

Principles of Millennium bcp on Tax Issues

Principles of Banco Comercial Português, S.A. on Tax Issues

Banco Comercial Português, S.A. (or BCP) assumed the commitment to follow both the letter and the spirit of the law, including the tax law, understood herein as the rules which are directly or indirectly related to tax issues, regardless of the diploma wherein they are inserted.

For that purpose, BCP ensures that the functions it deems required to meet such commitment are carried out at all times, including:

- The definition of the tax framework of the Group's companies and of the activities they undertake, monitoring and implementing the alterations deemed necessary;
- The evaluation and monitoring of the tax related risks of the Group's companies;
- Not to create or acquire companies in countries, territories and regions on lists that associate them with regimes considered to have privileged taxation, which is clearly more favourable, with the aim of tax planning;
- The mandatory and appropriate consideration of tax issues in relevant processes;
- The prior verification of the correction and completion of the documents through which it discloses to its clients the tax framework of the products it sells and the cooperation with its stakeholders aiming at compliance with the respective tax duties;
- The timely compliance with tax duties whether they concern taxes owed by it or taxes wherein it acts as a substitute tax collector or acts in another capacity deemed relevant by the law;
- Compliance with the transfer pricing rules applicable to operations carried out between entities with special relationships, following the principle that terms or conditions should be contracted, accepted and practised that are substantially identical to those that would be practised between independent entities in comparable operations;

- The timely and efficient disclosure amongst its employees of legislative alterations which are relevant in terms of tax issues;
- The existence of a proper relationship of the Group's companies with the tax authorities and with the supervision entities and with other entities;
- The active and transparent participation in initiatives carried out by the associations representing the sectors that are relevant for the exercise of the activities of the Group's companies, by means of the presentation and debate of legislative proposals or of proposals of any other type;
- Contribution to the public discussion of proposals presented by the national legislator or the European Union, including participation in the Large Taxpayers Forum operating within the Large Taxpayers Unit of the Tax and Customs Authority in Portugal, in academic forums or others organised for this purpose;
- The careful management, in accordance with BCP's values, of administrative and judicial tax litigation, aimed at obtaining the appropriate result for its interests and the swift completion of procedures and processes;
- The disclosure of information on the tax situation of the Group's companies in the financial statements that is appropriate to the function that these documents serve;
- To co-operate with the Tax Administration on the basis of the principles of transparency and mutual trust and to provide, in a faithful and comprehensive manner, the information required to fulfil its tax obligations;
- Not to create or acquire companies or other investment vehicles without commercial or economic substance.

While in the exercise of its freedom of management, BCP acts in its social interests and those of the Group's companies. However, BCP does not promote any form of tax planning it deems unlawful and does not participate in structures or operations in which it perceives such an objective or result as the only one.

For the purposes of complying with the principles mentioned above, BCP provided the Tax Advisory Division with the necessary functions and powers,



defined in internal regulations that ensure independence from the remaining areas. The individual in charge of the Tax Advisory Division is a member of the Commission for the Approval of New Products, reports directly to the Executive Committee and provides the Audit Committee with the information it requests.

The Tax Advisory Division has its own resources, the adequate knowledge and experience and the Bank resorts to external consultants (including lawyers) whenever the issues under appraisal so require or when the Division's resources prove to be insufficient.

By resorting to external consultants on tax issues, the Bank ensures the strict compliance with the internal regulation relating to the independence of the external auditors, a regulation which, despite being based on the law, is even more restrictive.

The BCP Principles on Tax Matters come into force from their date of approval and are reviewed every 2 years by BCP, or whenever necessary, and the Tax Advisory Division is responsible for reviewing their contents.

The Executive Committee is responsible for approving the BCP Principles on Tax Matters.

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