



# HAITONG

**REGULATION No. COM03.R03  
Third-Party Service Providers  
- Outsourcing and ICT Services  
of Haitong Bank, S.A.**

Approved by the Board of Directors  
on the 23/06/2025

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## 1. OBJECTIVE

This document defines the Third-Party Service Providers Regulation (“**Regulation**”) adopted by Haitong Bank, S.A. (“**Bank**”). This Regulation intends to establish the framework applicable to all contractual ICT Services agreements celebrated between the Bank and a Third-Party Service Provider, as well as to Outsourcing arrangements, in order to properly mitigate and manage third-party risks, and to ensure compliance with the applicable framework.

This Regulation sets out key principles and rules for the contractual agreements by which the Third-Party Service Provider (i) performs a process, (ii) provides a service or (iii) carries out an activity that would otherwise be undertaken by the Bank, whether the underlying arrangement falls under the outsourcing definition or represents a provision of ICT services. To this extent, ICT services shall entail the provision of digital and data services through Information and Communication Technology systems to one or more internal or external users on an ongoing basis.

The entering into a business relationship, either by signing an ICT service contract or an outsourcing agreement, its terms and conditions, and its management, monitoring and termination shall comply with this Regulation.

The scope of this Regulation also includes operating functions that are essential to the provision of services and execution of activities on an ongoing basis and meeting quality and efficiency standards<sup>1</sup>. For this reason, the Bank has implemented various measures and procedures deemed adequate to control compliance with current legislation and to avoid or limit the Bank’s exposure to any risks, particularly operational risk, whenever it outsources activities or functions, or celebrates any kind of ICT Service agreement with a Third-Party Service Provider.

Outsourcing of operational tasks from internal control functions, including, but not limited to collaborative solutions, are also covered under this Regulation.

## 2. LEGAL FRAMEWORK

This Regulation is based on the current national and European legal and regulatory framework, namely:

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<sup>1</sup> I.e. Functions should be regarded as critical or important when a defect or failure in its performance would materially impair the continuing compliance of the Bank with the conditions and obligations of its authorisation, its legal obligations under Directive 2014/65/EU, its financial performance, or the soundness or the continuity of its investment services and activities.

- Directive 2014/65/EU;
- EU Delegated Regulation 2017/565;
- Regulation (EU) 2022/2554 (DORA);
- EU Delegated Regulation 2024/1773;
- EBA/GL/2019/02 - Guidelines on outsourcing arrangements (February 2019);
- EBA/GL/2019/04 – Guidelines on ICT and security risk management (November 2019);
- ESMA Guidelines on outsourcing to cloud service providers;
- Notice 3/2020 of the Bank of Portugal (BoP); and
- Notice 8/2023 of the Bank of Portugal (BoP).

Other applicable internal rules:

- COM02.R02 - Conflict of Interest Prevention and Management Regulation;
- COM12.PM030 - Prevention and Management of Conflicts of Interest (Procedure);
- COM38.PM333 - Outsourcing Procedure;
- FIN29.PM362 - Capex and OPEX Management;
- ITI02.PM210 – Management of Incidents and Cyber Incidents;
- RIS30.PM317 – Operational Risk: IT Risk Monitoring;
- CIS02.PM396 – Monitoring Procedures.

### 3. RECIPIENTS

- a. The content of this Regulation represents a minimum standard that shall apply to the Bank and its subsidiaries, branches and representative office (“**Haitong Bank Group**”).
- b. In case of conflict between any provision of this Regulation and the local laws and regulations applicable to any Bank's subsidiary or branch, the relevant local laws and regulations shall prevail.

### 4. RESPONSIBILITY

- a. This Regulation is sponsored by the Compliance Department.
- b. This Regulation should be on an annual basis or whenever necessary to comply with applicable rules.

## 5. PRINCIPLES

- a. This Regulation aims at establishing mechanisms when celebrating/renewing ICT Services agreements or Outsourcing arrangements, by the Bank and its subsidiaries and branches.
- b. This Regulation also intends to guarantee an independent and transparent process when negotiating those types of contractual arrangements.

## 6. OUTSOURCING

### 6.1 Applicable Principles

When considering that an arrangement with a Third-Party Service Provider should fall under the definition of outsourcing, prior to its signing, the Bank shall ensure that an outsourcing agreement:

- (i) Does not materially impair the internal control to be performed by the Bank;
- (ii) Does not materially impair the competent authority's ability to control the Bank's compliance with its legal or regulatory obligations;
- (iii) Does not result in the delegation of the Executive Committee responsibilities;
- (iv) Allows the Bank to maintain control of the outsourced activities and functions and the responsibility towards its customers, namely in terms of information duties;
- (v) Does not empty the Bank's activity;
- (vi) Allows the Bank to maintain its relationship and obligations towards its Clients under the applicable legislation, including its information duties, while also ensuring that:
  - The Bank defines the management policy/regulation and takes the main decisions in case the services, activities or functions in question involve any type of management powers;
  - The Bank maintains exclusive relationships with its clients, including payments to be made by or to the client;
- (vii) Allows compliance with all requirements of the Bank's authorisation and licence as a credit institution and financial intermediary;
- (viii) Does not remove or modify any condition subject to which the Bank's authorization and licence was granted.

## 6.2 Non-Outsourcing Agreements

The following situations are excluded from the scope of this Regulation:

- (i) Functions that are legally required to be performed by a service provider, e.g. statutory auditor;
- (ii) Market information services (e.g. provision of data by Bloomberg, Moody's, Standard & Poor's, Fitch);
- (iii) Global network infrastructures;
- (iv) Clearing and settlement arrangements between clearing houses, central counterparties and settlement institutions and their members;
- (v) Global financial messaging infrastructures that are subject to oversight by relevant authorities;
- (vi) Correspondent banking services; and
- (vii) The acquisition of services that would otherwise not be undertaken by the Bank (e.g. advice from an architect, providing legal opinion and representation in front of the court and administrative bodies, physical custody of documents, cleaning, gardening and maintenance of premises, medical services, servicing of company cars, insurance, security services, catering, vending machine services, clerical services, travel services, post-room services, receptionists, secretaries and switchboard operators), of goods (e.g. plastic cards, card readers, office supplies, personal computers and all IT-related goods, furniture) or utilities (e.g. electricity, gas, water, fixed and mobile communications).

The Compliance Department should be consulted prior to signing any agreements in case of any doubts on the classification of services as “outsourcing” and of the qualifications of the functions to be outsourced as important or critical.

## 6.3 Outsourcing Requirements

The Bank shall exercise due skill, care and diligence when entering into, renewing, managing or terminating any arrangement for the outsourcing to a service provider and shall take the necessary steps to ensure that the below-mentioned conditions are satisfied.

### 6.3.1 Regarding the outsourcing service provider

The Bank shall ensure that the outsourcing service provider:

- (i) Has the ability, capacity, sufficient resources, appropriate organisational structure supporting the performance of the outsourced functions, and any authorisation required by law to

- perform the outsourced functions and to carry out the outsourced functions or activities in a reliable and professional manner;
- (ii) Effectively performs the outsourced functions or activities in compliance with the applicable law and regulatory requirements;
  - (iii) Controls the execution of the outsourced functions or activities, manages the risks involved in outsourcing and defines an individual as responsible for the outsourcing agreement;
  - (iv) Has all the information needed for carrying out the outsourcing agreement;
  - (v) Informs the Bank of any facts that may have a material impact in its ability to carry out the outsourced functions or activities in compliance with applicable legal and regulatory requirements;
  - (vi) Adopts appropriate measures in order to transfer the outsourced functions or services to another third party or to reintegrate them at the Bank, ensuring a proper support during the transition;
  - (vii) Informs the Bank of any changes regarding an outsourcing arrangement or the service provider (e.g. to its financial position, organizational or ownership structures, sub-outsourcing);
  - (viii) In the case of sub-outsourcing of critical or important functions, the service provider shall request prior authorization from the Bank (by written agreement) indicating the specific functions to be sub-outsourced. The service provider is obliged to oversee the sub-outsourced functions that it has sub-contracted to ensure that all contractual obligations between the service provider and the Bank are continuously met;
  - (ix) Cooperates with supervisory authorities with regard to the outsourced functions or activities;
  - (x) Provides the Bank, its auditors and supervisory authorities with access to information, where necessary for the purpose of effective oversight, on the outsourced functions or activities, as well as to its relevant business premises;
  - (xi) Protects any confidential information involving the outsourcing financial intermediary or its customers, including by means of confidentiality clauses which remain effective after the termination of the agreement.
  - (xii) Ensures that personal data processed by service providers located in the EU and/or third countries are in accordance with Regulation (EU) 2016/679 (“GDPR”).

Third-party outsourcing is not allowed in case it impairs the internal control to be performed by the Bank and/or the competent authority’s ability to control the Bank’s compliance with its legal or regulatory obligations. The outsourcing of internal control functions can only occur occasionally, in exceptional and duly substantiated situations.

### 6.3.2 Regarding the Bank

The Bank shall:

- (i) Supervise the carrying out of the outsourced functions or activities and manage outsourcing risks;
- (ii) Establish methods and procedures for assessing the standard of performance of the outsourcing service provider and for reviewing periodically, or whenever any change so justifies, the provided services;
- (iii) Comply with the regulatory reporting duties, namely by disclosing to the Supervisor, on a timely manner, the critical or important outsourcing arrangements before their signing or whenever an ongoing agreement has become critical or important, following the templates provided by Bank of Portugal. Those communications are subject to a prior opinion issued by the Responsible for Outsourcing function, as per Bank of Portugal Notice no. 8/2023;
- (iv) Assess the performance of the outsourcing arrangements, at least on an annual basis, or whenever any change so justifies;
- (v) Assess the concentration risk regarding their service providers;
- (vi) The Bank should identify, assess and manage the potential impact of outsourcing arrangements on the risk management framework, taking into consideration the assessment results when deciding if the proposed function should be outsourced to a service provider, and should take appropriate steps to avoid undue additional risks before entering/renewing outsourcing arrangements;
- (vii) Take appropriate measures if it believes that the outsourcing service provider may not be performing the outsourced functions or activities effectively and in compliance with applicable legal and regulatory requirements;
- (viii) Have the ability to terminate the outsourcing agreement, whenever necessary, without detriment to the continuity and quality of the services provided to its Clients;
- (ix) Include highlights of the outsourced functions or activities and their associated terms in its annual reports;
- (x) Whenever necessary, in view of the outsourced functions or activities, make a contingency plan for disaster recovery and periodic testing on backup systems (business continuity plan);
- (xi) Ensure that the continuity and quality of the outsourced functions or services are maintained also in the event of termination of the outsourcing arrangement (preparation of exit strategies and termination processes, including an exit strategy plan for each critical or important function), identifying the main measures to be taken by the service provider, either by



transferring the outsourced functions or services to another third party or by performing them itself.

- (xii) Ensure that the outsourced service providers accept the rules of HB's Code of Conduct, pursuant to Articles 2 (3 and 4) of Bank of Portugal Notice no. 3/2020 and, when the nature of the outsourcing activities so justifies, that the outsourced service provider's employees assigned to the outsourced functions acknowledge and accept the provisions of the Client's Code of Conduct.

If the Bank and the service provider belong to the same business group, the Bank may, for the purposes of the above paragraphs and the applicable legal and regulatory regime, take into account the extent to which it controls the outsourcing service provider or influences its actions, and to which the outsourcing service provider is included in the group's consolidated supervision.

By entering into an outsourcing arrangement, the Bank shall ensure that the entity to which the activity is outsourced maintains a record of personal transactions entered into by any Relevant Person and provides that information to the Bank promptly on request.

### **6.3.3 Written agreement**

Outsourcing arrangements shall be formalised by a written agreement stating the rights and obligations that, in line with the above paragraphs and the applicable legal regime, arise for the Bank and the service provider.

The Bank shall ensure that the service provider, responsible for the outsourcing arrangement, is authorized and registered by a competent authority (when applicable). When drafting the written agreement, the Bank shall ensure that:

- (i) The principles and rules above mentioned in sections 6.1 and 6.3 of this Regulation are included in the written agreement;
- (ii) In addition, the agreement shall clearly state:
  - The purpose of the agreement;
  - That the Bank keeps, in any event, its instruction and termination rights, its rights of information and its right to inspections and access to documentation and premises of the service provider;
  - The duration of the agreement, termination and exit management clause, terms of contractual renewal and the Bank's ability to terminate the agreement;
  - The amounts, methods and deadlines for the payments to be made;

- The rights and obligations of the parties, including the outsourcing service provider's obligation to comply with all applicable legal and regulatory requirements;
- Compensation clauses to be applied in the event of default of the outsourcing agreement and/or applicable legal and regulatory requirements;
- The proper metrics and measures to be implemented by the Bank in order to evaluate the service level of the outsourcing arrangement;
- In case of contract termination, a guarantee by the service provider that the appropriate support will be granted to the Bank regarding a suitable transition of the outsourced services either to the Bank or to another service provider designated by it;
- The service providers will cooperate with the supervisory authorities and auditors with regard to the outsourced functions or activities, providing all the information requested by the supervisory authorities and auditors in due time;
- The identification of the agreement management team, including at least one individual designated by the Bank and another by the other party;
- Governing law and means of settling disputes (arbitration or jurisdiction);
- Other specific clauses that may be considered essential for the Bank depending on the agreement's nature.

#### **6.4 Responsible for Outsourcing function**

In accordance with EBA Guidelines on Outsourcing Arrangements (EBA/GL/2019/02), the institutions shall establish an outsourcing function or designate a senior staff member who is directly accountable to the management body and responsible for managing and overseeing the risks of outsourcing arrangements as part of the institutions internal control framework and overseeing the documentation of outsourcing arrangements.

This staff member is also responsible, under Bank of Portugal Notice no. 8/2023, for issuing an opinion prior to the communication to Bank of Portugal of a critical or important outsourcing agreement, namely by attesting that the outsourced function complies with EBA Guidelines. The same also applies for ongoing Outsourcing arrangements that have become critical or important.

#### **6.5 Outsourcing services in third countries**

In addition to meeting the requirements described in the previous sections, whenever the Bank wishes to outsource services to an entity located outside of the European Union, the Bank shall ensure that:

- (i) The service provider is authorised to provide this service in its country of origin and is effectively supervised by a competent authority in that third country;
- (i) A cooperation agreement exists between regulators and the outsourcing service provider's supervisory authority that shall secure that regulators are able, at least, to:
  - obtain on request the information necessary to carry out their supervisory tasks pursuant to Directive 2014/65/EU and Regulation (EU) No. 600/2014;
  - obtain access to the documents relevant to the performance of their supervisory duties maintained in the third country;
  - receive information from the supervisory authority in the third country as soon as possible for the purpose of investigating apparent breaches of the requirements of Directive 2014/65/EU and its implementing measures and Regulation (EU) No. 600/2014;
  - cooperate with regard to enforcement, in accordance with the national and international law applicable to the supervisory authority of the third country and the competent authorities in the Union in cases of breach of the requirements of Directive 2014/65/EU and its implementing measures and relevant national law.

## **6.6 Outsourcing services to intra-group entities**

The Bank considers an intragroup outsourcing any outsourcing arrangements with entities of the same economic group.

The Bank shall comply with the following duties when entering an intra-group outsourcing arrangement:

- (ii) Suitable due diligence must be conducted on the potential service provider;
- (iii) A clear definition of the scope of services, stating the main responsibilities and powers which should be clearly divided between the Bank and service provider;
- (iv) The Bank shall conduct proper oversight and control of the outsourced activities; and
- (v) Ensure that intra-group outsourcing arrangements are properly documented to reflect the commercial terms, responsibilities and reporting lines between the Bank and service provider.

The operational tasks of the internal control functions may be subcontracted to the parent company or to another entity of the group if prior consent by the management and supervisory bodies of all entities involved has been obtained.

## 6.7 Outsourcing management

The outsourcing process can involve relevant risks that must be considered in the selection, decision-making and formalisation process. The business or support area that proposed the outsourcing in question is responsible for effectively managing these risks.

In this context, the Bank ensures that:

- (i) The assessment methods are established for the service level to be provided by the outsourcing service provider, in particular:
  - Methods for comparing costs against service quality;
  - Quality levels reflecting quantifiable goals, including their updating;
  - Frequency of monitoring to be performed.
- (ii) The appropriate measures are taken if there is a suspicion that the outsourcing service provider may not be carrying out the outsourced functions or activities effectively and in compliance with applicable legal and regulatory requirements;
- (iii) The highlights of the outsourced functions or activities and their associated terms are included in its annual reports.

## 6.8 Outsourcing monitoring

The Bank continuously monitors the performance of service providers in relation to all outsourcing agreements on a risk-based approach, paying particular attention to the outsourcing of essential or important functions, including ensuring the availability, integrity and security of data and information.

To this extent, the Bank shall ensure that:

- (i) The outsourcing arrangements comply, at all times, with all applicable performance and quality standards;
- (ii) Independent assessments and audits of compliance with legal and regulatory requirements and the Bank's or the outsourced service provider's internal policies are conducted;
- (iii) Evaluation on the performance of outsourced service providers is carried out by the relevant areas, using tools such as key performance indicators, key control indicators, service delivery reports, etc.
- (iv) Takes appropriate measures if it identifies deficiencies in the provision of the outsourced function, which may include termination of the outsourcing agreement with immediate effect

- (v) Takes the necessary precautions in case of renewal processes.

Specifically, based on a periodicity defined by the Responsible for Outsourcing function, in conjunction with the owner of the outsourced function, the Bank shall conduct a reassessment of the provider and underlying services, leveraging on independent assessments and audits or, in their absence, conducting specific controls and diligences.

Within the update of the risk assessment in respect of the outsourcing of essential or important functions the owner of the outsourced function should periodically report to the management body on the risks identified.

## **6.9 Outsourcing Regulation Approval, Application and Renewal**

### **6.9.1 Outsourcing procedures**

Following the request of the business or support areas that have decided to outsource certain processes, services or activities, the Compliance Department will ensure that they comply with this Regulation's requirements. When requested, the Legal Department may also be involved in the process of defining and revising contractual conditions.

All outsourcing proposals/renewals shall be submitted to the Bank's Executive Committee by the proposing business, support or control area, which will be solely responsible for preparing a project file including the following:

- (i) Description of pre- and post-outsourcing ("as is" and "to be") process(es), service(s) and activity(ies), including the required conditions of the agreement to be signed;
- (ii) Due diligence on potential supplier(s);
- (iii) Analysis of inherent risks, including compliance of the proposal's general terms with the principles and requirements in point 6;
- (iv) Business case study identifying the investment to be made vis-à-vis the future cost reduction / revenue increase and past performances (if applicable).

If, following the Bank's Executive Committee approval, it is determined that the specific negotiated contractual conditions do not comply with the provisions laid down on section 8 of this Regulation, the process will be resubmitted to the Executive Committee so that it can decide on the outsourcing in view of the existing risks (excluding requirements arising directly from laws and regulations in force, which must be complied with).

### **6.9.2 Updating of outsourcing regulation and agreement record**

The outsourcing Regulation's content shall be reviewed periodically by the Compliance Department, considering its suitability to regulatory requirements and the effectiveness of measures implemented. Any changes must be approved by the Board of Directors.

The Compliance Department, together with the Legal Department will keep a database with all the information needed to record signed outsourcing agreements.

All current outsourcing arrangements' documents will be distinguishing between critical or important functions and other outsourcing arrangements.

## **7. CRITICAL OR IMPORTANT FUNCTIONS**

The following situations are included in the scope of this Regulation, deemed critical or important functions:

- (i) Services or goods whose defects or failures in the performance would materially impair the Bank's compliance with the conditions of its authorisation and regulatory obligations, its financial performance or the soundness or continuity of the banking and payment services and activities;
- (ii) Outsourcing of operational tasks of internal control functions except if a failure or the inappropriate provision of such function would not controversially impair the effectiveness of the internal control function;
- (iii) Outsourcing of banking activities or payment services;
- (iv) Outsourcing of ICT services supporting critical or important functions provided by ICT Third-Party Service Providers.

## **8. ICT SERVICES**

### **8.1. ICT Service Provider**

Before entering in a contractual arrangement with a Third-Party Service Provider, on the use of ICT services, the Bank shall, in particular:

- (i) Undertake all due diligence on prospective ICT Third-Party Service Providers and ensure throughout the selection and assessment processes that the ICT Third-Party Service Provider is suitable, as mentioned above in section 6.9.1 of this Regulation;

- (ii) Identify and assess conflicts of interest that the contractual arrangement may cause;
- (iii) Ensure that it only engages with service providers that comply with appropriate information security standards.

For the purpose of this Regulation and aiming to comply with current framework on the matter, the Bank shall also indicate whether subcontracting of an ICT service supporting a critical or important function, or material parts thereof, is permitted and, when that is the case, the conditions applying to such subcontracting service provider.

## **8.2. ICT Services agreements**

When entering into ICT services agreements and during its execution, the Bank shall manage the risks that may arise from those agreements, in light of the principle of proportionality, namely by taking into account the criticality or importance of the respective service, process or function, and the potential impact on the continuity and availability of financial services and activities. To this extent, the Bank:

- (i) Assesses whether the contractual arrangement covers the use of ICT services supporting a critical or important function, as above defined in section 7.;
- (ii) Assesses if supervisory conditions for contracting are met;
- (iii) Identifies and assesses all relevant risks in relation to the contractual arrangement, including the possibility that such contractual arrangement may contribute to reinforcing ICT concentration risk;
- (iv) Maintains and updates at entity level, and at sub-consolidated and consolidated levels, a register of information in relation to all contractual arrangements on the use of ICT services provided by ICT third-party service providers;
- (v) Pre-determine the frequency of audits and inspections as well as the areas to be audited through adhering to commonly accepted audit standards in line with any supervisory instruction on the use and incorporation of such audit standards.

The Bank shall also ensure that contractual arrangements on the use of ICT services may be terminated in any of the following circumstances:

- (i) Significant breach by the ICT third-party service provider of applicable laws, regulations or contractual terms;
- (ii) Circumstances identified throughout the monitoring of ICT third-party risk that are deemed capable of altering the performance of the functions provided through the contractual arrangement;

- (iii) ICT third-party service provider's evidenced weaknesses pertaining to its overall ICT risk management and in particular in the way it ensures the availability, authenticity, integrity and, confidentiality, of data, whether personal or otherwise sensitive data, or non-personal data.

Whenever the ICT service supports critical or important functions, the Bank should also put in place exit strategies, taking into account the risks that may emerge at the level of ICT third-party service providers, in particular a possible failure on their part, a deterioration of the quality of the ICT services provided, any business disruption due to inappropriate or failed provision of ICT services or any material risk arising in relation to the appropriate and continuous deployment of the respective ICT service.

Additionally, where the contractual arrangements on the use of ICT services supporting critical or important functions include the possibility that an ICT third-party service provider further subcontracts ICT services supporting a critical or important function to other ICT third-party service providers, the Bank shall weigh benefits and risks that may arise in connection with such subcontracting.

### **8.3. Written agreement**

The rights and obligations arising from the contractual arrangement on ICT Services must be set out in writing, including the service level agreements. The written document should be made available to the involved parties on paper, or in a document with another downloadable, durable and accessible format, and shall include the following information:

- (i) A clear and complete description of all functions and ICT services to be provided by the ICT third-party service provider, indicating whether subcontracting of an ICT service supporting a critical or important function, or material parts thereof, is permitted and, when that is the case, the conditions applying to such subcontracting;
- (ii) The locations, namely the regions or countries, where the contracted or subcontracted functions and ICT services are to be provided and where data is to be processed, including the storage location;
- (iii) Provisions on availability, authenticity, integrity and confidentiality in relation to the protection of data, including personal data;
- (iv) Provisions on ensuring access, recovery and return in an easily accessible format of personal and non-personal data processed by the Bank in the event of the insolvency, resolution or discontinuation of the business operations of the ICT third-party service provider, or in the event of the termination of the contractual arrangements;
- (v) Service level descriptions, including updates and revisions thereof;



- (vi) The obligation of the ICT third-party service provider to provide assistance to the Bank at no additional cost, or at a cost that is determined ex-ante, when an ICT incident occurs;
- (vii) The obligation of the ICT third-party service provider to fully cooperate with the competent authorities;
- (viii) Termination rights and related minimum notice periods for the termination of the contractual arrangements, in accordance with the expectations of competent authorities and resolution authorities;
- (ix) The conditions for the participation of ICT third-party service providers in the Bank's ICT security awareness programmes and digital operational resilience training.

In addition to the elements above, whenever the functions supported by an ICT services agreement are deemed critical or important, the contractual arrangement shall also include:

- (i) Full service level descriptions, including updates and revisions thereof with precise quantitative and qualitative performance targets within the agreed service levels to allow effective monitoring of ICT services and enable appropriate corrective actions to be taken, without undue delay, when agreed service levels are not met;
- (ii) Notice periods and reporting obligations of the ICT third-party service provider to the Bank, including notification of any development that might have a material impact on the ICT third-party service provider's ability to effectively provide the ICT services supporting critical or important functions in line with agreed service levels;
- (iii) Requirements for the ICT third-party service provider to implement and test business contingency plans and to have in place ICT security measures, tools and policies that provide an appropriate level of security;
- (iv) The obligation of the ICT third-party service provider to participate and fully cooperate in the Bank's Threat-Led Penetration Tests (TLPT);
- (v) The right to monitor, on an ongoing basis, the ICT third-party service provider's performance;
- (vi) Exit strategies, in particular the establishment of a mandatory adequate transition period.

## **9. CONFLICTS OF INTEREST**

The Bank shall ensure that any outsourcing process complies with conflicts of interest rules.

## 10. ARCHIVE

This Regulation, and all the documents associated, are subject to the general archiving rules laid down in the procedure LEG12.PM220 – Archive Management.

## 11. DISCLOSURE

The Board of Directors ensures that the Regulation referred to in the preceding paragraph is properly implemented in the institution, which is subject to periodic reviews and is disclosed internally to all employees.

This Regulation is available on the Bank's intranet and website and any change to the same should be duly communicated by e-mail to all the Bank's employees.

## 12. CONTROL OF VERSIONS

**Table 1: Information about the Document**

|                                 |  |
|---------------------------------|--|
| Name of the Document            | Outsourcing Regulation   |
| Version                         | Version 7.0  |
| Prepared by (Name/Department)   | Compliance Department  |
| Appreciated on (Committee name) | Prior opinion of the Audit Committee (20/06/2025) and endorsed by the CGC (17/06/2025) |
| Approved by (Committee name)    | Board of Directors (BoD)   |

**Table 2: Versions' update**

| Update and Approval Date                               | Main Changes   |
|--|--|
| Version 1.0. - Approved By ExCOM on 11 August 2015     | Original Version   |
| Version 2.0 – Approved by ExCOM on 18 December 2017    | New Logo and other updates.  |
| Version 3.0 – Approved by ExCOM on 26 November 2019    | Updated according with EBA guidelines on outsourcing arrangements.   |
| Version 3.1 – Ratified by the BoD on 15 September 2020 | According with BoP recommendation.   |
| Version 4.0 – Approved by BoD on 25 February 2021      | Updated according with Notice no 3/2020.   |
| Version 5.0 – Approved by BoD on 19 December 2022      | Development of the monitoring procedures and inclusion of the independent assessment of the regulation.  |
| Version 6.0 – Approved by BoD on 27/12/2023            | Annual Update; Clarification regarding acceptance the rules of its Code of Conduct, pursuant to Articles 2(3 and 4) of Bank of Portugal Notice no. 3/2020, other minor changes and clarifications. |

Version 7.0 – Approved by BoD on 17/12/2024

Annual Update; Clarification on the responsibilities introduced by Bank of Portugal Notice No. 8/2023, namely with regard to the Responsible of Outsourcing function, and other minor changes.

Version 8.0 – Approved by BoD on 23/06/2025

Enlargement of the scope of the Regulation as to include as well certain ICT service providers that will need to be subject to a due diligence process similar to the outsourcing; adjustments arising from DORA Regulation; other minor changes.

## ANNEX I (DEFINITIONS)

In addition, for the purpose of outsourcing arrangements, the following definitions apply:

**Outsourcing** means an arrangement of any form between the Bank and a service provider by which that service provider performs a process, a service or an activity that would otherwise be undertaken by the institution.

**Function** means any processes, services or activities.

**Critical or important function** means any function that is considered critical or important as set out in the EBA Guidelines on outsourcing arrangements and current regulation.

**Sub-outsourcing** means a situation where the service provider under an outsourcing arrangement further transfers an outsourced function to another service provider.

**Service provider** means a third-party entity that is undertaking an outsourced process, service or activity, or parts thereof, under an outsourcing arrangement.

**ICT services** means digital and data services provided through ICT systems to one or more internal or external users on an ongoing basis, including hardware as a service and hardware services which includes the provision of technical support via software or firmware updates by the hardware provider, excluding traditional analogue telephone services.

**Cloud services** means services provided using cloud computing, that is, a model for enabling ubiquitous, convenient, on-demand network access to a shared pool of configurable computing resources (e.g. networks, servers, storage, applications and services) that can be rapidly provisioned and released with minimal management effort or service provider interaction.

**Public cloud** means cloud infrastructure available for open use by the general public.

**Private cloud** means cloud infrastructure available for the exclusive use by a single institution.

**Community cloud** means cloud infrastructure available for the exclusive use by a specific community of institutions or payment institutions, including several institutions of a single group.

**Hybrid cloud** means cloud infrastructure that is composed of two or more distinct cloud infrastructures.

**Executive Committee (Management body)** means the Bank's body or bodies, which are appointed in accordance with national law, which are empowered to set the Bank's strategy, objectives and overall direction, and which oversee and monitor management decision-making and include the persons who effectively direct the business of the Bank.