



REGULATIONS FOR THE PROVISION OF SERVICES BY STATUTORY AUDITORS

ARTICLE ONE

SCOPE OF APPLICATION

1. These Regulations establish the rules applicable to audit services and non-audit services provided by the NOS Statutory Auditors to the Company and companies under its control.
2. These Regulations shall apply to the services provided by the Statutory Auditors and related companies, regardless of the geographical location of the controlled entities.
3. Considering that the conditions described hereunder would only be relevant to entities with registered office in the European Union, the Group stipulates that these conditions must be applied to controlled companies with registered office in third countries, and that all requests for authorisation and reporting must separate information on controlled companies with registered office in the European Union and those with registered office in third countries.

ARTICLE TWO

PRINCIPLE OF INDEPENDENCE

1. The contracting of non-audit services should be considered on the basis of exception or complementarity, and according to the rules established in these Regulations.
2. Evaluating the admissibility of service provision depends on an assessment by the Fiscal Board, which shall meet the following principles:
 - I. An auditor cannot audit his/her own work;
 - II. An auditor may not perform a function or carry out work that is the responsibility of management;
 - III. An auditor may not act directly or indirectly on behalf of his/her client.
4. Annual fees for non-audit services cannot exceed an amount corresponding to 70% of the average fees paid for statutory audits from the last three years, provided to the Company and its subsidiary companies and included in the respective consolidation using the full consolidation method.
5. If the total fees received from NOS or its subsidiary companies in each of the last three consecutive financial years are greater than 15% of the total fees received by the Statutory Auditor in each of those financial years, the Statutory Auditor shall inform the Fiscal Board of that fact and together analyse the threats to its independence and the safeguards applied to mitigate those threats.



6. The Fiscal Board assesses whether or not the statutory audit should be subject to a quality control review by another Statutory Auditor before issuing the audit report and certificate.
7. If the fees received from NOS or its affiliated companies continue to be greater than 15% of the total fees received by the Statutory Auditor, the Fiscal Board assesses and decides, based on objective criteria, whether the Statutory Auditor may continue to carry out the statutory audit for an additional period not exceeding two years.
8. If a member of a Statutory Auditor network who performs a statutory audit of the accounts of NOS or its subsidiary companies provides any non-audit services prohibited under applicable legislation to an entity based in a third country that is controlled by NOS or its subsidiary companies, the Statutory Auditor shall assess whether its independence is compromised by such provision of services by the network member.

ARTICLE THREE

SCOPE OF SERVICES

1. The services that may be rendered by the Statutory Auditor are divided into audit services and non-audit services.
2. Audit services on the annual financial statements, within the scope of the contract entered into with the Company, are considered to be:
 - a. Services performed with the aim of providing an audit opinion on accounts or financial statements. Examples:
 - i. the issuing of an audit report and certificate of accounts (Article 45 of the Statute of Statutory Auditors - EOROC - and the Commercial Companies Code - CSC);
 - ii. the issuing of audit reports on half-yearly and annual financial information, in compliance with the provisions of Article 161(8) of the General Regime of Collective Investment Undertakings - RGOIC;
 - iii. the issuing of the reports prepared by auditors provided for in Article 29(G)(1)(b) of the Portuguese Securities Code;
 - iv. voluntary audits of a series of financial statements prepared in accordance with a general accounting framework at the end of the annual financial year or on an interim date (in accordance with the ISAs);
 - v. audits of financial statements prepared in accordance with special purpose engagements (as set out in ISA 800);
 - vi. audits of individual financial statements and of specific elements, accounts, or items of a financial statement (as set out in ISA 805);
 - vii. work to report on summary financial statements (as set out in ISA 810).
 - b. Services required by law to the Statutory Auditor carrying out the statutory audit, namely:



- i. Those provided for in Commission Delegated Regulation (EU) No 2019/980 of 14 March 2009;
 - ii. The assessment of the process for calculating the impairment on the loan portfolio, as required by Bank of Portugal Instruction no. 5/2013, as amended.
3. Non-audit services are all services where the auditor does not issue an opinion on accounts in accordance with ISAs (excluding the prohibited services described in point 2), such as:
 - a. Review of financial statements with a limited level of assurance, including limited reviews of quarterly or half-yearly accounts, or with reference to another period;
 - b. Advice on the interpretation of and advice on the implementation of new accounting and financial reporting rules;
 - c. Consultancy related to financial reporting, necessary for compliance with accounting policies;
 - d. Tax services related to the audit or interim review of financial statements, including review of compliance with Transfer Pricing rules;
 - e. Internal control reporting requirements, whether audits or reviews of internal controls;
 - f. Review of financial information to be made available to the market;
 - g. Reviews and audits of Information Systems, when related to the audit work on the financial statements;
 - h. Comfort letters and other reports of agreed-upon procedures under prospectuses and other securities related procedures;
 - i. Auditing of Sustainability and Social Responsibility Reports;
 - j. Certification of the internal control report;
 - k. Other certifications not required by law or the statutes;
 - l. Auditing the acquisition of new businesses (auditing opening balance sheets), including advice on accounting restatement;
 - m. Training in technical subjects, etc;

Other services, namely services that may be rendered by the External Auditors, due to their experience and/or knowledge of the company, and which are not described in the preceding sub-paragraphs and are not included in the following paragraph, such as Due Diligences, in potential acquisitions and/or sales.

However, with regard to the review of financial statements with a limited level of assurance, when the limited review work on interim accounts is ultimately used for the legal certification of annual accounts, the corresponding fees are not taken into account when calculating the fee cap applicable to non-audit services.



4. The following types of services cannot be contracted by the Statutory Auditor in Portugal:
- a) Accounting services, comprising the maintenance or preparation of accounting records, the preparation of financial statements and the development of basic information to support financial statements.
 - b) Consultancy services for the development and implementation of information systems with a direct impact on the preparation of financial statements.
 - c) Valuation or appraisal services of assets and liabilities, unless required by specific legislation.
 - d) Internal audit outsourcing, namely services related to accounting internal controls and financial systems. However, provided they are approved by the Fiscal Board, services may be provided to gain a better understanding of the functioning of internal control systems, assessments of their effectiveness and the issuing of recommendations.
 - e) Management services, i.e. services involving acting, temporarily or permanently, as a director, manager or employee, or involving decision-making, or a function involving a monitoring role.
 - f) Human Resources, namely involvement in the identification, evaluation and recruitment of candidates for management positions or positions of responsibility in the financial area, acting as a negotiator in the preparation of remuneration packages, and carrying out reference certification activities.
 - g) Broker, dealer, investment consultancy or investment banking services.
 - h) Legal services that are not restricted by legislation to lawyers.
 - i) Tax Consultancy Services, namely providing clarification on tax issues, verifying compliance with tax regulations in force, reviewing tax returns, monitoring and advising on tax inspections or providing information to the tax authorities, assessing and calculating the tax impact of transactions/restructuring that may be carried out and evaluating and estimating tax contingencies or liabilities.
 - j) Other services that the Fiscal Board determines cannot be provided.

5. Although the prohibition on providing non-audit services is addressed at the level of each Member State and is only applicable in that Member State, in cases where the list of services provided in a third country is shorter, the list of services prohibited in Portugal should be considered.

6. In situations of controlled companies based in a third country which is not a member state of the European Union, the Authority must assess whether the independence of the Statutory Auditor is compromised.



ARTICLE FOUR
SERVICE PROVISION AUTHORISATION

1. The provision of non-audit services by the Statutory Auditor requires the prior approval and authorisation of the Fiscal Board.
2. For the purposes of the preceding paragraph, the Fiscal Board adequately assesses the threats to independence arising from the provision of these services and the safeguarding measures applied in accordance with Article 73 of Law no. 140/2015 of 7 September.
3. For the purposes of the provisions of paragraph 1, the General Secretary of NOS shall send to the Fiscal Board the proposal for the provision of services to be submitted for approval and authorisation, as well as any additional information that is relevant for decision making by the Fiscal Board.
4. The proposal to be presented by the Statutory Auditor must contain the following requirements:
 - I. Be clear about the services to be provided and the fees to be charged for them;
 - II. Contain a statement of compliance with the principles of independence defined in Article 2 of these Regulations;
 - III. Contain the rationale for the provision of services;
 - IV. Contain the starting date of the provision of services and respective fees.

ARTICLE FIVE
INFORMATION REPORTING

In the quarterly report to the Fiscal Board, a report must be presented by the person responsible for the financial area on the services rendered, classified by nature and indicating the corresponding fees invoiced and estimated until the end of the year, which must have the agreement of the External Auditors.