

ANNUAL GENERAL MEETING OF BANCO COMERCIAL PORTUGUÊS, S.A.

(20/05/2020)

PROPOSAL IN CONNECTION WITH **ITEM 5** OF THE AGENDA

TO RESOLVE UPON THE ACQUISITION AND SALE OF OWN SHARES AND BONDS

TAKING INTO CONSIDERATION:

- Considering the general regime applicable to commercial companies with respect to the acquisition and sale of own shares and bonds;
- Considering the convenience for Banco Comercial Português, S.A. (the Bank) of being able to continue to make use, under the general terms, of the possibilities that are inherent to such operations;
- Considering that the same convenience exists also in respect of current and/or future subsidiaries, which, as happened before, may even be bound, under the terms of issue of their own securities, to acquire or sell shares of the Bank, for which, without prejudice to article 319 (3) of the Companies Code, it is equally convenient to provide;
- The characteristics of the bonds that may be issued by the Bank or subsidiary companies, in particular those connected with the issuance of convertible or exchangeable securities by the Bank or subsidiary companies,
- The provisions in articles 319 and 320 of the Companies Code and in the regulations issued by Comissão do Mercado de Valores Mobiliários;
- That the Delegated Regulation of the Commission (EU) 2016/1052, of 8 March, establishing a special regime containing, specific exemption requirements from the general regime of market abuse for certain share buyback programmes, requirements which it would be convenient to take into account, even if the buybacks are out of the scope of the programmes included therein;
- The Remuneration policies applicable to the Executive Directors and Employees of the Group who are Key-functions holders, in line with best practices require that the Bank acquires own shares to pay the Annual and Long-Term Variable Remuneration,

We propose:

1) The approval of the acquisition by the Bank, or any of its current or future subsidiaries, of own shares or bonds (in the latter, in any of the situations when the approval is legally required) already issued, or to be issued, of any kind, including rights to their acquisition or attribution, subject to a decision of the administration body of the acquiring company, under the following terms:

a) **Maximum number of shares to acquire:** up to the limit corresponding to ten per cent of the share capital, after deduction of any disposals made pursuant to the exercise of the authorization foreseen in 2) of this resolution without prejudice of the exceptions permitted by law and the amount of shares that may be needed to fulfil any obligation of the acquirer, arising from law, an issue of securities or other financial instruments or other obligation, including within the context of the implementation of the policy for the remuneration of members of the corporate bodies and/or other employees of the Group and subject, if applicable, to subsequent disposal, as established by law, of shares that exceed the said limit;

Maximum number of bonds to acquire: corresponding to the total of each issue, up to the limit corresponding to ten per cent of the aggregated nominal value of the totality of the bonds issued, regardless of the issue they concern, after deduction of any disposals and/or repayments made, without prejudice of the exceptions permitted by law and the amount needed to fulfil any obligation of the acquirer, arising from law, an issue of financial instruments or other binding obligation;

b) **Term during which the acquisition may be made:** eighteen months counting from the date of this resolution;

c) **Forms of acquisition:**

of shares: subject to the terms and limits imperatively established by law, namely in compliance with the principle of equality of the shareholders in the terms established by law, onerous acquisition of any kind, namely by purchase or exchange to be made in or outside a regulated market from entities designated by the competent management body of the acquirer, according to criteria wherein the eventual quality of shareholder is not a relevant factor, or acquisition at any title for, or by virtue of, fulfilment of an obligation arising from law, of issuance, conversion or exchange of securities or other financial instruments, or other contractual obligation, including within the context of the implementation of the policy for the remuneration of members of the corporate bodies and/or other employees of the Group, in accordance with the respective legal or binding conditions;

of bonds: acquisition of any kind, namely original acquisition or onerous secondary acquisition in a regulated market or out of a regulated market, whether or not carried out through financial dealers, besides the cases of conversion of convertible bonds;

d) **Minimum and maximum consideration for the acquisitions:**

of shares: the price of an onerous acquisition must be contained in an interval of fifteen per cent less or more vis-à-vis respectively the lowest and the average trading price of the shares traded on Euronext Lisbon, during the week immediately preceding the acquisition. In the case of acquisition connected with, or in satisfaction of contractual conditions, namely of issuance of securities or other financial instruments, or of contract related with such issue, the price will be the one resulting from the terms of such issuance or contract, if such is foreseen;

of bonds: the price of an onerous secondary acquisition must be contained within a fifteen per cent interval up or down vis-à-vis the average price of the bonds in the stock exchange where the acquisition is made, during the week immediately preceding the acquisition or correspond to the acquisition price pursuant to the law or contract, namely acquisition through accord and satisfaction agreement, when the acquisition derives from it;

In case of an issue not listed in a regulated market, the interval shall refer to the value computed based on the bond prices of other financial institutions in the same rating class, with similar term, and, for issues with interest rate structures or derivatives included, bearing in mind the value of those structures or derivatives, estimated by the method usually used by market operators, if it allows an objective computation, or by means of an independent valuation, if not.

In the case of acquisition connected with, or in satisfaction of contractual conditions, namely of issuance of other securities, or of contract related with such issue, the price will be the one resulting from the terms of such issuance or contract, if such is foreseen;

e) **Time of acquisition:** to be determined by the management body of the acquiring company, taking into consideration the situation of the market and the interests or obligations of the acquirer, the Bank or of any subsidiary company of the Bank, and being carried out in one or more times in the proportions to be established by the said body.

2) To approve, except in the cases of conversion or redemption and subject to the specific authority of the competent administration body, the sale of own shares or bonds that have been acquired, including rights to their acquisition or attribution, subject to a decision made by the competent management body of the seller company, under the following terms:

a) **Minimum number of shares or bonds to sell:** the correspondent to the quantity enough for the fulfilment of an obligation undertaken, arising from law, contract, issuance of securities or other financial instruments or resolution adopted by the competent management body;

b) **Term during which the acquisition may be made: eighteen months counting from the date of this resolution;**

c) **Form of sale:** subject to the terms and limits imperatively established by law, namely in compliance with the principle of equality of the shareholders in the terms established by law, onerous sale of any kind, namely by purchase or exchange to be made in or outside a regulated market to entities designated by the competent management body of the seller, according to criteria wherein the eventual quality of shareholder is not a relevant factor, or sale at any title, when resolved by the competent management body, without damaging that, when the sale is made for fulfilment of an obligation assumed or arising from law, of issue, conversion or exchange of securities or other financial instruments or other binding obligation, including within the context of the implementation of the policy for the remuneration of members of the corporate bodies and/or other employees of the Group, the same is to be made in accordance with the respective legal or binding conditions;

d) **Minimum sale price:**

of shares: no more than fifteen per cent below the average trading price on Euronext Lisbon of the shares sold during the week immediately preceding the sale, or other price that is determined or results from the terms and conditions pursuant to the law or contract (and, namely, from the issue of other securities, in particular convertible or exchangeable securities, or of contract entered into relating to such issue, conversion or exchange or yet within the context of the implementation of the policy for the remuneration of members of the corporate bodies and/or other employees of the Group), when the sale derives from them;

of bonds: no more than fifteen per cent below the lowest prices referred to in sub-paragraph d) of nr. 1 of this resolution (in the portion regarding bonds), in accordance with the applicable situation, or price determined in connection with the issue terms and conditions of other securities, namely convertible securities, or in accordance with contract related with such programme, issuance or conversion, or yet within the context of the implementation of the policy for the remuneration of corporate bodies and/or other employees of the Group) whenever such sale is made in connection with or in execution of the respective terms;

e) **Time of the sale:** to be determined by the competent management body of the selling company, taking into consideration the conditions of the securities market and the convenience or obligations of the seller company, of the Bank or of other subsidiary of the Bank, and being carried out in one or more times in such proportions to be established by that management body.

- 3) That, as to the rest, the sale and acquisition transactions mentioned above are to be made in full compliance with the remaining applicable rules and, whenever applicable and the competent management body so deems possible and appropriate, in compliance with the requirements of Regulation (EU) 596/2014 of the European Parliament and of the Council of 16 April 2014 and of the Delegated Regulation (EU) 2016/1052 of the Commission of 8 March 2016, setting forth the requirements and conditions that trading in own shares transactions must observe to benefit from the exemptions from the prohibitions on market abuse.

Lisbon, 23 April 2020

THE BOARD OF DIRECTORS