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Corporate Governance Report

2021



Confidence in the Future



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INTRODUCTION

The Board of Directors of BANCO BAI Cabo Verde S.A (hereinafter “BAICV” or “Bank”) prepared this Corporate Governance Report, in compliance with the following legislation in force:

- i. Article 33 of the Law on Activities of Financial Institutions (LAIF), approved by Law no. 62/VIII/2014, of 22 April, which regulates the activity of financial institutions;
- ii. Article 131 of Legislative Decree no. 1/2012 – Securities Market Code (Cod.MVM);
- iii. Banco de Cabo Verde (BCV) Notice no. 6/2017 of 7 September, which approved the Corporate Governance Code of Financial Institutions;
- iv. Banco de Cabo Verde Notice no. 7/2017 of 7 September, which establishes the Model for the Annual Corporate Governance Report;
- v. Article 5 of Regulation no. 1/2009 of the Auditor General of the Securities Market (AGMVM);
- vi. AGMVM Regulation no. 1/2016 – Regulation on the Annual Report of the Government of Issuers of Securities Admitted to Trading on the Market;
- vii. Notice no. 4/2014 of 17 October, with amendments introduced by Banco de Cabo Verde Notice no. 4/2019 of 14 March, which requires financial institutions to include in the Corporate Governance Report, in an independent chapter, the selection and evaluation policy of management and supervisory bodies’ members.

The report also aims to disclose the degree of compliance with BCV recommendations provided for in Notice no. 6/2017 and was prepared under the terms of Notice no. 7/2017, which establishes the structure and contents to be respected by the subject entities.

We emphasize that the rules provided for in the aforementioned regulations advocate a comply or explain approach, that is, if the Institutions choose not to accept the recommendations (comply), they must present a justification, demonstrating that the alternative procedures in force on a given subject, observe, with equal efficiency, the principles underlying the recommendations not accepted (explain).

Also, pursuant to article 4 of Banco de Cabo Verde (BCV) Notice no. 4/2014, amended by Notice no. 4/2019, this report contains, in an independent chapter, information on the selection and evaluation policy of management and supervisory body's members.

In this sense, without prejudice to compliance with the aforementioned regulations and Law no. 61/VIII/2014, of April 23, which determines the bases, the guiding principles and the regulatory framework for the Financial System, this Report aims to demonstrate the transparency of information as a guiding principle of BAICV, and the relationships established with shareholders and other interested parties (*Stakeholders*).

With regard to corporate governance practices, BAICV has, since 2008, been developing its activity in an environment that seeks to combine criteria of good corporate governance, including technical powers and duties of care, loyalty and transparency, with procedures aimed at achieving the objectives of good corporate governance, of which the following stand out:

- a) Business Strategy;
- b) General Guidelines (policies) and Risk Exposure Limits;
- c) Code of Conduct;
- d) Conflict of Interest Statements Relating to the Board of Directors and the Audit Committee;
- e) Regulations Relating to Credit and Investment, Products and Services, Risk Management, Deposits and Customer Applications, Assets and Liabilities, and Network Expansion Plans Committees;
- f) Periodic Internal Control and Risk Management Reports;
- g) Implementation of Know Your Customer Policies;
- h) Prevention of Money Laundering and Terrorism Financing Program;
- i) Segregation of Duties and the Implementation of Rigorous Financial and Risk Management Controls, as well as their Monitoring.

ACCEPTANCE STATEMENT



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ACCEPTANCE STATEMENT

The Board of Directors describes, in the table annexed to the Report (Annex I), information that states the institution's understanding of the level of compliance with the recommendations established in the Corporate Governance Code of Financial Institutions, established in Banco de Cabo Verde (BCV) Notice No. 6/2017, of 7 of September, and in AGMVM Regulation no. 1/2016, of 6 of May.

With a view to good corporate governance, of the thirty-six (36) recommendations proposed in the Corporate Governance Code, BAICV accepts thirty-three (33), does not accept two (2) [see Annex I, recommendations no. IV.5 and no. IV.6], and one (1) is not applicable.

SHAREHOLDER STRUCTURE



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SHAREHOLDER STRUCTURE

I. Capital Structure

BAICV is a public limited company incorporated under Cabo Verdean law, in 2008, with share capital, fully subscribed and paid up in cash, of currently ECV 2,092,385,000 (two thousand and ninety-two million, three hundred and eighty-five thousand escudos), divided into 2,092,385 shares, with a par value of 1000 escudos each.

On December 13, 2021, there was an increase in the share capital and amendment of BAICV's articles of association, having the share capital changed from 1,430,795,000 (one thousand four hundred and thirty million, seven hundred and ninety-five thousand escudos) to 2,092,385,000 (two thousand and ninety-two million, three hundred and eighty-five thousand escudos).

Banco BAICV major shareholder is Banco Angolano de Investimentos, S.A. (BAI Angola), headquartered in Luanda, Angola, which controls the subsidiary, Banco BAI Cabo Verde S.A.

Shareholders enjoy preemptive rights in the subscription of new shares, in proportion to the shares they currently hold.

The General Meeting may resolve, by a $\frac{3}{4}$ majority, to limit or suppress the aforementioned shareholders' preemptive right.

The structure of BAICV's share capital, as of 31 December 2021, is as follows in the table below:

SHAREHOLDERS	%	AMOUNT (CVE)	NO. SHARES
Banco Angolano de Investimentos, S.A.	88,96%	CVE 1,861,327,000	1,861,327
SONANGOL Cabo Verde – Sociedade de Investimentos, S.A.	9,20%	CVE 192,505,000	192,505
SOGEI – Sociedade de Gestão Investimentos S.A.	1,84%	CVE 38,553,000	38,553
TOTAL	100%	CVE 2,092,385,000	2,092,385

As mentioned in BAICV's articles of association, the share capital may be increased in one go or in installments, by means of a simple resolution taken at a general meeting,

on the proposal of the Board of Directors and the Supervisory Board, provided that all legal formalities are fulfilled, until the maximum amount of five times the share capital. The Board of Directors is authorized to increase the Bank's share capital one or more times, through cash inflows, up to the amount corresponding to 100% of the initial capital. When there is a capital increase, shareholders will have preference in the subscription of new shares in proportion to those they hold, unless otherwise decided by three quarters of the capital represented at the General Meeting, in a meeting expressly called for that purpose.

With regard to paragraph number 8 of Notice no. 7/2017, the Bank's articles of association do not provide for limitations on the number of votes that can be held or exercised by a single shareholder individually or in concert with other shareholders.

Regarding number 9 of Notice no. 7/2017, the Bank is not or has not been a party to significant agreements that produce results in the change of control of the institution specified in the aforementioned article.

The shareholder agreement constituting BAICV was signed on July 14, 2008, between the current shareholders of BANCO BAICV, namely Banco Angolano de Investimentos S.A., Sonangol Cabo Verde S.A. and SOGEI – Sociedade de Gestão de Investimentos S.A., concerning the appointment of Governing Bodies' members, voting rights and transfer of shares.

Dividend distribution policy

The annual net profits, calculated in accordance with the law, and statutorily, have successively the following application:

- a) Coverage of losses from previous years;
- b) A minimum of 10% for the constitution or reinstatement of the legal reserve, until it equals the share capital;
- c) A percentage not exceeding 8% for the constitution of a reserve for the stabilization of dividends;

- d) A percentage to be attributed according to criteria to be defined by the General Meeting, such as profit sharing, to workers and members of governing bodies;
- e) The remainder for the purposes that the General Meeting decides in the interest of the Bank, namely for the formation of free reserves and the distribution of dividends, under the terms and within the legally established limits.

In 2021, net profits were applied in accordance with legal and statutory provisions. However, there was no distribution of dividends.

II. Shares and Bonds Held

a) Qualified Shares in the Share Capital

Regarding qualifying holdings, that is, shareholders holding shares that exceed 5% of BAICV's share capital, the same structure was maintained compared to 2020 (two shareholders, but with different percentages), as shown in the table below:

SHAREHOLDERS	%	AMOUNT (CVE)	NO. SHARES
Banco Angolano de Investimentos, S.A.	88,96%	CVE 1,861,327,000	1,861,327
SONANGOL Cabo Verde – Sociedade de Investimentos, S.A.	9,20%	CVE 192,505,000	192,505

Under the BAICV By-Laws, there are no restrictions on the transferability of shares.

On this date, there are no shareholders with special rights or workers with shares in BAICV's share capital.

As of this date, there are no records of the acquisition/disposal of the Bank's own shares. Under the BAICV Articles of Association, the company may, by resolution of the General Meeting, acquire its own shares under the terms provided for by law.

The following table describes the summary of the commercial relations between the shareholders holding qualifying holdings and the company, Banco BAICV:

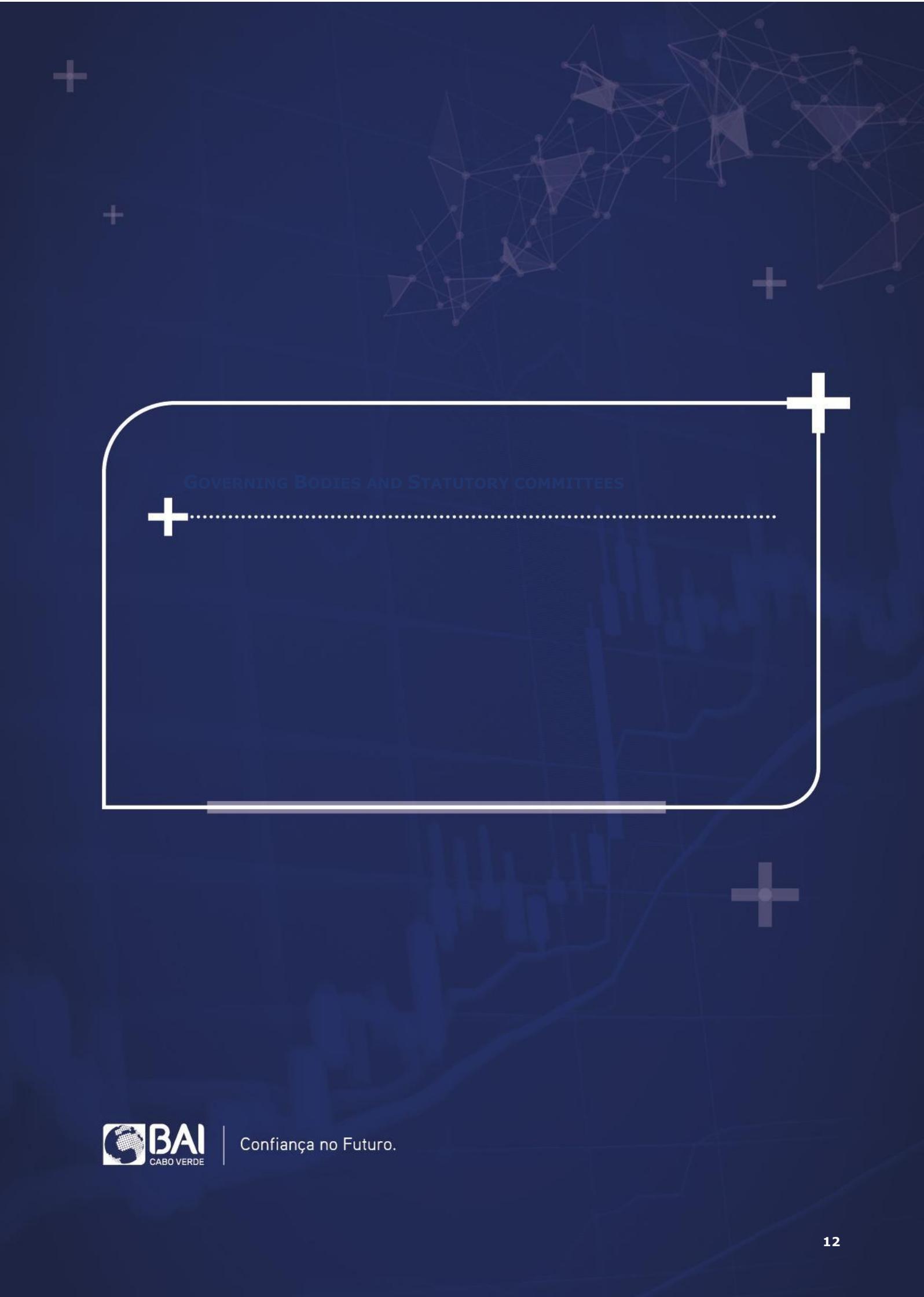
SHAREHOLDERS	Commercial Relations
Banco Angolano de Investimentos, S.A.	<ul style="list-style-type: none"> • Demand Deposit; • Term Deposit; • Capital injection; • Provision of guarantees for credit operations; • Securities custody; • Bond loan; • Financing through supplies.
SONANGOL Cabo Verde – Sociedade de Investimentos, S.A.	<ul style="list-style-type: none"> • Demand Deposit; • Term Deposit; • Bond loan.

Pursuant to paragraph 1 of article 5 of BAICV's Articles of Association, the General Meeting is responsible for deciding on capital increases, upon a proposal from the Board of Directors and the Supervisory Board.

b) Bonds held

The following table describes the list of holders of Bonds Series B, C and D, issued by BAICV:

SHAREHOLDERS	Series	Amount (CVE)	Abbreviated Code
Banco Angolano de Investimentos, S.A.	B	3,950,000.00	CVBAIBOM0007
	C	3,244,000.00	CVBAICOM0006
SONANGOL Cabo Verde – Sociedade de Investimentos, S.A.	D	8,500,000.00	CVBAIDOM0005



GOVERNING BODIES AND STATUTORY COMMITTEES



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GOVERNING BODIES AND STATUTORY COMMITTEES

Always aiming at the principles of good corporate governance, the corporate model adopted by the Bank, as provided for in its amended articles of association and approved at the General Meeting of May 18, 2021, and in the Commercial Companies Code of Cabo Verde, comprises:

a) Governing Bodies and Statutory Committees:

- i. General Meeting;
- ii. Board of the Directors;
- iii. Supervisory Board;
- iv. Governing Bodies Remuneration Committee (CROS);
- v. Selection and Evaluation Committee of Governing Bodies' members (CSAOS).

b) Auxiliary Bodies:

- i. Internal Control Supervision Committee;
- ii. Risk Management Supervision Committee

Under the terms of the Articles of Association, the Board of Directors delegates the day-to-day management of the company to an Executive Committee.

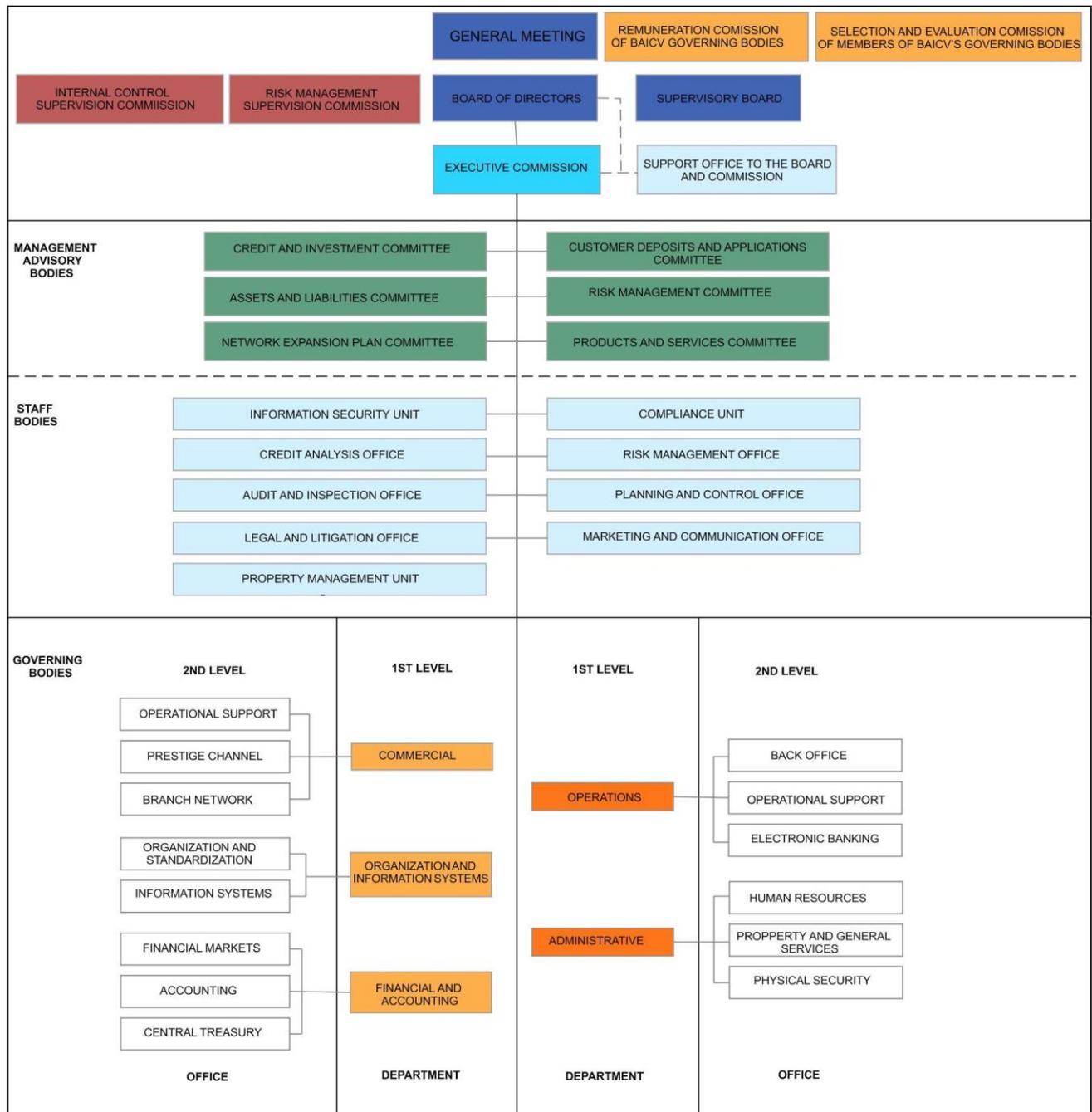
The members of BAICV's Governing Bodies are elected by deliberation of the General Meeting. The term of office lasts for four (4) years, and may be renewed for one or more times, under the terms of the Articles of Association.

The CVs of Governing Bodies' members can be found in Annex II to this Report.

Minutes of all meetings of Bank's Governing Bodies are drawn up, with information on the resolutions.

The Bank adopts a company policy regarding independence, integrity, experience, skills and gender diversity in the composition of its Governing Bodies.

The following Organizational Chart shows the Bank's Corporate Governance Model Structure.



III. General meeting

a) Board of the General Meeting

The Board of the General Meeting is made up of a Chairperson and a Secretary, elected for a term of office of 4 (four) years. Its renewal is allowed once or more than once. The General Meeting is convened by the respective Chairperson, twenty-one days in advance, as established by law.

The current composition of the Board of the General Meeting was elected at the General Meeting of May 18, 2021, for the 2021 to 2024 term of office, consisting of:

NAME	POST
Silvino Manuel da Luz	Chairman
Adilson dos Reis Mendonça	Secretary

b) Exercise of voting rights

The General Meeting, as a Governing Body, is formed by shareholders with voting rights, and does not provide for limitations on the exercise of voting rights, with each fifty (50) shares corresponding to one (1) vote. The Bank's Articles of Association only provide that, if shareholders do not have the number of shares sufficient to obtain one vote, they may group themselves together and be represented by one of them to fulfill their right to vote.

In accordance with the Bank's Articles of Association, resolutions are taken by a simple majority of votes of the shareholders present or represented at the General Meeting, without prejudice to the qualified majority in the cases provided for in the Law.

For the purpose of amendments to articles of association or elections of members of corporate bodies, the General Meeting can only be held if shareholders corresponding to at least 51% of the share capital are present.

The General Meeting meets at least once a year and whenever the Board of Directors or Supervisory Board deems it necessary or when the meeting is required by shareholders who hold at least shares corresponding to the minimum value imposed by mandatory

law or, failing that, corresponding to 20% of the share capital and deliberates on all matters for which the Law and the Articles of Association assign it powers, in particular:

- a) Assess the report of the Board of Directors, discuss and vote on the balance sheet and accounts and opinion of the Supervisory Board and resolve on the allocation of the years' results;
- b) Elect the members of the Board of the General Meeting, the Board of Directors and the Supervisory Board, appointing their respective Chairpersons;
- c) Elect the Chairs of the Supervisory Committees;
- d) Decide on any amendment to the Articles of Association and capital increase, without prejudice to the applicable provisions on the matter;
- e) Appoint a Remuneration Committee of the Governing Bodies, composed of three (3) members, to be elected every four (4) years, by the general meeting, among shareholders or not, or by members of the management body, who do not perform executive duties, or by members of the supervisory body, which will formulate recommendations on the remuneration of governing bodies' members;
- f) Appoint a Committee for the Selection and Evaluation of Governing Bodies, composed of three (3) members, to be elected every four (4) years, by the general meeting, among shareholders or not, or by members of the management body, or by members of the supervisory body, which will formulate recommendations on the appointment and evaluation of governing bodies' members;
- g) Authorize the acquisition and sale of real estate, as well as investments, both with a value greater than 20% of the share capital;
- h) Decide on the issuance of bonds;
- i) Decide on the performance of ancillary payments by the shareholders;
- j) Deal with any other matter for which it has been summoned.

It is incumbent upon the General Meeting to resolve any amendment to the Articles of Association, under the applicable legal terms (article 12, paragraph d) of the Articles of Association).

On 18 May 2021, the shareholders of Banco BAICV met at the Annual General Meeting to discuss and resolve on the items on the agenda, as per the notice published in the newspaper and in the OG, on 28 April 2021. For the record, the respective minutes were drawn up, which are filed at the headquarters of the company Banco BAI Cabo Verde S.A.

Shareholders holding 100% (one hundred percent) of the capital stock were present at the meeting or represented, according to the attendance list, and mandate letters were filed at the aforementioned company's headquarters.

c) Statutory committees

Governing Bodies Remuneration Committee (CROS)

CROS is composed of a minimum of three (3) members, including shareholders or not, or members of the management body, who do not perform executive duties, or members of the supervisory body, appointed by the General Meeting, which will also elect its President, for a term of four (4) years, coinciding with that of the governing bodies of BAICV, and may be reelected.

CROS members must have the necessary qualifications and appropriate professional experience to exercise their duties and cannot accumulate positions on the Executive Committee.

The General Meeting that appoints the members of CROS may decide on the possible remuneration to be earned by them.

Powers:

It is incumbent upon CROS, within the scope of the Remuneration Policy in force at BAICV, to:

a) Promote the analysis and annual assessment of the application of the Remuneration Policy, in line with the principles established in the General Regime for Credit Institutions and Financial Companies;

- b) Identify possible effects resulting from the application of the Remuneration Policy in risks management and capital and liquidity of BAICV and recommend a review of the latter;
- c) Identify updates, revisions and other adjustment measures considered appropriate;
- d) Consult the heads of BAICV's structural units, from whom contributions considered relevant for the purposes of the foregoing may be requested;
- e) Submit annually, for approval by the General Meeting, the Remuneration Policy of the members of the Board of Directors and the Supervisory Board, in compliance with the provisions of paragraph a) of number 4 of article 1 of Notice no. 2/2019, of 19 March;
- f) Propose to the General Meeting the definition of remunerations and set the remuneration of governing bodies' members, in its fixed and variable components, in compliance with the requirements defined in the Remuneration Policy;
- g) Ensure compliance with the remaining powers committed by the Remuneration Policy.

Duties:

Without prejudice to other duties provided for in the Law, CROS members have the duty to:

- a) Act in accordance with high standards of professional diligence, exemption, care and loyalty in the pursuit of BAICV's interest;
- b) Participate in CROS meetings, justifying, with due notice, the impossibility of such participation;
- c) Keep the facts and information that they become aware of by virtue of their duties confidential, except in cases where disclosure is permitted by law.

Selection and Evaluation Committee of Governing Bodies' members (CSAOS)

CSAOS is composed of a minimum of three (3) members, including shareholders or not, or by members of the management body, or by members of the supervisory body, appointed by the General Meeting, which will also elect its Chairperson, for a term of

office of four (4) years, coinciding with that of BAICV's governing bodies, and may be reelected.

CSAOS members must have the necessary qualifications and appropriate professional experience to exercise their duties and cannot accumulate positions on the Executive Committee.

Powers:

1. CSAOS is an informative and consultative committee whose recommendations are not binding.

2. In the performance of its duties, and without prejudice to other powers attributed to it, it is in particular the responsibility of CSAOS with regard to the governing bodies:

a) In terms of appointment:

I. Assist the Board of Directors in identifying and assessing the suitability of the profile, knowledge and curriculum of members of governing bodies to be appointed, namely, the appointment by co-option to perform the duties of a member of the Company's Board of Directors, as well as, in the selection of directors who will perform executive and non-executive duties;

II. Make its terms of reference available and induce, to the extent of its powers, transparent selection processes that include effective mechanisms for the identification of potential candidates, and the selection of those who present the greatest merit, best suit the requirements of the role and promote, within the organization, adequate diversity including gender;

b) In terms of evaluation:

I. Monitor the management performance evaluation system and the Company's remuneration allocation;

II. Issue an opinion on the proposals for the annual individual assessment of the performance of Executive Committee's members, issued by the respective Chairperson, and of the latter, issued by the Chairperson of the Board of Directors;

III. Monitor the overall assessment of the performance of the Board of Directors, as a body, taking into account compliance with the Company's strategic plan and budget, risk management, its internal functioning and the contribution of each member to this end;

IV. Prepare the Evaluation Report of BAICV Management and Supervisory Bodies' Members.

Duties:

In the exercise of their duties, and in addition to other duties that, in this context, are applicable, CSAOS members must:

- a) Participate in CSAOS meetings and other governing bodies in which their presence in this capacity is requested.
- b) Treat confidentially all the Company's documentation to which they have access in the exercise of their duties, including the content of CSAOS meetings and other corporate bodies in which their presence in that capacity is requested, and the preparatory information for such meetings.

IV. Management

a) Composition

The Board of Directors may be composed of a minimum of three members.

The Board of Directors is composed of seven (7) members, of which four (4) are non-Executive, two of whom are Independent Non-Executive Directors.

The Chairperson of the Board of Directors is appointed by the General Meeting among its members.

The Board of Directors comprises at least three (3) Executive Directors, who are responsible for the day-to-day management and representation of the company.

The following table describes the composition of the Board of Directors, elected at the General Meeting of May 18, 2021, for a term of office of 4 (four) years - 2021 to 2024:

NAME	POST	FUNCTION
Luís Filipe Rodrigues Lélis	Chairman	Non-Executive (non-resident)
Alexandre Augusto Borges Morgado	Board Director	Non-Executive (non-resident)
Manuel Pinto Frederico	Board Director	Non-Executive – Independent (resident)
Maria Encarnação Alves Rocha	Board Director	Non-Executive – Independent (resident)
Carlos Augusto Bessa Victor Chaves	Board Director	Executive (resident)
Carla Monteiro do Rosário	Board Director	Executive (resident)
David Luís Dupret Hopffer Almada	Board Director	Executive (resident)

For the purpose of determining the independent members, it was considered the concept advocated by Notice no. 4/2019, which amended Notice no. 4/2014, on the members of Directors and Supervisory Bodies of Financial Institutions, which states in article 5 that:

1. The Banks' Board of Directors must include:
 - a) At least two executive directors entrusted with the day-to-day management of the institution;
 - b) The adequate number of independent members, taking into account, among other factors, the size of the institution and the complexity of the activities carried out, but which cannot, under any circumstances, be less than a quarter of the total number of directors.
2. A person is considered independent when not associated with any specific interest group in the company or when not in any circumstance likely to affect their impartiality of analysis or decision, namely by virtue of:
 - a) Holding or acting on behalf of or on behalf of holders of qualifying holdings equal to or greater than 5% of the company's capital;
 - b) Having been re-elected for more than two terms, continuously or interspersed;
 - c) Having been an employee of the company or of a company that is in a controlling or group relationship with it in the last three years;
 - d) Having, in the last three years, provided services or established a significant business relationship with the company or with a company with which it is in

- a controlling or group relationship, either directly or as a partner, board director, manager or director of a legal person;
- e) Being the beneficiary of remuneration paid by the company or by a company that is in a controlling or group relationship with it, in addition to the remuneration resulting from the exercise of board director's duties;
 - f) Living in a de facto relationship or being a spouse, relative or similar in the direct line and up to the 3rd degree, including, in the collateral line, of board directors or natural persons directly or indirectly holding a qualifying holding.

In view of the above criterion, the Bank has two independent non-executive members, corresponding to 28.5% of the total, a proportion that is considered adequate in view of the established governance model and the size of the Institution.

b) Functioning

The term of office of the members of the Board of Directors is renewable for four years, remaining in office until the members who replace them take office.

Vacancies or impediments that occur on the Board of Directors will be filled by the Board of Directors itself, through the co-option of a replacement member, until the first general meeting decides definitively on them.

The Board of Directors is BAICV's governing body, and it is responsible, under the terms and within the limits of the law and the respective articles of association ("By-laws"), to exercise the broadest powers of management and representation of BAICV, as well as to practice all acts necessary or convenient for the pursuit of activities included in BAICV's corporate purpose.

The powers of the Board of Directors derive from the law and the Articles of Association, and it is specifically responsible for:

- a) Managing the corporate business and performing all acts and operations related to the corporate purpose that do not fall within the competence attributed to other bodies of the company;
- b) Representing the company in and out of court, actively and passively, being able to withdraw, compromise and confess in any lawsuit and, as well, commit, by means of an arbitration agreement, to the decision of arbitrators;

- c) Defining and implementing the Bank's internal organization, as well as its operating rules, namely regarding staff and their remuneration;
- d) Appointing representatives, with or without the faculty of substitution, with the powers or tasks that it deems convenient to assign them;
- e) Preparing and submitting the approval of the stock option general meeting for the members of the Board of Directors, as well as the employees who occupy positions of high responsibility in the company;
- f) Acquiring, selling or otherwise disposing of or encumbering rights and assets, real estate or not, without prejudice to the General Meeting's powers in these matters;
- g) Incorporating companies, subscribing, acquiring, encumbering and disposing of shareholdings;
- h) Establishing the technical-administrative organization of the company, the rules of internal operation, namely regarding the staff and their remuneration;
- i) Appointing trustees with the power it deems appropriate, including those of substitutes;
- j) Exercising the other powers assigned to it by the Law and by the Shareholders.

The Board of Directors may decide, under the legal terms, that certain documents of the company be signed by mechanical processes or by seal.

In particular, the Chairperson of the Board of Directors is responsible for:

- a) Representing the Board of Directors in and out of court;
- b) Coordinating the activity of the Board of Directors and convening and directing the respective meetings;
- c) Exercising a casting vote;
- d) Ensuring the correct execution of Board of Directors' resolutions.

In his/her absences and impediments, the Chairperson will be replaced by the Director appointed for that purpose.

BAICV Board of Directors operates in accordance with the regulations of BAICV Board of Directors in force since February 22, 2017. This regulation can be consulted on the Bank's website: www.bancobai.cv.

The Board of Directors meets at least four (4) times a year, or whenever called by its Chairperson, or by two Directors, or by the Supervisory Board. Minutes are recorded of

all meetings in which the deliberations and attendances verified are recorded, being recorded in the company's minutes book.

During 2021, six (6) meetings of the Board of Directors were held, with the participation of all members and with an attendance rate of almost one hundred percent (100%) of the elected members.

In accordance with Board of Directors' Regulations, non-executive and independent members are oriented towards controlling the performance of executive members, or of the Executive Committee, and are assigned the following powers:

- a) Ensure that executive members carry out day-to-day management in a sound, prudent and effective manner;
- b) Provide an independent opinion in the decision-making process;
- c) Participate in the definition and monitoring of the business strategy;
- d) Analyze and discuss the reports produced by the key functions of the internal control system, namely, internal audit, Compliance and risk management;
- e) Supervise the process of disclosing accounting and management information.

Professional qualifications and other curricular elements of each of the Board of Directors' members are included in Annex II of this Report.

Banco BAICV does not have a gender diversity policy in the composition of its Governing Bodies, nor a specific program to achieve gender balance, but, in fact, this body comprises two female members, one of whom is an executive director of the Board of Directors, and the other independent non-executive director.

The table below summarizes the relationship between Board of Directors' members and the shareholder BAICV, with a qualified percentage greater than 2% of voting rights:

Post	Board of Directors' Members	Relationship with shareholder
Chairperson of Board of Directors	Luís Filipe Rodrigues Lélis	Chairman of the Executive Committee of BAI Angola, with 3% shareholding

c) Supervisory Committees

In compliance with the provisions of article 29 of the Financial System's Basic Law, Law no. 61/VII/2014 of 23 April, and in Notice no. 4/2017 of 7 September, it was decided, at the Annual General Meeting which took place on March 19, 2019, to create committees for the supervision of internal control and risk management, whose regulations can be consulted at Banco BAICV's secretary and on the respective website.

The **Internal Control Supervision Committee (CSCI)** is the Bank's supervisory and control body, appointed by the General Meeting, in charge of assisting the Board of Directors in the supervision and implementation of internal control, audit and compliance.

CSCI is composed of a minimum of three and a maximum of five members elected among the non-executive members of the Board of Directors and the full members of the Supervisory Board.

CSCI President is appointed among the independent non-executive members, and elected by the General Meeting, and is responsible for the regular functioning of the Committee, assisted by the Secretary.

In addition to the designated permanent members, non-permanent members may participate in CSCI meetings.

CSCI is responsible for:

- a) Monitoring the activities of the Board of Directors and the Executive Committee;
- b) Overseeing and globally assessing the effectiveness of the framework and general plans for internal control, auditing and compliance that ensure the pursuit of the Bank's mission and objectives;
- c) Supervising the formalization and operation of the effective and duly documented information provision system, including the process of preparing and disclosing financial statements and other prudential reports;
- d) Supervising the financial reporting process and the functioning of the internal control, audit and compliance systems, as well as evaluate the aforementioned systems and propose the appropriate improvements and adjustments to BAICV's needs;

- e) Proposing recommendations to the Board of Directors and/or the Executive Committee, related to the Bank's internal control system;
- f) Reviewing financial and corporate information for publication or internal disclosure, namely the half-yearly and annual accounts of the management and corporate governance;
- g) Supervising the independence, autonomy and effectiveness of the internal audit, approving and reviewing the scope and frequency of its actions and supervising the implementation of the corrective measures proposed within the scope of the internal plans and the recommendations of the external audit, the Supervisory Board and Banco de Cabo Verde's (BCV) supervision;
- h) Supervising compliance performance;
- i) Supervising the activities and independence of external auditors, establishing a communication channel with the objective of learning the conclusions of the examinations carried out and the reports issued;
- j) Evaluating the conclusions of audit actions and communicating to the Board of Directors, the Executive Committee and the Supervisory Board the recommendations it deems appropriate on the matters audited;
- k) Issuing an opinion on the work plans and resources allocated to the structural units in charge of control functions, namely Internal Audit and Supervision, Risk Management, Compliance, and Information Security, as recipients of the reports prepared by these areas, especially when matters related to accountability, identification of deficiencies in internal control, the resolution of conflicts of interest and the detection of potential illegalities and/or irregularities are at stake;
- l) Reviewing the internal control system with a view to identifying and correcting its failures and limitations;
- m) Assessing with the Executive Committee, the accountant and the external auditor, any matters and decisions materially relevant to the preparation of the accounting documents, including any significant changes in national and international regulatory standards, accounting policies or understandings;
- n) Evaluating compliance with the policies and procedures defined within the scope of the internal control system.

During 2021, inspections were carried out by Banco de Cabo Verde in matters relevant to credit risk, payment systems and behavioral supervision.

The following table describes the composition of the Internal Control Supervision Committee (CSCI) in 2021, elected at the General Meeting of May 18, 2021, for a term of office of 4 (four) years - 2021 to 2024.

PARTICIPANTS	RESPONSIBILITY
Permanent members	<ul style="list-style-type: none"> • President, Manuel Pinto Frederico (Non-Executive Director, Independent); • Luis Filipe Lélis (Chairman of the Board of Directors); • Margarida Carvalho (member of the Supervisory Board, Sitting member).
Control Members	<ul style="list-style-type: none"> • Mónica Gomes (Head of the Internal Audit and Supervision Office); • Amarita Mendonça (Coordinator of the Compliance Unit); • Eder Monteiro (Head of the Risk Management Office).
Secretary	<ul style="list-style-type: none"> • Mónica Gomes (Head of the Internal Audit and Supervision Office)
Non-permanent members	<ul style="list-style-type: none"> • Carlos Bessa V. Chaves (President of the Executive Committee); • Carla do Rosário (Executive Director); • David Almada (Executive Director); • Olga Barbosa (Coordinating Director); • Amilton Fernandes (Coordinating Director); • Eder Pina (Coordinating Director); • Emanuel Neves Duarte (Alternate Member of the Supervisory Board); • José Carlos Ramos Cunha (Alternate, Independent Member of the Supervisory Board)

The **Risk Management Supervision Committee (CSGR)** is the Bank's supervisory and control body, appointed by the General Meeting, in charge of assisting the Board of Directors in the supervision and implementation of the risk management function.

CSGR is composed of a minimum of three and a maximum of five members elected among the non-executive members of the Board of Directors and the full members of the Supervisory Board.

CSCR President is appointed among the independent non-executive members, and elected at the General Meeting, and is responsible for the regular functioning of the Committee, being assisted by the Secretary.

In addition to the designated permanent members, non-permanent members may participate in CSGR meetings.

CSGR is responsible for:

- a) Monitoring the activities of the Board of Directors and the Executive Committee with regard to risk management;
- b) Advising the Board of Directors regarding the risk management strategy, taking into account:
 - i. The financial situation;
 - ii. The nature, dimension and complexity of its activity;
 - iii. Its ability to identify, assess, monitor and control risks;
 - iv. The work carried out by the external audit within the scope of monitoring the internal control system;
 - v. All relevant risk categories in the institution, namely credit, excessive leverage, market, interest rate, exchange rate, liquidity, compliance, operational, information systems, strategy and reputation risks, taken in the sense provided for in Article no. 110 of Notice no. 4/2017, of 7 September, on the internal control system.
- c) Supervising the implementation of the risk management strategy and the status of all risk management controls and deficiencies;
- d) Supervising compliance with the performance of the risk management function as provided for in Notice no. 4/2017, of 7 September, on the internal control system;
- e) Monitoring and evaluating the material risk management process to which the Bank is subject, through appropriate indicators and metrics;
- f) Globally monitoring and assessing the effectiveness of the framework and general plans for internal control, risk management and compliance that ensure the pursuit of the Bank's mission and objectives;
- g) Supervising the independence, autonomy and effectiveness of risk management, approving and reviewing the scope and frequency of its actions and supervising the implementation of corrective measures proposed within the scope of the internal plans and the recommendation of the external audit, the Supervisory Board and Banco de Cabo Verde supervision;
- h) Supervising the level of effectiveness of BAICV's information security risk treatment;
- i) Evaluating the conclusions of the audit actions and communicating to the Board of Directors, the Executive Committee and the Supervisory Board the recommendations it deems appropriate on the matters audited;

- j) Reviewing the risk management system with a view to identifying and correcting its failures, limitations and the need to strengthen capacities and competences;
- k) Coordinating the corrective actions that must be taken to correct deficiencies and eliminate redundant, ineffective or inefficient controls;
- l) Evaluating compliance with policies and procedures defined within the scope of risk management.

The following table describes the composition of the **Risk Management Supervision Committee (CGR) in 2021**, elected at the General Meeting of May 18, 2021, for a term of office of 4 (four) years - 2021 to 2024.

PARTICIPANTS	RESPONSIBILITY
Permanent members	<ul style="list-style-type: none"> • President, Encarnação Rocha (Non-Executive Director, Independent); • Alexandre Morgado (Non-Executive Director); • Albertino Xisto Almeida (Member of the Supervisory Board, Sitting member).
Control Members	<ul style="list-style-type: none"> • Eder Monteiro (Coordinator of the Risk Management Office); • Mónica Gomes (Head of the Internal Audit and Supervision Office); • Amarita Mendonça (Coordinator of the Compliance Unit); • Carlos Tavares (Coordinator of the Information Security Unit).
Secretary	<ul style="list-style-type: none"> • Eder Monteiro (Head of the Risk Management Office).
Non-permanent members	<ul style="list-style-type: none"> • Luis Filipe Lélis (Chairman of the Board of Directors); • Carlos Bessa V. Chaves (President of the Executive Committee); • Carla do Rosário (Executive Director); • David Almada (Executive Director); • Olga Barbosa (Coordinating Director); • Amilton Fernandes (Coordinating Director); • Eder Pina (Coordinating Director); • Emanuel Neves Duarte (Alternate Member of the Supervisory Board); • José Carlos Ramos Cunha (Alternate, Independent Member of the Supervisory Board).

Regulations relating to the Internal Control and Risk Management Supervision Committees can be consulted on the website www.bancobai.cv.

Executive Committee

Under the terms of the BAICV Articles of Association, the Board of Directors delegates the day-to-day management of the company to an Executive Committee, which is composed of a minimum of three (03) directors, one of whom is Chairperson. Both its

composition and the powers and conditions of the respective delegation are defined in the minutes by the Board of Directors, having held 32 (thirty-two) meetings during the year.

The current Executive Committee, elected at the General Meeting of May 18, 2021, for a term of office of 4 (four) years - 2021 to 2024, is composed of the following members:

NAME	POST
Carlos Augusto Bessa Victor Chaves	Chairman
Carla Monteiro do Rosário	Director
David Luís Dupret Hopffer Almada	Director

As a rule, the Executive Committee meets weekly, on an ordinary basis. Extraordinarily, whenever convened by its President or by the majority of its members.

Resolutions are always recorded in the minutes and are taken by majority of votes present or represented, with the Chairperson having the casting vote.

The Executive Committee, within the scope of its powers, is responsible for the following:

- a) Implement the Bank's annual budget;
- b) Approve the price lists to be charged by the Bank;
- c) Approve credit operations and the provision of banking services, provided that, for the former, it does not exceed the limit of CVE 120,000,000 or its equivalent value, in the case of operations contracted in foreign currency, and of CVE 250,000,000 of cumulative exposure, per customer;
- d) Acquire, encumber or dispose of fixed assets;
- e) Authorize current expenses;
- f) Authorize staff admission and dismissal;
- g) Hire service providers;
- h) Decide on audits and partial or agency inspections and arrange for the adoption of appropriate measures in each case;

- i) Ensure permanent compliance with the “ratios” and prudential limits in force at any given time, as well as with all the rules issued by the supervisory authorities;
- j) Ensure management control, on a monthly basis;
- k) Establish the technical-administrative organization, the rules of internal functioning, as well as staffs remuneration, in line with the budget approved by the Board of Directors;
- l) Represent the company in and out of court, actively and passively, being able to desist, compromise and confess in any claims, and as well, commit, by means of an arbitration agreement, to the decision of arbitrators;
- m) Appoint representatives with the powers it deems appropriate, including those of appointing substitutes;
- n) Draw up Minutes of its meetings and decisions and the respective file, which it will keep permanently updated and make it available to the Board of Directors for consultation and reading.

As for the distribution of tasks and competences within the Board of Directors, BAICV takes into account the different qualifications and the personal and professional experience of each of its members and the size of the institution, so the distribution of responsibilities has been carried out in accordance with such criteria and circumstances.

As part of the delegation of powers attributed by the Board of Directors to the Executive Committee, under the terms of the law and pursuant to article 16 of the Company's Articles of Association, for the purposes of ordinary management and representation of the Bank, the attribution of responsibilities to the members of the Executive Committee is ordered as follows:

1. Carlos Bessa Victor Chaves, as Chairman of the Executive Committee:

- NSI - Information Systems Unit;
- GJC - Legal and Litigation Office;
- NCO - Compliance Unit;
- GPC - Planning and Management Control Office;
- GAI - Audit and Supervision Office (assisted by a Coordinating Director);
- UGI - Property Management Unit.

2. Carla Monteiro do Rosário, as Executive Director:

- DAD - Administrative Management and Human Resources;
- GMC - Marketing and Communications Office;
- DCM - Commercial Directorate;
- GAC - Credit Analysis Office (assisted by a Coordinating Director);

3. David Luís Hopffer Almada, as Executive Director:

- DFC - Financial Management and Accounting;
- GGR - Risk Management Office;
- DOS - Organization and Information Systems Directorate (assisted by a Coordinating Director);
- DOP - Operations Directorate

Through the Order of June 9, 2021, signed by the Chairman of the Executive Committee, Carlos Bessa Victor Chaves, the NSI (Information Systems Unit) was transferred to the responsibility of the Executive Director, Carla Monteiro do Rosário, and the UGI (Property Management Unit) was transferred to the Executive Director, Eng. David Luís Dupret Hopffer Almada.

In addition to the two auxiliary Supervisory Committees of the Board of Directors, in line with the best internal governance practices, the Bank has a set of comprehensive consultation and management committees in relation to the main areas of business, internal control and business support, including the Risk Management Committee, the Assets and Liabilities Committee, the Credit and Investments Committee, and the Deposits and Applications Committee, which operate regularly to advise on the day-to-day management of the Institution, in which participate members of the Executive Committee, the Independent Non-Executive Directors, the relevant management staff in each of these Committees and other participants, according to their relevance to the matters to be addressed.

V. Supervision

a) Composition

In accordance with Notice no. 4/2014 of 17 October, with amendments introduced by Banco de Cabo Verde Notice no. 4/2019 of 14 March, banks' Supervisory Board must include the appropriate number of independent members, taking into account, among other factors, the size of the institution and the complexity of the activities carried out, but which must in all cases constitute the majority of the respective members.

The supervision of BAICV's social activity is the responsibility of the Supervisory Board, elected by the General Meeting and composed of five (5) members, of which three (3) full members, and two (2) alternate members, being three (3) of its members, including the Chairperson, independent, under the terms of Notice no. 4/2014 of 17 October, with the amendments introduced by Banco de Cabo Verde Notice no. 4/2019 of 14 March.

The number of Supervisory Board members is in line with the provisions of article 332(1) of the Commercial Companies Code in force.

The following table describes the composition of the Supervisory Board for the year 2021, elected at the General Meeting of May 18, 2021, for a term of office of 4 (four) years - 2021 to 2024.

NAME	POST	FUNCTION
António Querido dos Reis Borges	President	Independent
Margarida Maria Varela de Carvalho	Member	Full
Albertino Xisto Almeida	Member	Full (independent)
José Carlos Ramos Cunha	Member	Alternate (independent)
Emanuel Neves Duarte	Member	Alternate

The Supervisory Board members have the powers enshrined in the Commercial Companies Code and in the provisions of the Supervisory Authorities and are subject to the regime of incompatibilities.

Without prejudice to other legal requirements, Supervisory Board members must have the appropriate qualifications and professional experience to perform their duties in compliance with the provisions of BCV notice no. 4/2014, being mandatory to have an

adequate higher education degree and high competence and knowledge in the financial, accounting and auditing areas, financial management, corporate governance, or operational knowledge in the area of banking and financial activity.

The professional qualifications and other curricular elements of each member of the Supervisory Board are listed in Annex II of this Report.

b) Functioning

The Supervisory Board ordinarily meets at least once a quarter, without prejudice to the Chairperson being able to convene meetings whenever he/she deems it necessary, with resolutions taken by majority vote.

During 2021, six (6) SB meetings were held, with the participation of all full members and with an attendance rate of one hundred percent (100%).

The Supervisory Board regulations can be consulted at Banco BAICV's secretary and on the Bank's website: www.bancobai.cv.

The Supervisory Board's operation regulations are made available to each of its members upon election or appointment, and were approved by this body in 2020.

c) Powers and roles

Pursuant to the Bank's Supervisory Board regulations, more precisely in paragraph 12 of article 5, it is incumbent upon this body to supervise the independence of the External Auditor with regard to the provision of additional consultancy, advisory and/or training services.

The audit of BAICV's accounts is the responsibility of a certified public accountant, or a certified public accountants' company, appointed by the General Meeting on the recommendation of the Supervisory Board.

In the performance of its duties, in addition to the legally assigned powers, namely those provided for in the Commercial Companies Code and in the company's Articles of Association, the Supervisory Board is responsible for:

1. Exercising conscientious and impartial supervision;
2. Supervising compliance with the Law and the articles of association;
3. Monitoring the Bank's operation and ensuring compliance with legal and regulatory provisions and the Company's articles of association;
4. Monitoring the supervisory actions of Banco de Cabo Verde (BCV), the General Auditor of the Securities Market (AGMVM), the Tax and Customs Authority (AT) carried out by BAICV and other companies of the Group in the same jurisdiction and subject to supervision on a consolidated base;
5. Attending the meetings of the Board of Directors, the Executive Committee and the General Meeting, whenever deemed convenient, or when summoned to do so;
6. Advising the Board of Directors for any matter that must be considered and pronounce on any matter submitted to it by that body;
7. Integrating the BAICV Supervision Committees and participating in their sessions;
8. Appreciating the opinion of the External Auditor on the adequacy and effectiveness of the internal control system underlying the process of preparing and disclosing financial information;
9. Monitoring the audits of the half-yearly and annual accounts, namely their execution, taking into account any findings and conclusions of the competent supervisory and regulatory authorities;
10. Supervising the process of preparation and disclosure of financial information by the company to ensure its integrity;
11. Proposing to the General Meeting the appointment of a certified External Auditor and carrying out an assessment of the work of the Company's External Auditor;
12. Monitoring and supervising the independence of the external auditor, namely with regard to the provision of additional consultancy, advisory and/or training services;
13. Proposing to the Bank's General Meeting the dismissal of the External Auditor whenever there is just cause;
14. Annually preparing a report on its supervisory activity and issuing an opinion on the Management Report, the Bank's Annual Accounts and the proposals presented by the Board of Directors to the General Meeting;

15. Issuing an opinion on the Internal Control System Report, prepared by BAICV's management, under the terms of BCV Notice no. 4/2017, namely regarding the effectiveness, adequacy and coherence of internal control systems, risk management, internal audit and the Bank's compliance function;
16. Issuing an opinion on the annual report of BAICV's Corporate Governance, under the terms of the legal framework in force and, in particular, under the terms of no. 2, of article 2 of BCV's Notice 7/2017 and its Annex I;
17. Meeting, whenever deemed appropriate, with Executive Committee members, to assess and discuss, within the scope of each director's mandate and responsibility, all aspects related to the bank's management, including the most relevant risks, the main challenges and progress achieved;
18. Verifying the accuracy of the accounting documents and, in general, supervising the quality and integrity of the financial information contained therein;
19. Checking, whenever deemed convenient, the Bank's vault, subject to inherent security rules;
20. Checking whether the accounting policies and valuation criteria adopted by the company lead to a correct assessment of assets and results;
21. Addressing the activity plans of the areas of internal control, internal audit, compliance and risk management;
22. Appreciating the annual activity reports produced by the Bank's areas responsible for internal control, transmitting to the Board of Directors the recommendations it deems appropriate on the matters covered by these reports;
23. Giving an opinion on the policies and measures on money laundering and their effective compliance;
24. Supervising whether the areas of internal control exercise their responsibilities independently, effectively and efficiently;
25. Appreciating the annual training plans and the Risk Management plan;
26. Recording in writing all verifications, inspections, complaints received and steps that have been carried out and their result, informing the Board of Directors;
27. Effectively and continuously monitoring compliance with the conflict of interest prevention and management policy.

VI. External Auditor

The annual audit of Banco BAICV's accounts is carried out by an independent external entity, and the Supervisory Board is responsible for proposing to the General Meeting the appointment of the Company's External Auditor (certified) and assessing the External Auditor's opinion on the adequacy and effectiveness of the internal control system of financial information.

Banco BAICV promotes the rotation of External Auditors every four (4) years. The rotation process is promoted by Banco BAICV Supervisory Board, which controls the entire process of the international tender for the selection of the new auditor.

For the external and independent audit of the accounts for the 2021-2024 term of office, the Audit firm Ernst & Young (EY) was hired, whose registration with BCV has been suspended since June 2021 and not completed until 31 December 2021, due to the fact that their registration with the Professional Association of Certified Accounting Auditors (OPACC) is not regularized, under the terms of the respective articles of association approved by Law nº 82/IX/2020 of 26 March.

The Bank's External Auditors earn an annual fee of EUR 52,500 (fifty-two thousand and five hundred euros), approved by the General Meeting.

The Supervisory Board, as the Bank's interlocutor and first recipient of the information prepared by the external auditor, and taking into account the provisions of the Supervisory Board Regulations in article 5, must: (i) monitor the audits of the half-yearly and annual accounts, namely their execution, taking into account any findings and conclusions of the competent supervisory and regulatory authorities; and (ii) evaluate the activity of the external auditor, critically appreciating the reports and other documentation produced.

As part of its specific auditing/legal review of accounts, BAICV's external auditor verifies the application of the corporate bodies' remuneration policies and systems, as well as the effectiveness and functioning of the internal control mechanisms, reporting any detected deficiencies to the Supervisory Board.

The Supervisory Board ensures that, in the Company's organizational plan, namely in the relationship with the Board of Directors, the information and other appropriate

conditions for carrying out the respective provision of services are made available to the external auditor.

Additional services provided by external audits include: (i) Review of the internal control system, including an opinion on the process of preparing and disclosing financial information; (ii) Limited review of the June interim accounts; (iii) Reporting Package (Consolidation with BAI group); (iv) Report on minimum regulatory provisions; (v) Annual Audit Report.

As indicated above, hiring the external auditor is the responsibility of the Supervisory Board. All additional services described above, with the exception of the reporting package, are included in the contracting process. Banco BAI Angola is responsible for hiring the auditor to prepare the Reporting Package, and to date, BAICV's external auditor has carried out this task.

Services	Fees in Euros
Review of the internal control system, including the opinion on the process of preparing and disclosing financial information	23,000
Limited Review of June interim accounts	7,500
Reporting Package (Consolidation with BAI group)	8,500
Report on minimum regulatory provisions	7,500
Annual Audit Report	37,500

VII. Related Parties' Transactions

As part of the qualitative reinforcement of good governance practices, the Company ensures the control of transactions carried out between BAICV and related parties, with a view to safeguarding the Bank's interest in situations of possible conflict of interest, as well as the adoption of the applicable internal procedures to compliance with relevant accounting standards, in particular IAS 24 – International Financial Reporting Standard. This standard establishes the rules and internal procedures for identification, internal reporting and action in the case of related parties' transactions.

In the normal course of its activity, the Bank carries out related parties' transactions that include credit operations and bank investments, deposits, guarantees and other banking operations and services.

The following were considered related parties of the Bank:

Entities of BAI Group	Management Body	Other Related Entities	Management Body
Banco Angolano de Investimento, S.A.	Luís Filipe Rodrigues Lélis	Sonangol Cabo Verde S.A.	João Bento Silva Neto
Banco BAI Europa, S.A.	Luís Filipe Rodrigues Lélis	Sogei – Soc Gestão Investimento, S.A.	Jorge Daniel Spencer Lima
BAI Center – Sociedade Unipessoal, S.A.	Carlos Bessa V. Chaves		

The balances, as of December 31, 2021, of the transactions with related parties are summarized as follows:

	Governing Bodies		Entities of BAI Group		Other Related Entities	
	Information					
	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20
Assets						
Deposits with OCIs	0	0	15 263	95 950	0	0
Investments in Institutions	0	0	0	385 928	0	0
Credit	283	159	1	1	46 147	64 655
Other hard assets (IFRS 16)	0	0	0	386 241	0	0
Other assets	0	0	18 465	3 616	110 746	122 746
	283	159	33 729	871 736	156 893	187 401
Liabilities						
Resources of Other Institutions	0	0	4 929 537	4 914 837	0	0
Customer Resources	21 078	26 026	70 923	71 657	16 917	7 597
Other subordinated liabilities	24 304	24304	703 519	41 929	8511	8 511
Other liabilities (IFRS 16)	0	0	0	401 012	0	0
	45 381	50 330	5 703 980	5 429 436	25 428	16 109
Earnings						
Interest and Similar Income		0		0		7

		0		0		7
Expenses						
Interest and Similar Costs	1 012	1 116	31 357	62 643	340	340
General administrative expenses	0	0	11 198	14 774	0	0
Depreciation and amortization	0	0	21 799	29 226	0	0
Impairments	0	0	0	0	18 505	4 568
	1 012	1 116	64 355	106 643	18 845	4 908
Off-balance sheet						
Guarantees given	0	0	0	0	20 000	20 000
Credit lines	0	0	0	0	20 000	20 000
Irrevocable lines of credit	2 642	2 316	0	0	0	0
Accrued interest		0	0	0	161 217	144 718
	2 642	2 316	0	0	201 217	184 718

Related entities' transactions are analyzed in accordance with the criteria applicable to similar transactions with third parties and are carried out under normal market conditions. These operations are subject to the approval of the Board of Directors.

VIII. Remuneration, Selection and Evaluation of Governing Bodies' Members

Information regarding the remuneration and benefits of Governing Bodies' members is attached to this Report (ANNEX II).

Remuneration policy for management and supervisory bodies' members.

In compliance with the provisions of Banco de Cabo Verde Notice no. 2/2019 of 14 March, the review of the Remuneration Policy for BAICV Management and Supervisory Bodies' Members was approved at the Extraordinary General Meeting held on October 29, 2019.

The Remuneration Policy is an instrument of strategic business management, with the following purposes:

- a) Reward the level of professional responsibility and ensure internal equity and external competitiveness;

- b) Stimulate staff’s commitment and motivate and promote excellent performance, recognizing and rewarding merit;
- c) Sustainably materialize BAICV's strategic objectives, values and long-term interests, always taking into account BAICV's risk management and demand for risk.

The Governing Bodies Remuneration Committee (CROS) is responsible for preparing, monitoring and reviewing the Remuneration Policy.

CROS assumes the fundamental responsibility of ensuring that the respective Principles and Rules of the Remuneration Policy are duly implemented, namely through the formulation of informed and independent judgments on the remuneration policy of the Board of Directors’ members and the remuneration practices applicable to them, as well as the incentives created for the purposes of risk, capital and liquidity management.

The following table describes the composition of the **Governing Bodies Remuneration Committee (CROS) in 2021**, elected at the General Meeting of May 18, 2021, for a term of office of 4 (four) years - 2021 to 2024.

	POST	IN REPRESENTATION
Mário Alberto dos Santos Barber	President	Banco Angolano de Investimentos S.A.
João Bento Silva Neto	Member	SONANGOL Cabo Verde – Sociedade de Investimentos S.A.
Jorge Daniel Spencer Lima	Member	SOGEI – Sociedade de Investimentos S.A.

The Remuneration Policy of BAICV's Governing Bodies' Members is available on the Bank's website: www.bancobai.cv.

Policy for the selection and evaluation of management and supervisory bodies' members

The suitability of Management and Supervisory Bodies' members for the exercise of the duties assigned to them is clearly a determining factor in ensuring the sound and prudent management of Institutions, recommended by national legislation, in line with international recommendations.

In compliance with the provisions of article 4 et seq. of Notice no. 4/2014 of 17 October, with amendments introduced by Banco de Cabo Verde Notice no. 4/2019 of March 14, the Policy for the Selection and Evaluation of BAICV Management and Supervisory Bodies' Members was approved at the Extraordinary General Meeting held on October 29, 2019.

The Selection and Evaluation Policy determines the following:

- i. The general principles and objectives that underlie it;
- ii. Those responsible for assessing suitability;
- iii. The suitability requirements;
- iv. The suitability assessment procedures in light of legally established requirements;
- v. Rules on prevention, communication and resolution of conflict of interest situations;
- vi. Means of professional training provided by BAICV with a view to acquiring and developing skills.

The Governing Bodies' Selection Assessment Committee is responsible for assessing the suitability of persons suitable to join the Board of Directors and the Supervisory Board (CSAOS).

The following table describes the composition of the **Committee for the Selection and Evaluation of Governing Bodies' members (CSAOS) in 2021**, elected at the General Meeting of May 18, 2021, for a term of office of 4 (four) years - 2021 to 2024.

NAME	POST	IN REPRESENTATION
Mário Alberto dos Santos Barber	President	Banco Angolano de Investimentos S.A.
João Bento Silva Neto	Member	SONANGOL Cabo Verde – Sociedade de Investimentos S.A.
Jorge Daniel Spencer Lima	Member	SOGEI – Sociedade de Investimentos S.A.

This committee, in its task of supporting the filling of vacancies in the Governing Bodies and the appointment of Executive Directors, should:

- i. Develop and update the set of qualifications, knowledge and professional experience required to perform the duties assigned to the members of the various Governing Bodies;
- ii. Whenever there is any vacancy in Governing Bodies, prepare a reasoned opinion for the General Meeting, identifying persons who, in their opinion, have the most

- appropriate profile to fill that vacancy, meeting, among other criteria that they deem appropriate, qualifications, knowledge and professional experience;
- iii. Ensure that the selection policy includes the necessary mechanisms to ensure the balance of diversity in order to achieve the objectives that are defined in this domain;
 - iv. Evaluate, whenever deemed appropriate, and at least annually, the structure, size, composition and performance of the Governing Bodies, when deemed appropriate to make recommendations to them.

In assessing the suitability requirements of the Board of Directors and the Supervisory Board's members, requirements such as reputation, professional qualifications and experience, independence and availability are taken into account. In each of these requirements, a set of circumstances are assessed, which must be verified in each of the persons able to integrate the Board of Directors and the Supervisory Board.

The Policy for the Selection and Evaluation of BAICV Governing Bodies' Members will be made available, after its approval at the General Meeting, on the Bank's website: www.bancobai.cv.

IX. Internal Control and Risk Management

The internal control system is formed by the set of strategies, systems, processes, policies and procedures, designed and operated throughout the organization to ensure, based on the best standards, compliance with the following objectives:

- a) Effectiveness and efficiency of operations;
- b) Financial reporting reliability;
- c) Legal and regulatory *compliance*.

The management of the internal control system at BANCO BAICV is supported by methodologies recognized by international good practices, aiming to guarantee an adequate control environment, a solid risk management system, an efficient information and communication system, adequate control activities and an effective monitoring process. To ensure proper management of the internal control system, specific and cross-cutting responsibilities are defined for the following structural bodies:

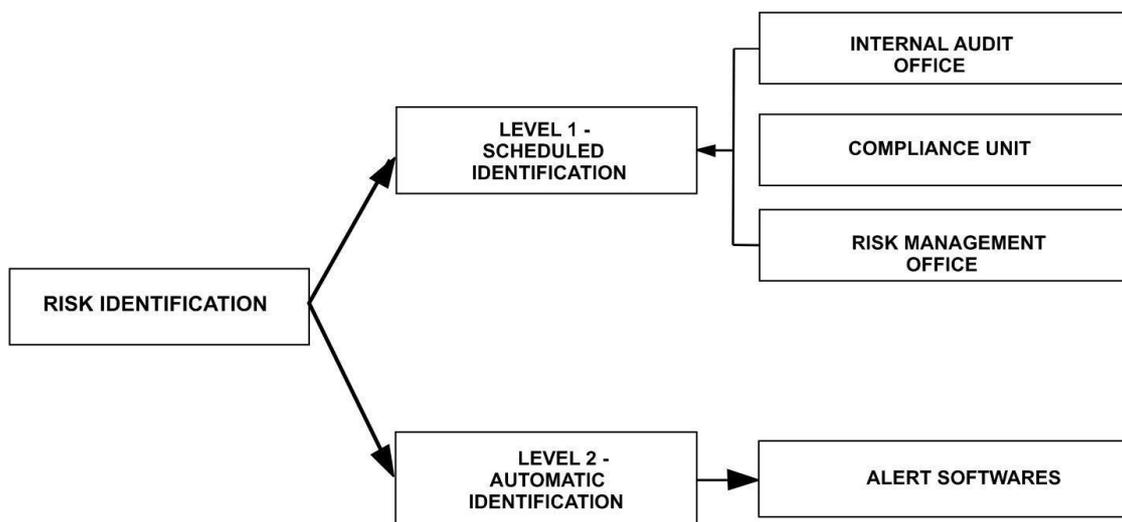
- a) **Board of Directors and Executive Committee (CA and CE)** - It is incumbent upon the Board of Directors and the Executive Committee, within the powers delegated by the Board, to define the profile, strategy, policies, processes and management methodology of the internal control system, as well as guarantee its implementation and maintenance.
- b) **Compliance Unit (NCO)** – is the staff body of the organic structure of Banco BAICV, which ensures the coordination of risk management Compliance and safeguards the proper execution of procedures to prevent money laundering and the financing of terrorism. During the year 2018, the **Compliance Risk Management Manual** came into force, a regulation that allows for the management of compliance risk.
- c) **Information Security Unit (NSI)** - is the staff body whose main mission is to ensure the implementation of the policies defined in BANCO BAICV's Information Security Manual, guaranteeing the security of information systems, establishing the objectives, responsibilities and behaviors necessary to manage information assets in a safe professional environment.
- d) **Risk Management Office (GGR)** – is the staff body responsible for the design, implementation and monitoring of a Risk Management Model, accompanying the Institution's strategic and operational activity to ensure management control and protection of the Bank's capital in view of the various risk perspectives to which the Bank activity is subject.
- e) **Planning and Control Office (GPC)** – is the staff body responsible for the design, implementation and monitoring of the Planning and Management Control Model and for the regular monitoring of the execution of the Institution's strategic objectives.
- f) **Audit and Supervision Office (GAI)** - is the staff body whose main mission is to supervise the activity of all Bank's structural bodies, helping the management body to monitor the internal control system, with the aim of identifying areas of greatest risk, assessing the effectiveness of its management and the adequacy of the most relevant control procedures, as well as promoting effective governance processes of the implemented control system. It is also responsible for preparing an internal control system report with a summary of the main deficiencies detected in the control actions by the external and internal audits, the recommendations made and the

respective degree of implementation, as well as the validation of the documentation of processes and testing of internal control procedures.

Risk Management

In order to ensure an appropriate identification of the nature and magnitude of the risks underlying the activities carried out, BAICV is composed of a well-defined, transparent and perceptible organizational structure, supported by three control areas - GAI, GGR and NCO - supporting the development activities and the implementation of an adequate and effective internal control system.

Thus, the risk identification environment at BAICV is ensured at two levels, by the areas responsible for the permanent control of risks:



BAICV's Risk Control and Management System is based on the identification and analysis of the different types of risks that the bank is exposed to (credit, excessive leverage, market, interest rate, exchange rate, liquidity, operational, strategic and reputational risks), as well as all other risks that, given the specific situation of the institution, may materialize.

The Bank's degree of tolerance and demand for risks is moderate and conservative and based on the following Principles:

Sustainability Principle – Define an appropriate strategy policy based on profit maximization, aligned with risk mitigation;

Solvency Principle – Maintain an adequate level of capital to reduce the impacts of unexpected losses on capital (create new reserves in the Bank's capital);

Liquidity Principle – Have a conservative and stable funding structure and a sufficient level of liquidity to ensure compliance with commitments and business continuity in adverse scenarios;

Profitability Principles – Obtain an adequate financial margin in view of the risks assumed.

The bank's main risks are analyzed in a timely manner by GGR. On a quarterly basis, GGR issues reports in which it aims to analyze the Bank's risk levels, its impact on the Bank and mitigation measures; additionally, it should be noted that, within the scope of the reports, GGR carries out stress tests in adverse scenarios, with the aim of predicting the impacts on the Bank's main ratios and indicators.

GGR reports are analyzed by the Executive Committee, the Risk Management Supervision Committee (CSGR) and the Risk Management Committee (CGR) and one of the main objectives is to identify the specific vulnerabilities inherent to the bank, establishing a set of corrective measures in order to ensure the adequate level of the bank's own funds and solvency, as well as other performance indicators of Good Management.

GGR annually issues a global risk report on the Bank, and performs global risk analyses, which are assessed by the Executive Committee, the Internal Control Supervision Committee and the Risk Management Supervision Committee.

Credit Risk Control

The Bank considers Credit Risk management as a fundamental instrument in the selection of the best business opportunities, focusing on the relationship between credit risk and its return.

Credit risk management is ensured by the Risk Management Office with the support of the Credit Analysis Office and the Legal and Litigation Office.

The Credit Analysis Office is responsible for analyzing and issuing opinions. For credit requests that exceed 10% of the Bank's Own Funds, GGR is responsible for previously analyzing and issuing an opinion on the risk of the operation.

GGR is also responsible for monitoring the quality of the loan portfolio, verifying both the degree of concentration of loans granted, as well as the diversification of loans by sectors of activity, the evolution of impairments and overdue loans, the evolution of loans under moratorium and worsening of credit risk, thus allowing a global assessment of the bank's position in the periods under analysis.

Control Frequency

The aforementioned functions are produced and reported on a quarterly basis to the Executive Committee, the Risk Management Supervision Committee and the Risk Management Committee, listing the methodology, portfolio analysis, risk mitigation techniques used in the Credit Risk management.

The loan portfolio is analyzed extensively, taking into account the following risks:

- Concentration risk (by sector of activity, by customer);
- Quality of the loan portfolio;
- Overdue credit – prudential;
- List of the largest debtors in default;
- Loans by overdue status (beginning, 3, 6, 9, 12 months under moratorium);
- Impairment stipulated in accordance with IFRS 9
- Credit written off from assets;
- Stress tests on customers with exposure to more than 10% of their own funds;
- Stress tests by sector of activity;
- Impact of operations under moratorium on the Bank's main financial indicators.

After the analyses, a set of techniques and recommendations for the risk of the credit portfolio are listed, which will subsequently be monitored and followed-up.

Operational Risk Control

BAICV approaches operational risk management within a process of continuous improvement, aiming to minimize the existence of gaps that may compromise the quality of the services provided.

In this sense, GGR has implemented internal control policies and procedures, aimed at mitigating operational risks subsequent to its activity, namely:

- Normalization of the operations carried out;
- Reinforcement of the segregation of duties;
- Implementation of the fraud prevention policy;
- Implementation of the risk management policy;
- Implementation of the fraud detection and treatment procedure and conflict of interest management policy.

Computer and Cyber Risk Control

The Bank has an Organization and Information Systems Department (DOS), which is responsible for proposing and implementing rules and controls that guarantee adequate management and monitoring of the security of IT and electronic systems and equipment, as well as ensuring their implementation, in order to minimize risks associated with ineffective internal decision-making processes, inoperability of infrastructure, excessive manual operations and lack of automation.

Cyber risk is controlled by the Information Security Unit (NSI), whose mission is to implement adequate policies, guaranteeing the security of information systems, establishing the objectives, responsibilities and behaviors necessary to manage information assets in a safe professional environment in the face of external and internal risks.

Market Risk Control

The monitoring of the Bank's position in terms of interest rate and exchange rate risk management is carried out by GGR, based on the preparation of periodic reports, through which the monitoring of assets and liabilities remunerated at the agreed interest rate is carried out, most of a fixed nature; and in foreign currency, reproducing the Bank's net position against each currency used in its market operations.

The risk analysis is carried out and focused on the perspective of credit risk and not of market risk, since, in Cabo Verde, the financial assets market does not present the desirable dynamics for the proper functioning of the secondary market and, consequently, is susceptible to increase the risks.

The Bank has internal regulations regarding the management of Variable Interest Rates, formalized in the Interest Rate Risk Manual, NS 003/DOS/2018 of 01/08/2018.

Exchange Risk Control

This risk is based on changes in the price of instruments that correspond to open positions in foreign currency (transaction risk); change in book value by converting open positions in foreign currency into the bookkeeping currency (conversion risk); and change in the Bank's competitive position due to significant variations in exchange rates (economic exchange rate risk).

Negative impacts arising from short-term exchange rate fluctuations (transaction risk) normally arise from the institution's trading activity, including market making and taking and positions in foreign currency, therefore, its assessment is covered by the topics of Market Risk and in the Exchange Risk Management Manual, approved by Service Standard 030/DOS/2021 of December 28, 2021.

Interest Rate Risk Control

Interest rate risk arises from the possibility of negative impacts on results or capital, due to adverse movements in interest rates, through maturity mismatches or interest rate resetting terms, the absence of perfect correlation between fees received and fees paid on the different instruments, or the existence of options embedded in financial instruments on the balance sheet or off-balance sheet items.

Liquidity Risk Control

With regard to the analysis of liquidity risk, in addition to the obligations to which it is subject to Banco de Cabo Verde (BCV), the Bank also uses the concept of liquidity GAP, that is, from the Bank's balance sheet, combining it with the maturities of asset and liability operations, a disaggregated position (positive or negative) is obtained according to the residual maturity periods of the operations.

The Bank also uses the models defined by the regulatory authority within the scope of liquidity risk management, namely, the calculation of liability coverage ratios, established by Notice no. 8/2007 n.º 42 of November 19, 2007, as well as the liquidity map defined by Banco de Cabo Verde Technical Instruction no. 165/201.

Due to the periodic control carried out by the Bank and taking into account the policy of taking funds in the Interbank Monetary Market - MMI for local investments in the market with public debt securities, with the participation of BAI group banks, in order to optimize income based on the rate differential, we understand that BAICV's exposure to this risk is reduced.

The monitoring and management of liquidity risk are the responsibility of the Financial and Accounting Department (DFC), specifically the Financial Markets department, where the Bank's liquidity position is calculated on a daily basis, for the purposes of monitoring and establishing Minimum Cash Requirements (DMC), which was later reviewed by the person in charge of BAICV's DFC.

Subsequently, this map is disclosed to GPC and the Executive Committee, with the aim of defining the action plan for the day, namely the best ways of placing surpluses or obtaining funds to cover Treasury deficits.

On a quarterly basis, reports are prepared on the Bank's exposure associated with liquidity risk, which are presented and reviewed by the Executive Committee, the Risk Management Supervision Committee and the Risk Management Committee.

Reputational Risk Control

Protecting the reputation of a financial institution is currently considered one of the main challenges of risk management. BAICV understands reputational risk as the probability of negative impacts on results or capital, resulting from a negative perception of the institution's image, justified or not, by customers, counterparties, suppliers, financial analysts, employees, researchers, press bodies or public opinion in general and the sector's regulatory bodies.

Measures adopted by the Bank to mitigate reputational risk

BAICV, within the scope of the internal control robustness process, adopted measures aimed at mitigating reputational risk, namely:

- Publication and implementation of internal standards on:
 - Conflict of interest prevention and management policy;
 - Procedures manual “Know Your Customer”, including customers to refuse;
 - Procedures manual “Know your partner and supplier”, including the type of suppliers to refuse;
 - Money laundering and terrorist financing prevention policy;
 - Risk management policy;
 - Related Party Transactions Policy;
 - Specific procedure for high risk customers;
 - Customer Provider Regulation;
 - Complaints management policy.

Control procedures for compliance with the prudential rules in force, as well as the provision of reliable, complete and timely information to the supervisory authorities

Monitoring compliance with prudential rules is the responsibility of GPC, which directly reports to the Bank's Executive Committee.

GJC is responsible for assessing the possible impact on BAICV's activity of legislation and prudential rules and, at the same time, periodically monitoring changes to the rules issued by the supervisory bodies of the Bank's activity, by consulting the website of Banco de Cabo Verde. Whenever relevant changes in the Bank's activity are identified, they are disclosed to the CE, CA and Bank management, by the most efficient means.

Additionally, the Bank uses the services of GJC, NCO and GAI, in order to ensure compliance with the proper reporting to the banking supervision and financial intermediation authorities.

BAICV reports to Banco de Cabo Verde a range of prudential information in accordance with the deadlines given by the supervisory authority.

Internal Irregularities and Complaints Reporting System

BAICV has available to the public a channel for anonymous reporting of facts and practices contrary to the bank's values and principles.

This tool guarantees the complainant's anonymity, eliminating the risk of exposure and is in line with the best international audit and inspection practices, contributing to the consolidation of a culture of transparency, rigor, accountability and continuous improvement.

Anyone can access this participation channel at www.bancocai.cv.

Under the terms of Notice No. 3/2014, of October 17, 2014, amended by Notice No. 3/2019, of March 14, 2019, customer complaints are first dealt with by the Marketing and Communication Office (GMC), which has a period of ten working days to deal with and resolve complaints registered on the intranet portal or in the agencies' complaints book. The report of complaints with financial and reputational impacts is presented monthly to the Executive Committee for analysis and decision. During 2021, around fifty-five (55) complaints were registered, of which a total of two (2) complaints were carried over to 2022 as they involved additional clarifications and regularization.

In 2021, an inspection was carried out by BCV's Behavioral Supervision Office (GSC), which led to the issuance of two (2) specific requirements by Banco de Cabo Verde, which were fully resolved and regularized by December 31, 2021.

The Bank also has a Customer Provider who examines complaints in the 2nd level, for actions or omissions of the Bank, who must respond to the results of the investigation, in writing, within a maximum period of 10 (ten) working days from the date of presentation of the claim or complaint by the injured parties.

Prevention of Money Laundering and Financing of Terrorism

Banco BAICV has defined policies and procedures that ensure that operations are carried out in accordance with current national legislation and international standards, with regard to the prevention of money laundering and terrorist financing.

According to BAICV's internal policies (in compliance with national regulations and international recommendations), all its Structural Units (EU) must apply equivalent measures in relation to the identification of customers, counterparties and banking correspondents and the preservation of documents.

Banco BAICV adopts and complies, in particular, with the following measures:

a) **Compliance Function:** creation and operationalization of the organic unit responsible for Compliance, which is a second-line body, supported by an independent, permanent and effective structure, to control compliance with obligations arising from laws, regulations, rules of conduct, ethical principles and other duties to which the institution must comply. The objective of this body is to ensure the coordination of the global management of compliance risk at Banco BAICV, promoting the mitigation of compliance risks and the implementation of adequate measures to resolve deficiencies or non-compliances detected, in close collaboration with the other Banco BAICV structural units, being that:

- It develops measures and procedures, regularly monitors and evaluates their suitability and effectiveness, in order to detect any risk of non-compliance;
- It monitors and evaluates internal control procedures in terms of preventing money laundering and terrorist financing, and is responsible for centralizing the information and the respective communication to the competent authorities;
- It monitors and analyzes the operations of Banco BAICV with a view to preventing money laundering, combating the financing of terrorism and preventing market abuse, ensuring that any suspicious situations identified are communicated to the competent authorities;
- It ensures the identification of compliance risk situations and the respective mitigating or corrective measures, ensuring the follow-up of implementation and continuous monitoring of the activity from a compliance point of view;
- It promotes actions that contribute to an organizational culture of compliance at Banco BAICV, based on high standards of ethics and integrity, ensuring training in Compliance matters for all BAICV employees;
- It responds to official entities on all questions and matters on this subject;
- It develops specific training actions within the scope of the staff training programme.

b) **Compliance Risk Management Model:** preparation and implementation of a compliance risk management model that establishes an integrated set of processes of a permanent and systematic nature, that ensures an appropriate understanding of the nature and magnitude of compliance risks underlying the activity carried out, thus contributing to an adequate implementation of BAICV's strategy and mission.

This model aims to manage the risk of customer acceptance and transactions through its identification, analysis, classification and selection of treatment and monitoring with a view to its mitigation.

- c) **Independent Audit and Compliance Review Function:** implementation of an internal audit system that has specific audit programs to assess the compliance function in which the compliance UE analyzes compliance with all operational policies and procedures related to the prevention of money laundering and terrorist financing. Audit and compliance programs are approved by the Executive Committee.
- d) **Customer Knowledge and Monitoring:** definition and application of internal policies and procedures that ensure compliance with the duty of identification of its customers, and performs, using computer tools, the monitoring of transactions carried out by its customers which are regularly filtered against relevant listings for identification of sanctioned persons, PEP and high risk customers.
- e) **Politically Exposed People (PEP):** enhanced monitoring of transactions in which the customers or ultimate beneficial owners are PEP and high-risk customers.
- f) **Anonymous or Numbered Accounts:** does not provide its customers with anonymous or numbered accounts.
- g) **Document Preservation:** preservation of documents relating to the identification of customers, as well as proof of transactions (in paper format or any other format), for a period of 10 years after they were carried out, even when the commercial relationship has already ended.
- h) **Monitoring Suspicious Operations:** monitoring of suspicious operations with the collaboration of Banco BAICV employees, especially agency employees, through assessment and screening efforts and also through computer application, through a risk-based approach. Banco BAICV has a computer application that allows real-time filtering through consultation and comparison with relevant listings to identify sanctioned persons, PEP, and high-risk customers, according to the customer's risk profile, monitor transactions and detect suspicious transactions.
- i) **Suspicious Transaction Report:** implementation of internal policies and procedures in order to comply with its legal obligation and centralize information

on customers and operations and proceed with the respective communication to the competent authorities of operations suspected of constituting the practice of money laundering or terrorist financing crimes.

- j) **Communication of Relevant Bank Transactions in the Accounts and Verification of Transfers:** communication of suspicious transactions in amounts that exceed the established minimum limits, or lower amounts, when applicable, to the competent authorities, namely the Financial Intelligence Unit (FIU). Details of transfer operations (IMT – International Money Transfer) such as the name of the payer and beneficiary and address are checked against international lists. Banco BAICV has implemented internal policies and procedures in order to comply with applicable legislation in terms of duties, diligence, increased diligence, control, training, refusal, document preservation, examination, collaboration and information, abstention, confidentiality and communication.
- k) **Training:** definition of measures and procedures on the prevention of money laundering and financing of terrorism, and training is given every year on the prevention of money laundering and financing of terrorism to all internal units, in particular those of the commercial network, on the detection and reporting process of suspicious transactions.
- l) **Hiring and Monitoring of Employees:** hiring employees is based on strict criteria and high performance requirements (reputability, honesty, responsibility and technical capacity in the performance of duties). Banco BAICV has implemented processes that guarantee continuous access to training and knowledge, and that protect security over the identity, honesty and integrity of employees.
- m) **Banking Correspondents:** implementation of a risk-based procedure and diligence manual that includes knowledge of the nature of the correspondent's business, its license to operate, the quality of its management, the reputation of its shareholders, ownership and effective control, and its policies to prevent money laundering and terrorist financing. Additionally, the correspondents' accounts are continuously monitored. The establishment of banking correspondence relationships, regardless of their degree of risk, is subject to the existence of a relevant decision by the Executive Committee, with the principles that govern the management of compliance risk at Banco BAICV, defined in the regulations in force,

safeguarded, and being up to the compliance UE to fill in the gaps that arise from its interpretation or possible omissions.

- n) **Shell Banks:** Banco BAICV does not establish or maintain business relationships with shell banks, as defined in current legislation, nor with banks incorporated in high-risk jurisdictions or considered “tax havens”.
- o) **Payable-Through Accounts:** Banco BAICV does not provide this type of service.
- p) **Assessment of Transfers According to International Lists:** Banco BAICV uses a computer solution to filter in real time the transfers received and sent through money transfer systems according to the lists of sanctioned persons and entities, issued by the EU, UN, OFAC, among others.
- q) **Sanctions Policy:** Banco BAICV has implemented a Compliance program, which includes the international sanctions policy, whose management is the responsibility of the Compliance UE, which is responsible for assessing whether the sanctions policy complies with applicable laws and sanctions, monitoring on a regular basis its effectiveness and promoting the necessary changes in order to be improved.

The sanctions policy integrates a set of policies and procedures aimed at ensuring that the institution does not establish or maintain business relationships, nor process operations for/to the benefit of sanctioned persons, entities or countries. In this sense, it filters customers and those involved in operations against the lists of sanctioned persons and entities issued by the EU, UN, OFAC, among others. BAICV's sanctions policy is available on the Bank's website: www.bancobai.cv.

Prevention of Conflicts of Interest

BAICV has a Conflict of Interest Management Policy, prepared under Notice no. 3/2014 of 17 October, with amendments introduced by Banco de Cabo Verde Notice no. 3/2019, which discloses the principles of action, the standards of professional conduct to be observed by BAICV, its employees and relevant people in the exercise of their respective activities and/or duties, the organizational measures, the procedures necessary to ensure adequate prevention and effective management of possible conflicts of interest, without prejudice to its supplementary application in relation to matters with specific regulations.

Banco BAICV employees sign a declaration of ethical values and a declaration of conflict of interest, when they are hired.

The members of the Governing Bodies keep the conflict of interest report delivered annually to the BCV updated.

Investor Support Service

The Financial and Accounting Department (DFC), through the Market Room (RMF), is responsible for ensuring that the market has timely and regular access to all relevant information, interim financial disclosure and news related to BAICV and, at the same time, respond to questions or requests for clarification, from investors or the general public, on financial and public information related to the development of Banco BAICV's activities.

The Bank, within the scope of the information duties to which it is bound, as issuer, made several announcements to the market throughout 2021.

All information considered relevant about the bank's life (including mandatory disclosure information and others) was disclosed on the website www.bancobai.cv.

Banco BAICV also makes available, online, information on General Meetings, the calendar of corporate events, as well as the channels for contacting or requesting clarifications, within the scope of its relationship with investors, through the electronic address, bai@bancobai.cv.

In 2019, Banco BAICV adopted the information responsibility procedure for non-qualified investors.

Market Relations

Banco BAICV, as an issuer of financial instruments, has appointed representatives for market relations, who can be contacted by mail, phone or electronically, at the following addresses:

Contact and information for Market Relations Representatives:

Representatives	E-mail	Phone
Hercules Lima Cruz	hercules.cruz@bancobai.cv	(+ 238) 2602300
Nádia Sofia Tavares Teixeira	nadia.teixeira@bancobai.cv	
Address		
BAI Center R/C Chã d'Areia Av. Cidade de Lisboa – Praia, P.O Box no. 459 Ilha de Santiago Cabo Verde.		

Banco BAICV has a website at the following address: www.bancobai.cv.

ANNEXES



Confiança no Futuro.

Annex I - Acceptance of recommendations Statement

Recommendations of the Corporate Governance Code of Financial Institutions, established in Banco de Cabo Verde Notice no. 6/2017, of 7 September (BCV)	Acceptance Statement	Grounds for non-acceptance
I. MANAGEMENT		
I.1.Executive Management		
I.1.1. The management body must delegate the day-to-day management of the financial institution and each executive director must be specifically in charge of certain matters.	Accept	-
I.1.2. The management body must approve an internal regulation regarding its functioning, including that of the executive committee.	Accept	-
I.1.3. Directors who exercise executive functions, when requested by other members of governing bodies, must provide, in a timely manner and in a manner appropriate to the request, the information requested by those required.	Accept	-
I.1.4. The management body must ensure that the financial institution acts in accordance with its objectives, and must not delegate its powers, namely with regard to: (i) defining the bank's general political strategies; (ii) defining the group's business structure; (iii) decisions that should be considered strategic due to their amount, risk or special characteristics.	Accept	-
I.1.5. The regulation of the management body must provide that the exercise, by executive directors, of executive duties in companies outside the group is previously authorized by the management body itself or by the supervisory body.	Accept	-
I.1.6 Credit institutions' management body must include at least two resident executive members.	Accept	-
I.2. Non-Executive Management		
I.2.1. The management body must include a number of non-executive members that guarantee effective monitoring, supervision and evaluation of the activity of the other members of the management body.	Accept	-

Recommendations of the Corporate Governance Code of Financial Institutions, established in Banco de Cabo Verde Notice no. 6/2017, of 7 September (BCV)	Acceptance Statement	Grounds for non-acceptance
<p>I.2.2. Among the non-executive board directors, there must be an adequate proportion of independent members, taking into account the adopted governance model.</p> <p>For this purpose, a board director who is not associated with any specific interest group in the company or who is not in any circumstance likely to affect his/her impartial analysis or decision-making is considered to be independent, namely by virtue of:</p> <ul style="list-style-type: none"> a) Having been an employee of the company or of a company with which it is in a controlling or group relationship in the last three years; b) Having, in the last three years, provided services or established a significant business relationship with the company or with a company with which it is in a controlling or group relationship, either directly or as a partner, board director, manager or director of a legal person; c) Being the beneficiary of remuneration paid by the company or by a company with which it is in a controlling or group relationship, in addition to the remuneration resulting from the exercise of the duties of board director; d) Living in a "de facto" relationship or being a spouse, relative or similar in the direct line and up to the 3rd degree, including, in the collateral line, of board directors or natural persons directly or indirectly holders of a qualified holding; e) Holding a qualifying holding or being a representative of a shareholder's qualifying holdings. 	Accept all items	-
<p>I.2.34. If the chairman of the management body performs executive functions, this body must appoint, among its members, an independent board director who will ensure the coordination of the work of the other non-executive members and the conditions for them to decide independently and in an informed manner or find another equivalent mechanism that ensures that coordination.</p>	Not applicable	-
I.3. Diversity		
<p>I.3.1. Financial institutions must establish criteria and requirements regarding the profile of new members of the management body, appropriate to the role to be performed, and in addition to individual attributes (such as independence, integrity, experience and competence), these profiles must consider diversity requirements, giving particular attention to gender, which can contribute to the improvement of the body's performance and balance in its composition.</p>	Accept	-
<p>I.3.2. Financial institutions must establish and publish a program aimed at ensuring, by 2020, balanced gender representation in the composition of corporate bodies, distinguishing between executive and non-executive management positions.</p>	Accept	-
II. SUPERVISION		
<p>II.1. The supervisory board's chairperson must be independent, in accordance with the applicable legal criteria, and have the appropriate powers to perform the respective duties.</p>	Accept	-
<p>II.2. The supervisory body must be the external auditor's main interlocutor and the first recipient of the respective reports, and it is incumbent upon him/her, in particular, to propose the respective remuneration and ensure that the appropriate conditions for the provision of services are ensured within the institution.</p>	Accept	-

Recommendations of the Corporate Governance Code of Financial Institutions, established in Banco de Cabo Verde Notice no. 6/2017, of 7 September (BCV)	Acceptance Statement	Grounds for non-acceptance
II.3. The supervisory body must assess the functioning of the internal control and risk management systems and propose the necessary adjustments.	Accept	-
II.4. The supervisory body must give its opinion on the work plans and resources allocated to the internal audit services and to the services that ensure compliance with the rules applied to the institution (compliance), and must be the recipient of the reports made by these services at least when matters relate to accountability, the identification or resolution of conflicts of interest and the detection of potential illegalities are at stake.	Accept	-
II. INTERNAL CONTROL		
III.1. The financial institution's management body must ensure the existence of sufficient and adequate material and human resources for the performance of the duties and tasks inherent to the internal control system and promote the necessary training actions in terms of internal control.	Accept	-
III.2. To ensure independence of the internal control system, those responsible for the areas of internal audit, compliance control and risk management must report hierarchically to a board director with no responsibility in the supervised areas.	Accept	-
III.3 Financial institutions should provide internal complaining mechanisms that provide adequate protection for bona fide complainants.	Accept	-
III. REMUNERATION		
IV.1. All members of the Remuneration Committee or equivalent must be independent from the management body's executive members and include at least one member with knowledge and experience in matters of remuneration policy.	Accept	-
IV.2. The statement on the remuneration policy of the management and supervisory bodies must indicate, in particular: <ul style="list-style-type: none"> a) Identification and explanation of the criteria used to determine the remuneration to be awarded to the governing bodies' members; b) Information regarding the maximum potential amount, in individual terms, and the maximum potential amount, in aggregate terms, to be paid to the governing bodies' members, and identification of the circumstances in which these maximum amounts may be due; c) Information regarding the enforceability or unenforceability of payments relating to the dismissal or termination of directors' duties. 	Accept all items	-
IV.3. The remuneration of management body's executive members must be based on effective performance and discourage excessive risk-taking.	Accept	-
IV.4. The remuneration of the management body's non-executive members and the remuneration of the supervisory body's members must not include any component whose value depends on the performance of the financial institution or its value.	Accept	-

Recommendations of the Corporate Governance Code of Financial Institutions, established in Banco de Cabo Verde Notice no. 6/2017, of 7 September (BCV)	Acceptance Statement	Grounds for non-acceptance
<p>IV.5. The variable component of the remuneration must be globally reasonable in relation to the fixed component of the remuneration, and maximum limits must be set for all components.</p>	Not accept	Variable remuneration is not in effect.
<p>IV.6. A significant part of the variable remuneration must be deferred for a period of not less than three years, and the right to receive the deferred component must depend on the continued positive performance of the company over that period.</p>	Not accept	Variable remuneration is not in effect.
<p>IV.7. When the dismissal of a director does not result from a serious breach of his/her duties or his/her inability to carry out his/her duties normally, but still leads to inadequate performance, the financial institution must be equipped with the appropriate legal and necessary instruments so that any indemnity or compensation, other than that legally due, is not enforceable.</p>	Accept	-
IV. INFORMATION		
<p>V.1. Institutions must provide, through their website, in Portuguese and English, access to information that allows for knowledge about their evolution and current reality in economic, financial and corporate governance terms.</p>	Accept	-
<p>V.2. Financial institutions must make available on their website, in Portuguese and English, at least the following elements:</p>	Accept all items	-
<p>a) Institution's reports and accounts for the last two years;</p>		
<p>b) Curricula vitae of in office board administrators of the financial institution;</p>		
<p>c) Internal policy adopted by the financial institution; d) Adequacy assessment reports and other preparatory information for the General Meeting.</p>		

Annex II – Curricula vitae of management and supervisory body's members

BOARD OF THE GENERAL MEETING'S MEMBERS

[CHAIRMAN]: Commander Silvino Manuel da Luz

Birth date: February 17, 1939

Current Post:

- Chairman of BAICV's Board of the General Meeting
- International consultant.

Professional Experience:

- Extraordinary Plenipotentiary Ambassador to Angola, South Africa, Namibia, Mozambique, Zimbabwe, São Tomé & Príncipe and Gabon, residing in Luanda, Angola (2001-2007).
- Parliament Member (1975-1995).
- Minister of Foreign Affairs (1980 – 1991).
- Minister of Defense and National Security (1975-1980).
- PAIGC Representative at the United Nations (1973-1974).
- Commander of the People's Revolutionary Armed Forces (1969-1974).
- First PAIGC representative in Cabo Verde, after the coup d'état on 25 April in Portugal (1974).
- PAIGC representative in Mauritania (1972-1973).
- Director of the political and military training center of the People's Revolutionary Armed Forces – FARP/ PAIGC (1971-1972).

Educational Background:

- University of Dakar, Senegal (1963-1965).
- High School, São Vicente, Cabo Verde (1959-1960).
- Benchmark exam at the College of Medicine of University of Coimbra, Portugal (1960).

[SECRETARY]: Adilson dos Reis Mendonça:**Birth date:** 31/05/1983**Current Post:**

- Coordinator of the Bank's Legal and Litigation Office.

Professional Experience:

- Senior Technician at the Bank's Legal and Compliance Office – October 2017 to November 2018.
- Legal Advisor and Manager of products and services at Casa do Cidadão – April 2012 to October 2017.
- Lawyer and labor mediator at the General Directorate of Labor – June 2009 to April 2012.
- Legal consultant at Audiconta Consulting Lda – September 2009 to December 2011.
- Trainee at the law firm Victor Osório e Associados - April 2009 to February 2010.

Educational Background:

- Advanced Training in **Credit Management and Recovery**, by the Banking Training Institute of Portugal – In 2021.
- Advanced Training in **Corporate Governance (Legal Vision)** – Training Program for Senior Management, by Instituto de Formação Bancária de Portugal – In 2020.
- Post-Graduation in Banking Law by Instituto Superior de Ciências Jurídicas e Sociais de Cabo Verde, in partnership with Instituto de Cooperação Jurídica of the Lisbon College of Law - From 2012 to 2013.
- Professional course in Administrative Law by Fundação Direito e Justiça de Cabo Verde – In 2013.
- Training in conflict mediation by the Office for Alternative Conflict Resolution of the Ministry of Justice of Portugal – In 2010.
- Degree in Law, Federal University of Santa Catarina/Brazil – From 2004 to 2008.

BOARD OF DIRECTORS' MEMBERS**[CHAIRMAN]: Luís Filipe Rodrigues Lélis****Birth date:** 04/17/1969**Current Post:**

- Executive Chairman of Banco Angolano de Investimentos, S.A., since March 2018.
- Chairman of BAICV's Board of Directors, since 03/15/2011.
- Director (Non-Executive) of SODIMO - Sociedade de Desenvolvimento Imobiliário.
- President of the Remuneration Committee of NOSSA - Nova Seguradora de Angola, S.A.

Professional Experience:

- Executive Director of Banco Angolano de Investimentos, S.A., from May 2006 to March 2018.
- BAICV's Non-Executive Director from 05/27/2009 to 03/15/2011.
- Advisor to the Chairperson of the Board of Directors of Banco Angolano de Investimentos, S.A., from March 2004 to May 2006.
- Head of the Budget and Internal Control Department, Preparation and Monitoring of Consolidated Budget Execution, National Fuel Society of Angola, from January 2002 to March 2004.

Educational Background:

- Master's in Business Management, Saint Mary's University, 1995-1996.
- Degree in Business Management - Emphasis in Finance, University of Michigan, 1991 to 1995.

[NON-EXECUTIVE DIRECTOR]: Alexandre Augusto Borges Morgado

Birth date: 07/31/1973

Current Post:

- Director of the Office of BAI's President of the Executive Committee – Banco Angolano de Investimentos, S.A.
- BAICV Non-executive director.

Professional Experience:

- Secretary of the General Meeting of BAI Cabo Verde S.A – 2008 to 2019.
- Head of the Legal and Litigation Department of Banco Angolano de Investimentos S.A - 2006 to 2018.
- Non-Executive Director of Griner Engenharia S.A – 2010 to 2014.

- Legal Advisor at Empresa Ferbritas – Empreendimentos Comerciais e Industriais, S.A. (Portugal) – 2001 to 2002.

Educational Background:

- PADE – Senior Management Program by ASM in partnership with AESE Business School – 2017.
- Post-Graduation in Forensic Practice and Company's Legal Advice, from the College of Law of the Portuguese Catholic University – 2003.
- Post-Graduation in Banking Management, by ULEGE, Universidade Lusófona de Portugal, in partnership with ABANC.
- Degree in Law from the College of Law of the University of Lisbon – 1996.

[INDEPENDENT NON-EXECUTIVE DIRECTOR]: Manuel Pinto Frederico

Birth date: 10/18/1957

Current Post:

- BAICV's Independent Non-Executive Director, since 05/18/2021.
- Chairman of BAICV's Risk Management Supervision Committee, since 05/18/2021.

Professional Experience:

- Director of the Cooperative Support Fund.
- Coordinator of Economic Studies, Banco de Cabo Verde.
- Professional Counselor of the Municipality of Praia.
- Deputy Governor of Banco de Cabo Verde.
- Assistant Secretary of State to the Minister of Finance and Planning.
- Board Director of Banco de Cabo Verde.
- Interim Governor of Banco de Cabo Verde.
- Governor's Advisor.
- Administrator of Sociedade de Ensino, Ciência e Cultura, SA.
- Guest professor at the Jean Piaget University of Cabo Verde.

Educational Background:

- Training Course on Financial Analysis and Programming Techniques.
- Training Course on Financial Policy and Programming.

- Postgraduate in International Relations, with emphasis on African Regional Integration.
- Degree in Economics.

[INDEPENDENT NON-EXECUTIVE DIRECTOR]: Maria Encarnação Alves Rocha

Birth date: 03/24/1956

Current Post:

- BAICV's Non-Executive Director, since 10/29/2019.
- Chairwoman of BAICV's Risk Management Supervision Committee, since 10/29/2019.
- BAICV Customer Provider, since 05/18/2021.

Professional Experience:

- Advisor to the Board of Directors of Banco de Cabo Verde, in 2017.
- Auditor General of the Securities Market, from 2006 to 2016.
- President of the Committee for the Acquisition of Goods and Services of Banco de Cabo Verde, from 2008 to 2016.
- Technical Consultant, from 2004 to 2006.
- President of the Committee for the Evaluation of the Competition for the Contract and Inspection of the New BCV Headquarters, 2011 to 2012.
- Technical Consultant at Banco de Cabo Verde, 2004 to 2006.
- Board of Directors' Member of Banco de Cabo Verde, responsible for Economic Studies, Legal, Administrative services, Human Resources, IT Services and Supervision of the Banking and Insurance Sector Areas, from 1996 to 2002.
- President of the Association of Regulators of the PALOP's Insurance Area - ASSEL.
- Head of Department of Studies and Statistics of Banco de Cabo Verde, 1993 to 1996.
- Board of Directors' Member of Companhia de Seguros – GARANTIA, SA, 1991 to 1993.
- Participation as Advisor and Vice-Governor in the annual meetings of the International Monetary Fund (IMF) on behalf of Cabo Verde, from 1996 to 1997. Participation as Advisor in ADB/FAD meetings.
- Participation at the Working Group for the Transformation of Caixa Postal de Cabo Verde in Caixa Económica de Cabo Verde – 1989.
- Secretary of the Cabo Verde Minister of Health, 1978 to January 1980.

Educational Background:

- Postgraduate in Global Management, by ISCTE in 2002.

- Postgraduate in Monetary and Financial Policy from Universidade Técnica of Lisbon in 1995.
- Degree in Economics from Instituto Superior de Economia (ISE) – Technical University of Lisbon, in 1984.
- Participation in several Seminars and Conferences in the field of Finance at the national and international level, with emphasis on the financial programming training course of the International Monetary Fund, 1989, for 4 months, and the Risk Management training course, promoted by the Central Banking Annual Training Course – Cambridge in 2000.

[EXECUTIVE DIRECTOR AND EXECUTIVE COMMITTEE CHAIRMAN]: Carlos Augusto Bessa Victor Chaves

Birth date: February 14, 1954.

Current Post:

- BAICV Chairman of the Executive Committee, since June 2011.
- Non-Executive Director of BAICV (Angola) since April 2018.
- Single Administrator of BAICenter, since May 2014.

Professional Experience:

- Advisor to the Executive Committee / BAI Coordinating Director, from July 2010 to May 2011.
- Chairman of the Executive Committee of Banco BAI Micro-Finanças (BMF, ex-Novo Banco), from November 2007 to June 2010.
- Director of Planning and Management Control/Marketing and Bank's Product Development from July 2004 to October 2007.
- Consultant for economic, banking and financial studies and Preparation of studies and reports on the local financial market, from December 2003 to June 2004.
- Director of Commercial Services, HSBC Equator - Luanda, from November 1998 to 2003.
- Economist at the United Nations Development Program (UNDP) – Luanda, from 1989 to 1998.
- Deputy General Director of FATA-METANG: Viana – Luanda (Black and galvanized pipes and galvanized corrugated sheets), from 1984 to 1989.

Educational Background:

- Degree in Economics from the College of Economics of Universidade Agostinho Neto, in Luanda (1992 – Angola).
- Bachelor's degree in History, by the College of Arts, University of Angola - Sá Da Bandeira (1975 Angola).

[EXECUTIVE DIRECTOR]: Carla Monteiro do Rosário

Birth date: 11/13/1970

Current Position:

- BAICV Executive Director, since 2011.

Professional Experience:

- General Manager of Methodus International, for the African market, at Grupo Methodus, from 2010 to 2011.
- Business Unit Director in the European market (Switzerland and Poland), at Methodus Group, from 2001 to 2004.
- Director in the financial sector for the Cabo Verde and Angola market, at Methodus Group, from 2004 to 2005.

Educational Background:

- Degree in Business Management from University of Algarve, 1988/1993.

[EXECUTIVE DIRECTOR]: David Luís Dupret Hopffer Almada.

Birth date: 06/07/1972.

Current Post:

- BAICV Executive Director, since 2014.

Professional Experience:

- Coordinating Director at BAICV, from 07/31/2012 to 05/01/2014.
- Head of the Organization and Information System Department, from 01/31/2008 to 05/01/2014 at BAICV.
- Head of the Operations Department from 04/30/2009 to 08/31/2009 at BAICV.
- Member of the Management Board of Sociedade Agro Industrial POMBAL LDA, from 05/31/2014 to 05/31/2012.

- Member of the Board of Directors at CAPTUR, Sal-Rei, Cabo Verde, from 05/31/2004 to 05/31/2009.
- IT Consultant at ADA Soluções Lda. from 01/31/2004 to 01/31/2008.
- Telecommunications Engineer at SISP, Sociedade Interbancária e Sistemas de Pagamentos SARL, from 10/31/2000 to 12/31/2007.
- University professor at JEAN PIAGET University, Praia, from 01/09/2003 to 31/07/2006.

Educational Background:

- Degree in Electrical Engineering, by the College of Sciences and Technology of the University of Coimbra, from 10/31/1992 to 07/10/2000.

SUPERVISORY BOARD'S MEMBERS

[CHAIRMAN]: António Querido dos Reis Borges.

Birth date: 05-01-1962.

Current Post:

- Chairman of BAICV Supervisory Board.
- Administrative and Financial Director at BINTER Cabo Verde S.A.

Professional Experience:

- Coordinator of the Administrative and Financial Unit at the Agency for Business Development and Innovation (2014).
- Administrative and Financial Director at Unitel T+ Telecomunicações S.A. (2007-2014).
- Director of Planning & Information Technologies at TACV – Cabo Verde Airlines (2004-2007).
- Administrative and Financial Director at TACV – Cabo Verde Airlines (2001-2003).
- Head of the Accounting and Property Department at TACV – Cabo Verde Airlines (1995-2000).
- Head of the Financial Control Department at TACV – Cabo Verde Airlines (1989-1994).
- Accounting and Finance Technician at TACV – Cabo Verde Airlines (1988-1989).

- Deputy Head of Planning and Finance Department at the Angolan Air Force (1982-1987).

Educational Background:

- Degree in Economics and Management, Jean Piaget University of Cabo Verde.
- Bachelor of Economics, University Dr. Agostinho Neto – Angola.
- Intermediate Finance Training Course, Instituto Ciências Económicas do Lubango - Angola.

[MEMBER]: Margarida Maria Varela de Carvalho.

Birth date: 08-10-1968.

Current Post:

- BAICV Supervisory Board Member, since 01/12/2011.
- Administrative and Financial Director of SONANGOL Cabo Verde – Espargos, Ilha do Sal, since September 2006.

Professional Experience:

- Secretary of the General Meeting Board (MAG), Chairwoman of the Supervisory Board / Member of the Supervisory Board at Enacol – Sociedade Nacional de Combustíveis from 09/2008 to 04/2014.
- Director at Valor Hotéis e Turismo, S.A. – Praia, Santiago Island, since January 2010.
- Financial Director at Engeobra – Engenharia e Construções, Lda. – Praia, Santiago Island from August 2005 to May 2006.
- Accountant at Healy Brothers Corporation - Lincoln, RI - USA, from February 2004 to May 2005.
- Accountant at Edifice Construction, Providence, RI – USA, from March 2003 to January 2004.
- Administrative Assistant / Accountant at Mega – Tecnologia de Comandos, Lda. – Carcavelos, Portugal, from May 1996 to December 2001.
- Accountant at Traduconta – Traduções e Contabilidade, Lda. – Lisbon, Portugal, from September 1999 to December 2001.

Educational Background:

- Degree in Business Management, at Instituto Superior de Línguas e Administração, (ISLA-Lisbon), from 1992 to 1999.

[MEMBER]: Albertino Xisto Almeida.

Birth date: 08/06/1948.

Current Post:

- BAICV Supervisory Board Member, since 04/08/2014.

Professional Experience:

- Executive Director - (promoter and shareholder), of CESPU, Cabo Verde S.A., from 2008 to 2014.
- Consultant in the insurance and social security sector, from 2004 to 2014.
- Entrepreneur, owner and manager of Tourist Site Pôr do Sol, Private Condominium, from 2004 to 2014.
- Executive Director - (promoter and shareholder) of IMOTUR - Imobiliária e Turismo de Cabo Verde S.A., from 1999 to 2004.
- Vice-Chairman of the Supervisory Board and Shareholder of Caixa Económica de Cabo Verde in 2000.
- Board member, promoter and shareholder of Clínica de Cabo Verde SARL, in 1992.
- Promoter of the creation of ÍMPAR, Companhia de Seguros, SARL in 1991.
- Member of the Popular National Parliament for the circle of Nossa Senhora da Luz, Municipality of São Vicente, from 1980 to 1985.
- Head of Service of Instituto de Seguros e Previdência Social de Cabo Verde, from 1978 to 1981.
- General Service Director of Instituto de Seguros e Previdência Social de Cabo Verde, from 1983 to 1991.

Educational Background:

- Degree in Law from the University of Havana, Cuba in 1995.

[ALTERNATE MEMBER]: José Carlos Ramos Cunha.

Birth date: 11/22/1967.

Current Post:

- Alternate member of BAICV Supervisory Board, since 04/08/2014

Professional Experience:

- Financial and Tax Consultant at Consultoria CGI – Consultoria de Gestão & Investimentos, Lda., from February 2012 to 2014.

- Executive Director of Financial, Planning, Management Control, Administration and Asset Management Areas, Correios de Cabo Verde, S.A., from November 2012 to March 2015.
- Member of the Supervisory Board of Banco Interatlântico (Caixa Geral de Depósitos Group), from March 2004 to March 2015.
- Financial Director at SITA from January 2004 to December 2011.
- Financial Director of SIMOVEL – Sociedade Imobiliária, S.A. (SITA Group), from January 2004 to December 2011.
- Chairman of the Supervisory Board of SIMOVEL – Sociedade Imobiliária, S.A. (SITA Group), from January 2004 to March 2010.
- Financial Director of ATIS – Intermediação Imobiliária, S.A., from September 2007 to December 2011.
- Official Accountant at Arlindo Mendes & Varela – Housing Corporation, in Portugal, from September 2001 to November 2011 and at Aplifunções, Lda., from 2009 to 2011.

Educational Background:

- Degree in Management from the International University of Lisbon in September 2001.
- Course on Municipal Administration, by Centro de Estudos e Formação Autárquica, Coimbra, Portugal, in 1995.

[ALTERNATE MEMBER]: Emanuel Neves Duarte.

Birth date: September 5, 1973.

Current Post:

- Alternate member of BAICV Supervisory Board, since 2019.
- Administrative and Financial Director of SOGEI – Engenharia e Construção e SA and SOGEI Investimentos Lda, since 2017.

Professional Experience:

- Accounting Coordinator at BTOC – Consultores de Gestão, from 2016 to 2017.
- Financial Controller at Etosha Group, based in Luanda, Angola, from 2014 to 2016.
- Commercial and Financial Technician at CVGarante – Sociedade de Garantia Mútua, in 2014.

- Administrative and Financial Manager of the High Council for the Public Prosecution, in 2013.
- Administrative and Financial Director of SOGEI Engenharia e Construção S.A, from 2007 to 2011.

Educational Background:

- Post-graduate in Auditing by ISCEE/ISCAL, in 2013.
- Degree in Economic Sciences from the College of Economic and Social Legal Sciences of Rabat, Morocco, in 1997.

REMUNERATION COMMITTEE'S MEMBERS OF THE CORPORATE BODIES

[CHAIRMAN]: Mário Alberto dos Santos Barber (on behalf of the shareholder BAI Angola).

Birth date: 03/27/1955.

Current Post:

- Chairman of the Remuneration Committee of BAICV Governing Bodies (CROS), since 05/18/2021.
- Vice-Chairman of the Board of Directors of Banco Angolano de Investimentos (BAI) – 2017 to date.

Professional Experience:

- Non-executive Director of BAI Angola – 2016 a 2017.
- Chairman of the Executive Committee of the Board of Directors of Banco Angolano de Investimentos (BAI) – 2011 a 2015.
- Executive Director of BAI – Banco Angolano de Investimentos – 2006 to 2010;
- Associate Partner responsible for the Ernst & Young Angola office between 1997 and 2006.
- Board of Directors Member of SODIAM in 1999.
- Board of Directors Member of Sociedade Nacional de Combustíveis de Angola, Sonangol - 1991 to 1997.
- Advisor to the Minister of Finance for the corporate public sector and Director of the Gaming Supervision Office - 1996 to 2007.
- Consultant to the management bodies of Angola Air Charter in 1993/4.

- Chairman of the Supervisory Board of TAAG in 1992/3.
- Advisor to the National Inspector of Finance in 1995.
- Accounting Inspector between 1978 and 1995, having been Head of the Business Inspection Department since 1985.

Educational Background:

- Degree in Economics from Universidade Agostinho Neto.
- Training Course in Accounting at the Commercial Institute of Luanda.
- Commercial Training Course at Vicente Ferreira Commercial School.
- Several training courses and internships on auditing and management of macroeconomic policies in Angola, Portugal, Brazil and Hungary.
- Professional refresher course at OCPCA.

[MEMBER]: João Bento Silva Neto (on behalf of shareholder Sonangol Cabo Verde)

Birth date: November 2, 1956.

Current Post:

- Remuneration Committee Member of BAICV Governing Bodies (CROS), since 05/18/2021.
- Senior Advisor to Sonangol E.P, since 03/03/1992.

Professional Experience:

- Vice-President of the Association of Angolan Engineers and Coordinator of the College of Electrotechnics and Computer Science - 1987 – 2000.
- Board Director of the Sonangol group (Sonangol EP) – On 05/22/1998.
- Assistant Director, combined with the post of Director of the Planning Office of Sonangol Distribuidora (GPLD) – On 05/21/1998.
- Director of the Planning Office of Sonangol Distribuidora (GPLD) – On 03/06/1992.
- Electrical Engineer at Sonangol – On 03/23/1992.
- Programming Services, Purchasing and Materials Technology Technician, from the Central Procurement Dept. – ENE -1981/1984.
- Second level teacher – Ngola Kanini/Luanda base school – 1976/1981.
- Collaborator at the current ELECTRA Company Production unit of ENCEL, in the area of design and construction of transmission lines – 1978/1979.
- 3rd class administrative assistant in the former Postal, telegraph and telephone services in Angola – from 1975/1976.

Educational Background:

- Training in project management (PMI methodology), IT governance, process redesign - 2000 to 2005.
- Training Course on leadership in organizations – World Bank – In 1996.
- Management training course – Promatica/Sonangol – In 1995.
- Training course for Managers – Luanda – Partex /SEF within the scope of the SEF program – In 1989.
- Situational leadership training course – Luanda – In 1989.
- Training Course on Organization and Management of Maintenance of Thermal and Hydroelectric Power Plants – EDF – In 1987.
- Training Course on Organization and Operation Management of Thermoelectric Power Plants – In 1987.
- Investment planning training course – EDF – in 1986.
- Training in “supply chain” studies and design for business systems and governments.
- Assertive communication training.
- Training in strategic planning and design of the logistics chain of business systems.
- Training in integrated management information systems and business management control.

Annex III – Rem

uneration of the Governing Bodies’ Members

a) Information on the remuneration of the General Meeting Board members for the year 2021 (Cabo Verdean Escudos).

Net monthly salary:	
Chairperson	CVE 100,000
Secretary	to be defined

b) Information on the annual remuneration of the Board of Directors members for the year 2021 (Cabo Verdean Escudos).

I. Chairperson of the Board of Directors (Non-Executive):

Remuneration (Cabo Verdean Escudos)	
Net remuneration	Attendance vouchers in the amount of CVE 110,000 for each meeting of the Board of Directors or General Shareholders' Meeting.
Installation allowance	Not applicable
Housing	Not applicable
Not applicable	Not applicable
Fuel Plafond	Not applicable
Communication Plafond	Not applicable
Vacation Subsidy	Not applicable
Christmas Subsidy	Not applicable
Life Insurance	Not applicable
Additional Benefits	Co-participation in the annual bonus awarded to Management and Managerial positions at the Bank.

II. Chairperson of the Executive Committee and other Executive Directors:

Remuneration (Cabo Verdean Escudos)	
Net monthly remuneration	CVE 550,000
Installation allowance	N/A
Housing	Up to CVE 140,000
Communication Plafond	CVE 20,000
Fuel Plafond	CVE 15,000
Vacation Subsidy	Paid out
Christmas Subsidy	Paid out
Life Insurance	Capital CVE 44,106,000 – EUR 400,000
Additional Benefits	Co-participation in the annual bonus awarded to Management and Managerial positions at the Bank.

III. Non-Executive Director:

Remuneration (Cabo Verdean Escudos)	
Net remuneration	Attendance vouchers in the amount of CVE 80,000.00 for each meeting of the Board of Directors or General Shareholders' Meeting.
Installation allowance	Not applicable
Housing	Not applicable
Not applicable	Not applicable
Fuel Plafond	Not applicable
Communication Plafond	Not applicable
Vacation Subsidy	Not applicable
Christmas Subsidy	Not applicable
Life Insurance	Not applicable
Additional Benefits	Co-participation in the annual bonus awarded to Management and Managerial positions at the Bank.

IV. Non-Executive Directors, Independent:

Remuneration (Cabo Verdean Escudos)	
Net monthly remuneration	CVE 200,000
Installation allowance	Not applicable
Housing	Not applicable
Communication Plafond	CVE 20,000
Fuel Plafond	CVE 15,000
Vacation Subsidy	Paid out
Christmas Subsidy	Paid out
Life Insurance	Not applicable
Additional Benefits	Co-participation in the annual bonus awarded to Management and Managerial positions at the Bank.

c) Information on the annual remuneration of the Supervisory Board members for the year 2021 (Cabo Verdean Escudos).

I. The **Chairperson of the Supervisory Board** (independent) earns a net monthly remuneration in the amount indicated below:

Remuneration (Cabo Verdean Escudos)	
Net monthly remuneration	CVE 150,000

II. **Sitting Members of the Supervisory Board** receive remuneration through participation vouchers, in the net amount of CVE 35,000 / per attendance, in each Supervisory Board session, and additionally reimbursement of food, accommodation, and transportation expenses, if and where applicable.

III. **Alternate Members of the Supervisory Board** receive remuneration through Participation Vouchers, in the net amount of CVE 20,000 / per attendance in each Supervisory Board session, and additionally reimbursement of food, accommodation, and transportation expenses, if and where applicable .

Annex IV – Rules relating to the Bank's corporate governance

BANCO BAICV has regulations relating to corporate governance rules and practices, of which the following stand out:

- Code of Conduct – 3rd version approved on February 1, 2022.
- Conflict of Interest Prevention and Management Policy - 4th version approved on October 16, 2020.
- Know Your Customer Procedures Manual - 4th version approved on October 6, 2020.
- Regulations of the Board of Directors - 1st version approved on February 22, 2017.
- Remuneration Policy - 1st version approved on April 7, 2017.
- Remuneration Policy for Management and Supervisory Bodies' members - 2nd version approved on January 27, 2020.
- Policy for the Selection and Evaluation of Management and Supervisory Bodies' Members - 1st version approved on January 27, 2020.
- Employee Internal Regulation - 5th version approved on May 6, 2010.
- Internal Regulations for the Prevention of Money Laundering - 3rd version approved on April 21, 2021.
- Organic Structure Manual - 8th version approved on March 2, 2022.
- Fraud Prevention Policy - 3rd version approved on September 14, 2016.
- Information Transparency and Disclosure Policy - 1st version approved on September 1, 2015.
- Risk Management Policy - 2nd version approved on May 1, 2020.
- Policy for the Prevention and Detection of Money Laundering and Terrorism Financing - 3rd version approved on October 16, 2020.
- Liquidity Risk Management Manual - 2nd version approved on December 28, 2021.
- Assignment and Investment Risk Management Manual in other Financial Institutions - 1st version approved on December 19, 2017.
- Customer Credit Risk Management Manual - 5th version approved on December 30, 2021.
- Interest Rate Risk Management Manual - 2nd version approved on February 1, 2022.
- Compliance Risk Management Manual - 1st version approved on June 15, 2018.

- Policy of the Bank's Internal Compliance System - Compliance Agents - 1st version approved on February 15, 2019.
- Manual for the Prevention of Money Laundering and Combating the Financing of Terrorism - 5th version approved on October 2, 2020.
- Compliance Manual - 1st version approved on November 12, 2018.

Luís Filipe Rodrigues Lélis

Member of the Board of Directors and Chairman of the Board of Directors

Alexandre Augusto Borges Morgado

Member of the Board of Directors and Non-Executive Director

Manuel Pinto Frederico

Member of the Board of Directors and Independent Non-Executive Director

Maria da Encarnação Alves da Silva Rocha

Member of the Board of Directors and Independent Non-Executive Director

Carlos Bessa Victor Chaves

Member of the Board of Directors and Chairman of the Executive Committee

Carla Monteiro do Rosário

Member of the Board of Directors and Executive Director

David Luís Dupret Hopffer Almada

Member of the Board of Directors and Executive Director



Confiança no Futuro.



Banco BAI Cabo Verde, S.A.

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