



HAITONG

REGULATION No. COM06.R07

Related Parties Regulation of Haitong Bank, S.A.

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

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1. OBJECTIVE

This Regulation sets out the principles and rules applicable to transactions involving a Related Party.

This Regulation aims at ensuring that transactions involving Related Parties are executed on an arms' length basis and subject to the mandatory internal approvals as per the applicable laws.

2. LEGAL FRAMEWORK

This Regulation is subject to the following laws, regulations and other guidelines:

- Legal Framework of Credit Institutions and Financial Companies ("RGICSF") or any other law that replaces or supersedes the RGICSF;
- Banco de Portugal Notice no. 3/2020 ("Notice 3/2020");
- Banco de Portugal Instruction no. 18/2020 ("Instruction 18/2020");
- Portuguese Securities Code;
- EBA Guidelines on internal governance.

This Regulation shall be read together with the following internal rules:

- COM02.R02 – Conflicts of Interest Prevention and Management Regulation;
- CEO08.PM389 – Credit Process - I;
- IBK01.PM371 – IBK Global Adoption Committee Procedure;
- COM05.PM328 – Related Parties List Procedure;
- COM12.PM30 – Conflicts of Interest Procedure;
- CEO05.PM341 – Assessment of Related Party Transactions Market's Conditions;
- CR02 – Corporate Governance Committee (CGC) Regulation;
- COM06.PM013 – Loans to Members of Governing Bodies.

3. RECIPIENTS

The content of this Regulation represents a minimum standard that shall apply to Haitong Bank, S.A. ("Haitong Bank" or "the Bank") and its subsidiaries, branches and Representative Office ("Haitong Bank Group").

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 approved by the Board of Directors, subject to prior assessment by the Audit Committee.
- c. This Regulation is reviewed by the Compliance Department, at least, every two years or whenever necessary to comply with applicable rules.

5. PRINCIPLES

- a. This Regulation aims at establishing mechanisms to prevent the risk of undue influence over members of the management and supervisory bodies of the Bank by other people or entities.
- b. This Regulation aims at guaranteeing compliance with the principles of transparency and sound and prudent management of the Bank.
- c. This Regulation aims to ensure that the Bank does not apply more favourable conditions to Related Parties than those that would be applicable to Non-Related Parties.
- d. This Regulation aims at defining the involvement and responsibilities of the internal control functions, both in the identification process and in the analysis process of a transaction with a Related Party and the responsibilities of the Heads of the relevant business units in the monitorization of a transaction with a Related Party.

6. DEFINITIONS

- a. **Less Relevant Transactions:** means transactions that may be potentially defined as such by the Board of Directors based on certain common features (e.g., type, value, risk).
- b. **Related Party:** means any person or entity that is identified as such according to accounting norms (International Accounting Standard "IAS" 24) and Notice 3/2020. The following categories of persons and entities shall be classified as related parties:
 - Qualified participants of the institution and other persons or entities covered by the regime provided for in article 109 of the RGICSF;

- Members of the Board of Directors and Audit Committee;
 - Relatives of members of the Board of Directors and Audit Committee: Spouse, Civil partner, Parents, Step-parents; Parents-in-law; Children; Stepchildren; and Children-in-law;
 - Companies in which a member of the Board of Directors and Audit Committee and/or the Relatives of members of the Board of Directors and Audit Committee: i) hold a qualified participation equal to or greater than 10% of the capital or voting rights; or ii) have significant influence; or iii) hold management positions or/and supervisory functions;
 - Entities having an economic interdependence relationship with the Bank, due to cross-linked relationship of stakes or due to a close connection that would cause contamination in case of one entity facing financial problems;
 - Persons and/or entities (including depositors, debtors, creditors, group entities, staff of the Bank or of other group entities) having the ability to influence the Bank's management and engage in transactions or commercial relationships in favourable conditions and/or in any way different from the market standards;
 - Pension Funds of the Bank's Staff.
- c. **Related Parties List:** means the list of Related Parties of the Bank, including the details set out in Notice 3/2020.

7. TRANSACTIONS WITH RELATED PARTIES

Transactions involving Related Parties should be processed as per the procedure applicable to the given type of transaction, by the internal units responsible for its review, approval, control and execution, with the following additional requirements:

- a. Opinion from the **Risk Function** and from the **Compliance Function**.
- b. Endorsement of the **IBK Global Adoption Committee**¹ or favorable proposal coming from the **Credit Process**²;
- c. Endorsement by the **Executive Committee**;
- d. Opinion from the **Audit Committee**;

¹ The IBK Global Adoption Committee shall occur whenever the transactions have no credit nature as per IBK01.PM371 - The Investment Banking Global Adoption Committee Procedure.

² The Credit Process shall be initiated whenever the transactions have credit risk as per CEO08.PM389 - Credit Process – I.

- e. Approval by majority of 2/3 of the Members of the **Board of Directors**.

The Board of Directors approval must always be the last sign-off for a Related Party Transaction and will take into consideration the endorsements of the above-mentioned Corporate Bodies as well as the Control Functions' Opinions.

Less Relevant Transactions may be approved by the Board of Directors on an aggregated basis, provided that:

- Such Less Relevant Transactions meet the criteria defined by the Board of Directors;
- Such Less Relevant Transactions and the respective conditions are reviewed quarterly by the Board of Directors.

All transactions with Related Parties, including the Less Relevant Transactions, must be carried out under market conditions. When it is not possible to determine the market conditions applicable to a given transaction with a Related Party, the Bank will apply the methodology defined in CEO05.PM341 – Assessment of Related Party Transactions Market's Conditions to assess market conditions. The goal is to make sure that the Bank does not apply more favourable conditions to Related Parties than those that would be granted to Non-Related Parties in similar transactions.

8. RISK AND COMPLIANCE FUNCTION AND BUSINESS UNITS' RESPONSABILITIES

Within the identification and analysis of a transaction with a Related Party, the Risk and Compliance Functions shall ensure they comply with the following steps:

- a. Confirm that the classification of the relevant counterparty as Related Party remains applicable.
- b. Ascertain if the market conditions assessment with respect to the transaction at hand was properly conducted and, if necessary, inquiry the relevant stakeholders, to ensure the transaction is made at "arm's length".
- c. Review the governance process around the transaction, notably that all corporate bodies intervention is ensured.
- d. Reinforce the acknowledgement of the relevant business units to regularly monitor the transaction.

The Heads of the relevant business units undertake to regularly monitor the transactions with Related Parties and, on a quarterly basis, report the outcome on such monitoring to the Risk and Compliance Functions, who, in turn, shall also report that information, on a quarterly basis, to the Board of Directors and Audit Committee. This monitoring obligation only applies for ongoing transactions.

Should any non-compliance situation be identified, the Risk and Compliance Functions shall immediately report it to the Board of Directors and Audit Committee, recommending possible measures to remedy it.

9. ANALYSIS OF THE RELEVANT BODIES

- a. In order to proceed to the competent analysis of transactions with Related Parties, the relevant bodies (as referred to in 7. above) shall receive, at least, the following information:
 - (i) the parties involved in the transaction;
 - (ii) the scope of the transaction;
 - (iii) term;
 - (iv) guarantees;
 - (v) fee structure;
 - (vi) the risk analysis;
 - (vii) the Risk and Compliance Opinion;
 - (viii) approval dates; and
 - (ix) any other relevant elements allowing the assessment of the interests involved and how it may impact the Bank.
- b. The Executive Committee shall endorse the proposal to be submitted to the Audit Committee opinion and, subsequently, to the Board of Directors for final decision. If the transaction with a Related Party is deemed not endorsed, it shall not be submitted to any further relevant corporate bodies for approval.
- c. The Audit Committee shall give the opinion on the projected transaction with a Related Party swiftly and in a duly substantiated manner, by:
 - (i) not raising objections;
 - (ii) not raising objections, but imposing conditions;
 - (iii) raising objections.
- d. Amongst other relevant lawful provisions and regulatory guidelines, the Audit Committee shall take into consideration the provisions of articles 85, 86 and 109 of the RGICSF in order to provide their opinion.

- e. Should the Audit Committee not raise objections to a transaction with a Related Party but impose the verification of certain conditions (paragraph c. (ii) above), the business units involved in the transaction must provide evidence to the Audit Committee that such conditions imposed by the Audit Committee were duly met.
- f. In case the Audit Committee raises objections to the transaction (paragraph c. (iii) above), the transaction with a Related Party is deemed rejected and shall not be submitted to the Board of Directors for approval.

10. EMPLOYEES AND CORPORATE BODIES MEMBERS

- a. Any employee or members of the corporate bodies shall immediately inform the Compliance Department on any facts likely to be deemed or that cause a Related Party relationship in a way for it to be promptly included in the Related Parties List, as per Section 12 below.
- b. Any person that is a Related Party shall not take part in a decision-making process that creates a conflict, save for the duty of providing any information or clarification requested by a corporate body or committee.
- c. Related Parties must not engage in transactions with third parties if the business opportunity has come to the knowledge of the Related Party while in the performance of their duties at the Bank, prior to informing the Compliance Department and complying with the rules set out in this Regulation.

11. LOANS TO CORPORATE BODIES MEMBERS

- a. The procedures that ensure full compliance with the obligations established in articles 85 and 85-A of RGICSF are laid down in COM06.PM013 – Loans to Members of Governing Bodies.

12. RELATED PARTIES LIST

- a. The Board of Directors is responsible for ensuring that the Bank has a Related Parties List.
- b. The Related Parties List is updated at least quarterly (as provided by the Related Parties List Procedure No. COM05.PM328), or whenever necessary due to significant changes.
- c. The Related Parties List is approved by the Board of Directors following the acknowledgement by the Corporate Governance Committee and by the Audit Committee.

- d. The Related Parties List shall be made available to Banco de Portugal or other competent authorities upon request.

13. REPORTS

- a. The CEO Office shall keep a consolidated record of all Related Parties transactions, containing at least the following information:
 - (i) The number of transactions with Related Parties analysed and carried out by the Bank;
 - (ii) A list of the type of transactions with Related Parties that raised objections;
 - (iii) A list of the type of transactions with Related Parties which were approved subject to conditions, specifying the reasons and any elements allowing to conclude compliance with said conditions;
 - (iv) In case of credit transactions, identify the specific exposure to each Related Party that qualifies as Qualified Shareholder (as foreseen in article 109 of the RGICSF) and attest that (i) individually each transaction does not exceed 10% of the Bank own funds and (ii) collectively all transactions do not exceed 30% of the Bank own funds.
- b. The record referred to in the preceding paragraph may be incorporated in the Corporate Governance report that is prepared annually and is part of the Bank's Annual Report.
- c. A global view of the adequacy and effectiveness of this Regulation and of the Conflicts of Interest Prevention and Management Regulation, as well as any suggestions for its revision, if applicable, shall be included in this annual assessment.

14. ARCHIVE

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

15. DISCLOSURE

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

16. CONTROL OF VERSIONS

Table 1: Information about the Document

Name of the Document	COM06.R07 - Related Parties Regulation
Version	Version 9.0
Prepared by (Name/Department)	Compliance Department
Revised/Endorsed by (Committee name)	Endorsed by the CGC on 17/06/2025 and Audit Committee on 20/06/2025
Approved by (Committee name)	Board of Directors

Table 2: Versions' update

Approval and Update Date	Main Changes
Version 1.0 – Approved by Shareholder on April 2015	-
Version 1.1 – n.a.	Renaming of Policy
Version 2.0 – Approved by Shareholder on 7 th December, 2018	-
Version 3.0 – Approved by General Meeting on 17 th July, 2020	Updated according with BoP recommendations
Version 4.0 – Approved by BoD on 25 th February, 2021	Updated according with BoP Notice 3/32020
Version 5.0 – Approved by BoD on 28 th October, 2021	Changing this regulation to the new template according with recently approved Internal Rules Framework and templates; Clarification regarding a Related Party Transaction approval; Updated and Approval of the Related Parties List, according with Notice 3/2020
Version 6.0 – Approved by BoD on 19 th July 2022	Clarification of the Related Parties definition according with article 109 of RGICSF.
Version 7.0 – Approved by BoD on 27/12/2023	Annual Revision – Clarification of some points related with the Supervisory Body intervention; Clarification regarding the definition of Related Party and other minor adjustments.
Version 8.0 – Approved by BoD on 25/06/2024	Annual Revision – Clarification of some points related with the committee's related procedures. Updated according with the BoP letter Ref. CEX/2024/0000161992 and Notice 2/2025, regarding relevant and aggregated operations procedures; clarifications regarding the corporate bodies decision-taking; procedures to identify individual exposures to related parties according with art. 109° RGICSF;
Version 9.0 – Approved by BoD on 23/06/2025	inclusion of quarterly report of the Heads of relevant structural units regarding the monitoring of related-party transactions to the risk management and compliance functions; Procedures to ensure full compliance with the obligations established in articles 85, 85-A; other minor changes and updates.