

2023

REMUNERATION POLICY



Table of Contents

Introduction	2
Purpose	3
Performance assessment	3
The ratios between fixed and variable remuneration	4
Aggregate quantitative information on fixed remuneration, broken down by business area	4
Aggregate quantitative information on remuneration, broken down by Authorised Management remuneration	4
Aggregate quantitative information on identified staff (Material Risk Takers) remuneration	5

Introduction

The Remuneration Policy has been approved by the Board of Directors on the 2nd December 2022 and established in line with the law of July 23rd, 2015, transposing the 2013/36/EU (EBA/GL/2021/04) into national law as well as takes into account the CSSF circular 22/797, dated June 31st of January, repealing CSSF circular 11/505 and CSSF Circular 17/658 and adopting the final Guidelines published by the European Banking Authority (hereafter “EBA”) on 2 July, 2021, hence EBA/GL/2021/04.

In addition to the above-mentioned legal scope, the remuneration policy considers the following additional legal requirements:

- Article 38-6 (2) of the Law of 5 April 1993 and law of the May 20th 2021, transposing the Directive 2019/878/EU (CRD V) in Luxembourg Law on the application of the proportionality principle;
- CSSF circular 15/622 on the procedure of notification to a higher 1:1 ratio as defined under article 19, 7^o, point g) of the law of July 23rd, 2015;
- CSSF circular 14/585, with regards to ensuring that remuneration policies and practices are aligned with conflict of interest and conduct of business obligations;
- Directive 2014/65/EU of the European Parliament and the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU;
- Article 38-5 (2) b) LSF and Articles 5 and 6 of the (EU) 2021/923 and the article 92(3) of the CRD V with regard to regulatory technical standards with respect to qualitative and appropriate quantitative criteria to identify categories of staff whose professional activities have a material impact on an institution's risk profile;
- Article 450, (EU) No 575/2013, with regards to disclosure requirements.
- Article 5 of Regulation (EU) 2019/2088 of 27 November 2019 on Sustainability-related disclosures in the financial services sector (“SFDR”);
- CSSF Circular 22/797, with regards to the application of the Guidelines of the European Banking Authority on sound remuneration policies under Directive 2013/36/EU (EBA/GL/2021/04).

Purpose

The purpose of the Remuneration Policy is to set up the remuneration regime compatible with the business strategy, goals, values, long-term interests and with a sound and efficient risk management, which encourages such management and will not lead to an excessive risk taking by the members of the Bank.

Going further, the Policy ensures that practices and procedures are aligned with conflict of interest and conduct of business obligations, taking into consideration its client's best interests. Furthermore, the Remuneration policy is gender neutral and provides equal opportunities

In 2022, the Board of Directors was responsible for reviewing general principles of the Remuneration policy, was in charge of the implementation and accuracy of this Policy. The Board of Directors is composed of 7 Non-Executive members, not remunerated by BBE.

The Board of Directors ensures a transparent and non-conflicted governance around remuneration and to establish a set of principles and parameters for the Bank, and to oversee its Remuneration Policy. The Authorized Management, together with the Head of HR, and with the involvement of the Control Functions, is responsible for the compliance of remuneration policy with laws and regulatory framework.

The Chief Risk Officer is closely involved as to ensure that the proposed envelope does not limit the Bank's ability to strengthen and maintain its capital base. The Remuneration policy is in line with the conservative business strategy, the long-term interests, the underlying values of wealth preservation and sustainable growth.

Periodically external provider is requested to double check and to collect our updates and adaptations.

Performance assessment

Banco Bradesco Europa S.A. aims to attract, retain and motivate high-qualified professionals and offers remuneration package that are attractive and competitive. The performance criteria include mainly individual qualitative criteria (non-financial - as compliance with the internal rules and procedures and personal behaviour) and collective quantitative components (financial); the individual bonus is based on annual assessment of performances. All members of staff are assessed once a year.

The remuneration principles of the Remuneration Policy ensure a balance between fixed and variable remuneration to decrease any risk from excessive risk taking.

The ratios between fixed and variable remuneration

The Bank ensures a balanced ratio between fixed and variable remuneration as to prevent any excessive risk takings with the aim of increasing the variable component.

Information on remuneration of all Staff on 31/12/2022:

Luxembourg's annual variable remuneration is 15% of the fixed remuneration.

Aggregate quantitative information on fixed remuneration, broken down by business area

Luxembourg annual remuneration on 31.12.2022:

	Private Banking	Corporate Banking	Asset Management	Other Functions
n° of employees	19	2	0	32
Total Remuneration	2,281,356.94 €	550,122.65 €	0 €	3,211,164.54 €

Aggregate quantitative information on remuneration, broken down by Authorised Management remuneration

There are 2 beneficiaries of the bank; 2 fixed remuneration and 2 variable remuneration on 31.12.2022.

Luxembourg	Fixed remuneration	Variable remuneration
Authorised Management Functions	931,950.91 €	382,176.88 €

Aggregate quantitative information on identified staff (Material Risk Takers) remuneration

Staff members having a material impact on the Bank's risk profile have been identified under qualitative and quantitative criteria set out under article 38-5 (2) b) LSF and Articles 5 and 6 of the (EU) 2021/923 and the article 92(3) of the CRD V. Material risk takers have been identified at the level of the Bank.

As such, the following categories of staff have been considered as having a material impact on the Banco Bradesco Europa S.A.'s risk profile and therefore are included in the identified staff.

The list of Luxemburg identified staff is fixed at 16 on 31.12.2022.

	Fixed remuneration	Variable remuneration
Luxembourg	1,981,635.08 €	443,943.09 €

Luxembourg's variable remuneration is 20% of the fixed remuneration.