secretary shall be set by a General Meeting or by the Committee referred to in article 11 (c).
3. The Chair is required to:
 - a) Call the General Meeting, being able, for this purpose, in substitution of the publication of the call, resort to communication to the shareholders, to communicate their consent in advance, by email with reading receipt and direct their work;

- b) Inform the appropriate authorities, within the legal deadlines, of the outcomes of General Meeting decisions and the names of those elected to the Company's Governing Bodies;
 - c) Vest the members of the Governing Bodies, of Corporate Offices and members of Committees elected at a General Meeting with their respective powers;
 - e) Consider any justifications of absence submitted; and
 - f) Accept and deal with appeals lodged with the General Meeting of Shareholders pursuant to the law and within the official deadlines.
4. Notwithstanding the other duties assigned by law and these Articles of Association or internal regulations, the Secretary is especially required to:
- a) Write the minutes of the sessions, and issue the respective certificates;
 - b) Prepare and process all administrative work.

Article 9

(Holding of General Meetings)

An ordinary General Meeting shall discuss the matters submitted to the Annual General Meeting, under article 376 (1) of the Commercial Companies Code, plus any other matters included on the agenda, and an extraordinary meeting shall be held whenever one is convened in accordance with the law and these Articles of Association.

Article 10

(General Meeting Decisions)

1. General Meeting decisions shall be taken by a simple majority of votes cast, unless otherwise prescribed under the law or these Articles of Association.
2. General Meeting decisions regarding changes to these Articles of Association, a merger, splits, transformation or winding-up of the Company shall only be valid if they are approved by a two-thirds of the votes cast.

Article 11

(General Meeting Duties)

General Meetings of Caixa Económica shall take decisions on the matters assigned them by the law and these Articles of Association, and it is charged with:

- a) Electing members of the General Meeting Board the Governing Bodies;
- b) Electing the Statutory Auditor, following a proposal from the Audit Committee;
- c) Electing, every four years, a Remuneration Committee comprised of three independent members empowered to set the remuneration of Governing Bodies members, pursuant to article 399 (1) of the Commercial Companies Code;
- d) Discussing the management report, the individual and consolidated accounts for the year and the proposed profit distribution;
- e) Conducting a general appraisal of Caixa Económica's management and supervision, with the scope laid down in the law;
- f) Assessing the guidelines set out in the multiannual plans and updates, following a proposal from the Board of Directors;
- g) Discussing the Company's geographical presence policy;
- h) Discussing the Board of Directors' report on subsidiaries;
- i) Being informed, pursuant to the law, of appeals lodged.

Section II – Board of Directors

Article 12

(Board of Directors Composition and Decisions)

1. The Board of Directors shall be comprised of a minimum of twelve and a maximum of nineteen members, including a non-executive Chair, all of whom shall be elected at the General Meeting.
2. The Board of Directors shall act as a body and may take decisions as long as a majority of its members is present. It shall meet as often as it deems necessary and at least once a month.

3. The General Meeting that elects the members of the Board of Directors, shall appoint the Chair and up to two vice-Chairs.
4. Decisions shall be taken on the basis of the majority of votes cast by the members present, and the Chair shall have a casting vote.
5. Any director who has been called to a Board meeting and who, in the opinion of the Board, unjustifiably fails to attend three consecutive meetings or five in total shall cease to hold office.
6. A director's permanent absence shall be declared by the Board of Directors.

Article 13

(Board of Directors Duties)

1. Notwithstanding the other duties assigned by law, the Board of Directors is charged with managing Caixa Económica, in particular:
 - a) Requesting the convening of General Meetings;
 - b) The annual drawing up of the management report, the individual and consolidated accounts for the year and the proposed profit distribution, to be accompanied by the Audit Committee's opinion, to be submitted to the Annual General Meeting for approval;
 - c) Approving, annually, the action program and the budget for the following year, after receiving the Audit Committee's opinion;
 - d) Discussing the purchase, sale and encumbrance of assets;
 - e) Discussing the opening and closure of offices and any other form of representation;
 - f) Discussing the expansion and curtailing of Caixa Económica's business and changes to its functional structure;
 - g) Setting, in general terms, the interest rates, commissions, and prices to apply to banking transactions and services rendered;
 - h) Discussing the signing and termination of cooperation agreements with other institutions and Caixa Económica's membership of associations;
 - i) Discussing the issuing of bond loans and non-convertible debt instruments;
 - j) Discussing the purchase, sale or encumbrance of any financial holdings in companies or groups of companies;

- k) Requesting admission to trading on a regulated market of securities issued by Caixa Económica;
 - l) Drawing up mergers, split and transformation proposals;
 - m) Setting up the committees and commissions it deems necessary to fulfil its duties, including a Remuneration, Appointments and Evaluations Committee and a Risk Committee, and appointing their members and chairs;
 - n) Representing Caixa Económica in or out of court, and undertake to abide by arbitration;
 - o) Co-opting Directors
 - p) Appointing the Company Secretary and his/her alternate;
 - q) Appointing Caixa Económica's representatives to the governing bodies of institutions in which it has holdings or is a member.
2. The Board of Directors may appoint agents to represent Caixa Económica in any acts or contracts, defining the scope of their powers.

Article 14

(Delegation of Management Powers)

1. The Board of Directors is charged with delegating the day-to-day management of Caixa Económica to an Executive Committee, as well as charging one or more directors with the handling of certain management matters, within the legally defined limits.
2. The Board of Directors shall define the composition, operating rules and the powers of the Executive Committee, and shall appoint its Chair and, eventually, a vice-Chair.
3. In addition to the committees referred to in these Articles of Association, the Board of Directors may also approve the setting up of committees to monitor, on a permanent basis, specific matters, and such committees shall be chaired by a member of the Board of Directors.

Article 15

(Binding of the Company)

Caixa Económica shall be bound by the signatures of:

- a) two directors;
- c) the managing directors within the limits of the powers delegated by the Board;
- d) agents in line with the acts and categories of acts laid down in their powers of attorney.

Article 16

(Remuneration and Social Benefits)

1. The remuneration of Governing Bodies members, the Statutory Auditor or the audit company shall be set by the Remuneration Committee referred to in article 11 (c) of these Articles of Association and which corresponds to the committee required under article 399 of the Commercial Companies Code, following preparation of the decisions by the Remuneration, Appointments and Evaluations Committee, called for under article 19 of these Articles of Association, in accordance with the remuneration policy approved at a General Meeting.
2. Directors shall be entitled to a supplementary retirement pension, for old age or disability, pursuant to article 402 of the Commercial Companies Code.
3. Members of Caixa Económica's Governing Bodies shall be remunerated by it and shall not benefit from any type of remuneration paid by the institutional owner or any related entity, pursuant to article 11 (3), applicable *ex vi* article 20 (3), of Decree-Law nº 190/2015 of 10 September.

Section III – Board of Directors Internal Committees

Article 17

(Audit Committee Composition and Powers)

1. The Audit Committee shall be comprised of at least three and a maximum of five members, elected at a General Meeting from among the non-executive members of the Board of Directors.

2. If one is not appointed by the General Meeting, the Audit Committee shall nominate a Chair from among its members.

3. Notwithstanding any legal requirements, the Audit Committee shall undertake a permanent assessment of Caixa Económica, in particular as regards its financial performance, the devising of the institution's strategy and general policies, the group's business structure and the decisions deemed strategic due to the sums or risks involved and, in particular:

- a) Monitor Caixa Económica's management;
- b) Monitor compliance with the law and the Articles of Association;
- c) Check the correctness of the company's ledgers, accounting records and supporting documents;
- d) Check the accuracy of the accounting documents;
- e) Check whether the accounting policies and valuation criteria employed by Caixa Económica ensure the proper valuation of its assets and profits;
- f) Draw up an annual report on its audit work and give its opinion on the report, accounts and proposals submitted by the Board, as well as on the action plan and budget;
- g) Convene a General Meeting whenever the Chair of the General Meeting Board fails to do so;
- h) Monitor the effectiveness of the risk management system, the internal control system and the internal audit system;
- i) Receive notices of irregularities sent by Caixa Económica shareholders, employees or others;
- j) Monitor the preparation and disclosure of financial information;
- k) Propose to the General Meeting the appointment of a particular Statutory Auditor;
- l) Monitor the auditing of Caixa Económica's financial statements;

m) Monitor the independence of the Statutory Auditor, particularly in regard to the provision of additional services.

Article 18

(Audit Committee Workings)

1. The Audit Committee Chair shall convene and preside over meetings of the Audit Committee, and shall have a casting vote.
2. The Audit Committee shall meet as often as it deems necessary and at least once a month, and whenever convened by its Chair, on his/her own initiative or at the request of any of its members or of the Chair of the Board of Directors.
3. Whenever it deems it necessary, the Audit Committee shall summon to its working sessions any persons belonging to the Caixa Económica structure, as well as the external auditors.
4. Members of the Audit Committee shall take part in meetings of the Executive Committee whenever the accounts for the year are appraised.
5. The Audit Committee shall keep a written record of all checks, audits and complaints received and action taken, and the respective outcomes.

Article 19

(Remuneration, Appointments and Evaluations Committee Composition and Powers)

1. The Remuneration, Appointments and Evaluations Committee shall be comprised of three members, including a Chair appointed by the Board of Directors from among its non-executive members or from among the members of the Audit Committee, and a majority of them, including the Chair, shall have the status of independent.
2. Members of the Remuneration, Appointments and Evaluations Committee shall be duly qualified to discuss the subjects they deal with, and at least one member shall have knowledge and experience of remuneration policy matters.
3. The Remuneration, Appointments and Evaluations Committee shall perform the legal duties relating to remuneration policy in keeping with the law.

4. The Remuneration, Appointments and Evaluations Committee shall also state its opinion as to the suitability of the proposed supplementary retirement pension, for old age or disability, schemes for directors, to be approved by way of specific regulations at a General Meeting, pursuant to article 402 of the Commercial Companies Code.
5. At least one member of the Remuneration, Appointments and Evaluations Committee shall be present at General Meetings that discuss matters falling within its mandate.
6. The Remuneration, Appointments and Evaluations Committee shall draw up minutes of its meetings.

Article 20

(Risk Committee Composition and Powers)

1. The Risk Committee shall consist of a minimum of three members, and a maximum of five members, including a Chair, appointed by the Board of Directors from among its non-executive members, who have the knowledge, skills and experience required by law.
2. A majority of Risk Committee members, including the Chair, shall have the status of independent.
3. The Risk Committee is charged with performing the duties set out in the law and, in particular:
 - a) Advising the Board of Directors as to Caixa Económica's risk appetite and its general, current and future risk strategy;
 - b) Assisting the Board of Directors in its supervision of the implementation of Caixa Económica's risk strategy;
 - c) Analysing the terms and conditions of Caixa Económica's products and services and providing the Board of Directors with a correction plan whenever its analysis shows that the terms and conditions do not adequately reflect the risk.;
 - d) Examining whether the incentives defined in Caixa Económica's remuneration policy take into consideration risk, capital, liquidity and expectations as to results.
4. The Committee shall draw up minutes of its meetings.

Section IV – Statutory Auditor and Company Secretary

Article 21

(Statutory Auditor)

1. The Statutory Auditor, elected at a General Meeting, following a proposal from the Audit Committee, shall possess the skills required by law, namely by the Commercial Companies Code.
2. The Statutory Auditor shall attend General Meetings at which the accounts are appraised and whenever his presence is requested.

Article 22

(Company Secretary)

1. The Company shall have a Secretary and an alternate, both appointed by the Board of Directors, with the skills required by law of a Company Secretary.
2. The Secretary's functions shall cease whenever the functions of the Board of Directors that appointed him/her cease.

CHAPTER IV

FINAL AND TRANSITIONAL PROVISIONS

Article 23

(Profit Distribution)

1. Profit for the year, calculated in accordance with the law, shall be allocated to the purposes decided by a General Meeting, and there shall be no obligation to distribute them to shareholders.
2. Notwithstanding the implementation of the previous paragraph, the Board of Directors may decide, having obtained the Audit Committee's opinion, to undertake an interim distribution to shareholders of profit for the year or of general reserves, pursuant to the rules set out in the law.

Article 24

(Legal Provisions)

1. In all situations not covered by these Articles of Association or the Savings Bank Law, the general legislation shall apply, in particular the Commercial Companies Code and the Credit Institutions and Financial Companies General Framework.
2. References made in these Articles of Association to existing legal rules shall be construed to refer to any laws that replace them.

Article 25

(Entry into Effect and Transitional Provisions)

1. Notwithstanding the provisions of the paragraph below, these Articles of Association shall come into effect on the date they are approved at a General Meeting.
2. Until these Articles of Association come into effect, the Articles of Association approved at a General Meeting of Caixa Económica on 30 October 2018 shall remain in force.



Banco Montepio

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