



Banco Comercial Português, S.A.

Articles of Association of Banco Comercial Português, S.A.

Millennium
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Chapter I

Name, legal nature, regime and corporate object

Article 1

Name, legal nature and regime

1. Banco Comercial Português, SA, hereinafter referred to as Bank, is a public company incorporated under Portuguese law.
2. The Bank is ruled by the regulations issued by the European Union, by applicable banking and company laws and by these articles of association.
3. The provisos of the law may be derogated by resolution adopted by the Shareholders.
4. All the remissions expressly made to legal provisos in effect are deemed to report to the legal provisos that come to replace them.

Article 2

Registered office, subsidiary companies, branches and other forms of representation

1. The Bank's registered office is located at Praça D. João I, 28, in the joint parishes of Cedofeita, Santo Ildefonso, Sé, Mira Gaia, São Nicolau and Vitória, Porto.
2. The Board of Directors may change the registered office within the Portuguese territory.
3. The Board of Directors may also create, modify or extinguish subsidiary companies, branches, agencies, delegations or other forms of representation.

Article 3

Corporate object

The Bank aims at banking activities with the latitude permitted by law.

Chapter II

Share capital and issuance of securities

Article 4

Share capital

1. The share capital of the Bank amounts to 3,000,000,000.00 de Euros, corresponding to 15,113,989,952 registered and book-entry shares, without a nominal value, fully paid up.
2. The Bank may issue ordinary shares or with special rights, notably preference shares with or without voting rights, redeemable with or without a premium or not redeemable, and any other shares.
3. The ordinary shares confer identical rights and are fungible between them, regardless of their issue value.

4. The proviso of the previous number apply to shares with special rights, within the respective categories.
5. To the extent and within the limits permitted by law, the General Meeting of Shareholders may, in accordance with article 25 (3) of the articles of association, approve the division or regrouping, with or without decreasing the share capital, of the shares representing the share capital of the Bank.

Article 5

Increase of the share capital by resolution from the Board of Directors

1. The Board of Directors, after obtaining a favourable opinion of the Audit Committee, may resolve to increase the share capital, on one or more occasions, up to the limit of the amount of the present share capital or of the share capital at the time of the possible renewals of this authorization.
2. The increases mentioned in the previous number are made by issue of new shares which may be of one or more categories permitted by law or by the articles of association, with or without issue premium.
3. The Board of Directors sets forth the issue or issues conditions as well the way the preference right of the shareholders will be exercised except for resolution by the General Meeting to limit or suppress them.
4. The preferential attribution not subscribed by the shareholders may eventually be made available to subscription by third parties, in the terms permitted by the law and the issue resolution.

Article 6

Qualifying holdings

1. Whoever, directly or indirectly, acquires or disposes of a shareholding equal or greater than 5% of the Bank's share capital, must report it to the Board of Directors within four trading days.
2. The provisions of the previous paragraph apply to:
 - a) Whoever exceeds or reduces its shareholding in regard to the limits established in the Securities Code concerning qualified shareholdings;
 - b) Whoever is in any of the situations referred to in article 26.
3. The notifications foreseen in the previous paragraph must be prior to the exercise of the corporate rights.

Article 7

Other securities

1. The Bank may, by resolution of the General Meeting, or of the Board of Directors in accordance with the law or the articles of association, issue other securities, namely:

- a) Bonds, in the different forms recognised by law;
 - b) Autonomous warrants on any own or non-owned securities;
 - c) Other securities that reflect homogeneous legal situations that can be transferred on the market.
2. Issuing securities that imply or may imply the increase of the Bank's share capital pursuant to a resolution adopted by the Board of Directors is also subject to the requirements of article 5.

Article 8

Forms of representation

Securities issued by the Bank may take any of the forms of representation admitted by law.

Chapter III

Corporate and governance bodies Section I - General Provisions

Article 9

Corporate and governance bodies

1. The Bank's corporate bodies are:
 - a) The General Meeting of Shareholders;
 - b) The Board of Directors;
 - c) The Audit Committee;
2. The Bank also has a statutory auditor.
3. The Bank shall appoint a Company Secretary and an Alternate Company Secretary.
4. For the purposes of this articles of association, are considered corporate bodies, besides the ones mentioned in the previous paragraphs, the Board of the General Meeting of Shareholders, the Remunerations and Welfare Board and the Strategic Board;

Article 10

Duration of the mandates and trust

1. Without damaging the provisions of the following numbers, the members of the corporate bodies are elected for a four-year term and may be re-elected one or more times.
2. The General Meeting may, by a two-thirds majority vote, set the term of office of the statutory auditor for a shorter period, with a minimum of one year, without prejudice to the provisions of the applicable law regarding the minimum and maximum periods of exercise of these functions at the time of the resolution.

3. Complying with the limits imperatively established, the statutory auditor may be re-elected one of more times, for terms-of-office with an identical or different duration.
4. The members appointed in addition to those in functions or to take the place of other members, shall complete the ongoing term-of-office.
5. Every annual General Meeting of Shareholders must expressly resolve on a vote of trust regarding each member of the Board of Directors, under penalty of removal, in accordance with the law.

Article 11

Composition of the corporate bodies and appointment of its members

1. The governance bodies, in the absence of a provision to that effect in the law or in the Articles of Association, shall have the number of members resulting from the election resolution or from an interim specific resolution adopted by the General Meeting of Shareholders.
2. The provisos of the previous paragraph do not jeopardize the alteration of the number of the members of the body in question during the term-of-office and up to the statutory or legal limit.
3. The plural elections are conducted by lists and votes are cast based on these lists.
4. The lists, indicating the proposing shareholders, must be presented at the company's registered office within the deadlines established by law prior to the date scheduled for the General Meeting, whose agenda includes the election of members of corporate bodies, by means of a communication addressed to the Chairperson of the Board of the General Meeting, accompanied by the items referred to in Article 289 (1) (d) of the Companies Code, without damaging the replacement of members in the event of death or impediment, which notice must be given immediately, accompanied by the necessary information.

Article 12

Independence

1. For the purposes of these articles of association, an independent person shall mean one that is not associated with any group of specific interests in the Bank or under any circumstances that may affect his/her ability to make an impartial analysis or decision.
2. The independence criteria are established by the corporate body in question and must be duly justified whenever they diverge from legal or regulatory recommendations applicable to the company.

Section II – Remunerations and welfare

Article 13

Remunerations and Welfare Board

1. The Remuneration and Welfare Board is composed of three to five members, appointed at the General Meeting.
2. Directors may be members of the Remuneration and Welfare Board, provided that they are not part of the Executive Committee.
3. The members of the Remuneration and Welfare Board who are not Directors are paid according to a resolution adopted by the General Meeting of Shareholders.

Article 14

Powers

The Remuneration and Welfare Board shall be responsible for the following:

- a) Establishing the remunerations of the members of the Bank's corporate bodies;
- b) Determine the terms of the directors' retirement supplements due to old age or disability;
- c) Cooperate with the Committee for Nominations and Remunerations, in order to jointly present the Remuneration Policy of the Members of the Bank's Management and Supervisory Bodies to the General Meeting."

Article 15

Remuneration of the Directors

1. The remuneration of the executive directors includes a fixed and a variable component.
2. The amount of the remuneration of the directors shall be set for each director individually, taking into account, notably, the medium and long-term interests of the Bank and the aim of not encouraging excessive risk-taking.
3. The addition of the variable remuneration components of the several directors, including the portion of the variable remuneration imputable to each financial year, a portion which, for this purpose, will be considered the amount that can be allocated in each one of the years to which it refers, starting with the first year and progressively filling in the entire amount if necessary until the last year to which it refers, must observe the legal limits and cannot exceed 200% of the respective fixed remuneration, nor 2% of the consolidated net income of the Group of the year the variable remuneration refers to and the respective establishment and allocation must comply with the applicable rules, namely those relating to deferral, balance between cash and other instruments, reduction and reversal mechanisms.
4. The remuneration of the directors who are not part of the Executive Committee

shall consist of a fixed amount.

Article 16

Bond

The mandatory bond to be provided by the directors is regulated by the relevant provisos in force, and its mandatory amount shall be set at the minimum amount required by law.

Article 17

Social security and supplements

1. The directors shall benefit from the social security regime applicable in each case.
2. The directors are also entitled to a supplement to the retirement or disability pensions and the Bank may enter into insurance contracts in favour of such directors.
3. By means of an agreement with each director, the insurance policy may be replaced by contributions to a pension fund of defined contributions.
4. The amount of the contributions of the Bank, within the scope of the two previous paragraphs, shall be established on a yearly basis by the Remuneration and Welfare Board.
5. The Bank shall not bear any additional expenses with the retirement and disability pensions after the termination of each director's functions.
6. The right to the supplement shall only become effective if the beneficiary retires due to old age or disability, under the terms of the social security regime applicable to him/her.
7. At the time of the retirement, the beneficiary may choose to redeem the capital if and to the extent that the contract underlying the alternative chosen by him/her, so allows.
8. In case of death before retirement, the right to receive the accrued capital shall remain effective pursuant to the applicable provisions established by the contract or by law.

Article 18

Minutes of Meetings

1. Minutes shall always be written up of the meetings of the company's governance bodies which will be signed by all the members present and contain, apart from the several identification data, the resolutions adopted and the votes cast.
2. The minutes of the General Meeting of Shareholders comply with its own legal and statutory rules.

Article 19
Composition

1. The resolutions of the Bank's shareholders are adopted at the General Meeting of Shareholders, based on one vote per share.
2. Attendance at the Shareholders' Meeting, in person or through a representative, is by persons who are shareholders up to midnight on the fifth trading day prior to the holding of the meeting.
3. If the shares are co-owned, the common representative will participate in the meeting.
4. An usufructuary or pledgee of shares shall only be entitled to take part in General Meetings under the conditions envisaged in the law.
5. The Directors, the members of the remaining governance bodies and the Statutory Auditor shall attend the General Meeting.
6. The common representatives of the holders of preferential shares without voting rights and of bondholders may attend the General Meeting.
7. Any other individuals, whose presence is authorized or those invited by the Chairperson of the Board of the General Meeting, such as the Bank's technical staff, may attend the meeting to clarify specific questions that may arise regarding the items under debate.

Article 20
Board

1. The Board of the General Meeting shall comprise one Chairperson, one Vice-Chairperson and the Company Secretary.
2. The Chairperson and the Vice-Chairperson are elected by the General Meeting of Shareholders and should be independent.
3. It pertains to the Chairperson of the Board to call the Meeting, set forth the date and place of the meeting and well as the Agenda, organize the attendance list, chair the meeting efficiently and with impartiality, remove dilatory or inopportune issues, verify the legality of the proposals, decide, within his/her powers, the type of voting, submit the proposals to a vote, count the votes, validate the votes cast by postal ballot or by electronic means, announce the results, supervise the making of the minutes of the meeting and exercise the remaining powers attributed to him/her by the law and these articles of association.
4. The Chairperson of the Board may be heard on any issues relevant for the Bank, by initiative of the Chairperson of the Board of Directors or the Chairperson of the Audit Committee.

5. The Vice-Chairperson shall replace the Chairperson in case of impediment.
6. The secretary acts as the secretary of the General meeting being responsible for drawing-up the minutes.
7. The Board of the General Meeting of Shareholders will benefit from the support of the necessary human and logistic resources.

Article 21

Participation

1. Shareholders who meet the conditions set out in Article 19 (2) of these Articles of Association and who wish to debate and vote at the General Meeting shall, until midnight of the fifth trading day prior to the meeting, communicate in writing such intention, to the Chairman of the Board and to the financial intermediary where the individual account is open.
2. The financial intermediary must in turn send to the Chairperson of the Bank, until the fifth trading day prior to the meeting, a communication with the number of shares registered on the name of his/her Client, as at the registration date.
3. If a shareholder declared the intention to participate in the meeting, in accordance with nr. 1, and assigned the ownership of the shares between the registration date and the end of the meeting, that shareholder must report the fact immediately to the Chairperson of the Board of the Meeting and to CMVM.
4. The several communications may be made by electronic mail.

Article 22

Representation

1. The shareholders may arrange to be represented by persons of full legal capacity, by means of a notice, either by postal or electronic means, addressed to the Chairperson of the Board, received by 05:00 p.m. of the penultimate business day prior to the day of the meeting and containing all identification details of the representative and of the represented shareholder.
2. The shareholders may indicate, in an alternate or sequential manner, more than one representative. Nevertheless this representation can only, at any time, be exercised by one individual, except when otherwise is permitted by law.

Article 23

Powers

The Bank's General Meeting of Shareholders has the powers conferred to it by law and by these articles of association, particularly to:

- a) Elect the members of the respective Board;
- b) Elect the members of the Board of Directors, its Chairperson and its vice-Chairpersons, if applicable;
- c) Elect the members of the Remunerations and Welfare Board;



- d) Elect, pursuant to a proposal made by the Audit Committee, the statutory auditor;
- e) Resolve, on a proposal from the Audit Committee, on the choice of external auditor;
- f) Resolve on the management report, the financial statements and on the proposal for the appropriation of profits;
- g) Carry out the general appraisal of the management and supervision of the Bank with the latitude foreseen in the law;
- h) Resolve on management matters, at the request of the Board of Directors.

Article 24

Constitutive quorum

1. The General Meetings may validly adopt resolutions on first call provided that shareholders are present or represented and hold more than one third of the share capital.
2. On second call, the General Meeting may deliberate regardless of the number of shareholders present or represented or of the amount of share capital they hold.

Article 25

Resolution quorum

1. The General Meeting's resolutions are adopted by a majority of votes cast unless there is a legal or statutory proviso calling for a qualified majority.
2. Abstentions shall not be counted.
3. Except for the provisos of the two following paragraphs, resolutions concerning amendments to these Articles of Association shall be approved by two thirds of the votes cast, either on first or on second call, regardless of the number of shareholders present or represented at either, except as provided in the following two paragraphs.
4. Resolutions concerning the merger, demerger or transformation of the Bank shall be approved by three quarters of the votes cast, either on first or on second call, regardless of the number of shareholders present or represented at either, except if they regard mergers by incorporation of subsidiary companies or demergers for the establishment of subsidiary companies with the incorporation therein, of assets belonging to it.
5. Resolutions concerning the amendment of the Articles of Association in respect of the previous paragraph or of articles 15, 17 (1), 26 or 55 of these Articles of Association, as well as in respect of this paragraph, shall be approved by two thirds of the votes cast, or by a higher majority if defined in the provisos to be amended, complying with the counting limitations set forth by these Articles of Association.

Article 26

Counting the votes

1. Votes cast by a shareholder, either directly or by proxy, shall not be counted in the event that the same:
 - a) are in excess of 30% of the votes corresponding to the share capital;
 - b) that exceed the difference between the countable votes cast by other shareholders who are with the shareholder in question and, where applicable, to the extent that they are in any of the relationships provided for in paragraph 2 of this article, and 30 % of all the votes corresponding to the share capital.
2. For purposes of b) of the previous number, are also comprised therein:
 - a) The votes corresponding to shares held by persons related to such shareholder as foreseen in article 20 of the Securities Code, with the exclusions set forth in article 20-A of the same statute;
 - b) The votes of shareholders that, in the context of a takeover bid or of an exchange offer concerning securities issued by the Bank:
 - i) Actively cooperate with the bidder with a view of ensuring the success of the offer; or
 - ii) Are, in relation to such bidder, in any of the situations comprised by subparagraph a) of the present paragraph.
3. The limitations resulting from the previous paragraph have a proportional application to each the persons involved, depending on the votes to exercise.
4. The limitations set forth in this article are applicable to any resolutions, including the ones mentioned in article 386 (5) of the Companies Code.

Article 27

Vote by correspondence and vote by electronic means

1. The votes may be communicated by postal means or by electronic means to the Chairperson of the Board of the General Meeting with the minimum antecedence established by the Chairperson of the Board in each call notice and are exercised on all the items therein stated.
2. The presence at the General Meeting of Shareholders of the shareholder or of his/her/its representative shall imply the revocation of the vote cast in the foregoing manners.
3. The votes by correspondence or by electronic means are valid for the purposes of a constitutive or deliberative quorum and are counted as abstentions in the case of previous proposals on which they have no impact and as negative in the case of proposals made after they have been cast.
4. The Chairperson of the Board of the General Meeting shall be responsible for, before the General Meeting is called, verifying the existence of means to ensure

the authenticity and adequacy of the votes cast under the terms of this article, and for assuring they remain confidential until the voting moment.

Chapter V

Board of Directors

Article 28 Composition

1. The Bank's Board of Directors is composed of a minimum of 15 and a maximum of 19 members, elected by the General Meeting of Shareholders.
2. A member of the Executive Board of Directors can be elected on its own according to article 392 (1 to 5) of the Companies Code.
3. If the General Meeting does not elect the maximum number of members set forth in the previous number, the Board of Directors may, as permitted by law, co-opt new members up to that limit, and the co-option shall be subject to ratification at the next General Meeting.

Article 29 Chairperson and Vice-Chairpersons

1. The Chairperson of the Board of Directors is appointed by the General Meeting that carries out the election.
2. Under the same terms, up to five Vice-Chairpersons may be appointed, and shall replace the Chairperson when the latter is unavailable, according to the order in which they were elected.
3. In the absence of appointment by the General Meeting or absence of whomever the General Meeting appointed, the Board of Directors is responsible for choosing from amongst its members and on a case-by-case basis, a new Chairperson or new Vice-Chairpersons, submitting such appointment to the next General Meeting for ratification.
4. The Board of Directors may assign its Chairperson, as the Bank's highest institutional representative, with specific matters, provided that these have not been delegated to the Executive Committee.

Article 30 Suspensions and Replacements

1. The Audit Committee may, based on due grounds, suspend any director from office or accept suspension requests made by the director and define the director's status during suspension.
2. The director who, having been called and in the absence of a justification accepted by the Board, is absent three consecutive times or five non-consecutive times shall be dismissed. The dismissal is declared by the Board of Directors.

3. In case of dismissal, under the terms of the previous number or due to any other reasons, or in case of a justified temporary impediment, the director will be replaced in accordance with the law.

Article 31

Meetings

1. The Board of Directors shall meet whenever convened by the Chairperson or by other two directors and, at least, once every two months.
2. The meeting shall be convened in writing and electronic means may be used for such purpose.
3. Any director may be represented by another director by a letter addressed to the Chairperson, which may be used only once.
4. Each director is only entitled to represent another director.
5. The meetings may be held through electronic means and the authenticity of the statements, their security and confidentiality, as well as the recording of their content must be insured.
6. The Board of Directors shall approve its internal regulations as well as those of its Specialized Committees.

Article 32

Resolutions

1. The Board of Directors shall only adopt resolutions if the majority of its members are either present or represented, attending in person or by electronic means.
2. The resolutions are adopted by majority, and the Chairperson or his/her substitute shall have a casting vote.

Article 33

Board of Directors of the Company

The Board of Directors is the corporate management body of the Bank and it is responsible, according to the law and these Articles of Association, for defining the general policies and strategic objectives of the Bank and of the Group and for undertaking all operational activities not attributed to other bodies, in compliance with the strictest rules of good banking practice.

Article 34

Powers

Without prejudice to the previous number, the Board of Directors is specifically responsible for:

- a) Managing the Bank, carrying out, in its name and on its behalf, all acts and operations permitted by law;

- b) Acquiring, encumbering or selling any rights or assets, both movable and immovable assets, whenever deemed to be in the interest of the company;
- c) Deciding on the acquisition by the Bank of holdings in companies, governed by general law or by special laws, regardless of its corporate object, in incorporated or unincorporated joint ventures or in any other form of association of companies;
- d) Mobilising financial resources and carrying out all credit operations not prohibited by law;
- e) Resolving on or proposing, under the terms of the law and of the articles of association, the issue of shares, bonds and other securities, establishing the conditions and carrying out, with them, all the operations permitted by law, abiding by any limits set forth by the General Meeting;
- f) Preparing and executing the Bank's expansion plan, inside and outside the European Union and especially in Portuguese-speaking countries;
- g) Hiring the Bank's employees, setting their salaries, social benefits and other benefits, and exercising management and disciplinary powers;
- h) Appointing attorneys, with or without the power to sub-delegate, to carry out specific acts or categories of acts, and defining the extent of the respective powers;
- i) Representing the Bank in and out of court, as plaintiff or defendant, with the power to take on obligations, institute and pursue lawsuits, desist from or settle legal actions both in or outside court, engage in arbitrations and sign affidavits;
- j) Delegating, to any one or more of its members, management and representation powers, for isolated acts or for categories of acts;
- k) Ratifying any acts that, in its name, the Chairperson or whoever replaces him shall carry out in case of emergency;
- l) Establishing the organization and the work methods of the Bank, preparing regulations and determining the instructions it may deem convenient;
- m) Preparing the provisional documents concerning the activity of the Bank and the corresponding execution reports, as well as all financial statements;
- n) Closely cooperate with all the other bodies of the Bank, in light of good corporate governance practices;
- o) Hiring and replacing, under proposal of the Audit Committee, the external auditor appointed pursuant to article 23 (e) of these Articles of Association;
- p) Appointing the secretary of the company and the respective substitute;
- q) Complying and ensuring compliance with the applicable legal provisions and applicable provisions of the Articles of Association, as well as with the

resolutions of the General Meeting.

Article 35

Executive Committee

1. The Board of Directors may delegate the Bank's day-to-day management to an Executive Committee and may especially entrust one or more directors with certain management issues.
2. The Chairperson, eventual vice-chairpersons and the remaining members of the Executive Committee are selected by the Board of Directors from amongst its members. The Executive Committee will be composed of a minimum of six and a maximum of seven directors.
3. The Board of Directors shall define the competences of the Executive Committee, being allowed to delegate on it all matters it deems best, in accordance with the legal limits to the delegation of powers.
4. The Chairperson of the Executive Committee, who has a casting vote, shall:
 - a) Ensure that the other members of the Board of Directors are fully informed of the activities and resolutions adopted by the Executive Committee;
 - b) Ensure compliance with the Bank's delegation limits and with the Bank's strategy.
 - c) Coordinate the activities developed by the Executive Committee, chairing the respective meetings and monitoring the execution of the resolutions.
5. The Executive Committee shall operate, in principle, according to what is defined for the Board of Directors, without prejudice to eventual adjustments that the Board of Directors may resolve to make to such operative.
6. The Board of Directors may authorize the Executive Committee to entrust one or more of its members with certain issues and sub-delegate to one or more of its members the exercise of some of the powers delegated to it.

Article 36

Binding

1. The Bank shall be bound before third parties by the signature of:
 - a) of the Chairperson of the Board of Directors together with another director who is a member of the Executive Committee;
 - b) of two directors who are members of the Executive Committee;
 - c) of one director on whom powers for the act shall have been delegated;
 - d) of one director and an attorney, under the terms of the latter's mandate;
 - e) of one or more attorneys under the terms and within the scope of the respective powers-of-attorney.
2. Regarding day-to-day management, the Bank shall be bound by the

signature of any director or attorney with sufficient powers.

Article 37

Committees or special committees

1. If the General Meeting did not create these, the Board of Directors shall create a Committee for Risk Assessment, which will monitor and follow-up on the risk strategy and appetite, a Committee for Nominations and Remunerations, to monitor and follow-up on matters related to the selection, assessment and Policy for Corporate Bodies and for employees, namely those qualified as officers and a Committee for Corporate Governance, Ethics and Sustainability to follow and monitor issues regarding the adoption of the best rules in respect of good governance, ethics and sustainability.
2. The Committees mentioned in number 1 shall be exclusively composed of directors who do not perform executive functions.
3. The Board of Directors may also approve the creation of other Committees, with or without the presence of its members, to follow certain specific matters on an ongoing basis, defining their powers and duties.
4. The members of the Committees mentioned in the previous paragraphs may also be given duly specified representation powers.
5. The Chairperson of the Board of Directors may attend the meetings of all the Committees , though he/she will not have voting , rights when he/she is not a member thereof.

Chapter VI

Audit Committee

Article 38

Composition

1. The supervision of the company will be carried out by an Audit Committee, elected by the General Meeting and composed of a minimum of three and a maximum of five members, one of them being its Chairperson.
2. The members of the Audit Committee are appointed together with the remaining directors and the proposals for the election of the Board of Directors must point out which members will be part of the Audit Committee and name the respective Chairperson.
3. The General Meeting of Shareholders may also elect for the Audit Committee an alternate member qualified as, depends, who will be part of the list of effective members elected for the Board of Directors and will only enter into office if there is a vacant position in the Audit Committee.
4. The Chairperson of the Audit Committee as well as the majority of its members must be independent and one of them must have a degree appropriate for the

exercise of his/her functions and knowledge of audit or accounting.

5. The Chairperson of the Audit Committee will be responsible for calling and chairing the meetings of the Committee, having the casting vote.
6. The Audit Committee meets, ordinarily, at least once every two months and whenever the Chairperson deems convenient or the meeting is requested by any of its members.
7. The meetings may be held through electronic means and the authenticity of the statements, their security and confidentiality, as well as the recording of their content must be insured.
8. The Audit Committee may only validly adopt resolutions provided that a majority of its members is present.
9. The member of the Audit Committee that, having been summoned and without presenting a justification accepted by the Committee, is absent from three consecutive meetings or from five non-consecutive ones, shall be dismissed. The definitive absence must be declared by the Audit Committee and the substitution must be made in accordance with the law.

Article 39

Powers of the Audit Committee

Besides all the powers and duties attributed to it by the law, the Audit Committee shall be specifically responsible for the following:

- a) Supervising the Bank's management;
- b) Verifying the compliance with the law and the articles of association;
- c) Verifying the regularity of the books, accounting records and documents supporting them;
- d) Verifying the accuracy of the financial statements;
- e) Supervising the efficiency of the risk management system, of the internal control system and of the internal audit system;
- f) Receiving the communications on irregularities presented by shareholders, employees of the Bank and other;
- g) Supervising the preparation and disclosure of financial information processes;
- h) Proposing to the General Meeting the election of the statutory auditor and of the external auditor;
- i) Supervising the review of the Bank's financial statements;
- j) Supervising the independence of the statutory auditor and of the external auditor, namely in what regards the provision of additional services;
- l) Engage the provision of services by experts to assist one or several of its members in the exercise of his/her/their functions. This engagement and the

remuneration of the experts must take into account the importance of the issues committed to them and the Bank's economic situation;

m) Comply with all the duties foreseen in the law and in the articles of association.

Chapter VII

Committee for Risk Assessment

Article 40

Composition

1. The Committee for Risk Assessment shall monitor and follow up on the company's risk strategy and appetite, being composed of three to five directors who do not perform executive functions and the majority of its members must be independent.
2. The Chairperson of the Committee for Risk Assessment must be independent and cannot chair the Board of Directors or any other of its Committees.
3. The members of the Committee for Risk Assessment must possess the appropriate knowledge, competences and experience enabling them to fully understand and supervise the Bank's risk strategy as well as the Bank's risk appetite.

Article 41

Powers

Besides other powers granted to it by law or by the Board of Directors, the Committee for Risk Assessment shall be specifically responsible for the following:

- a) Advising the Board of Directors on the strategy and policies concerning the assumption, management, control, policies and reduction of risks to which the Bank is or may be exposed, including those resulting from the macroeconomic framework within which it operates.
- b) Assisting the Board of Directors in the supervision of the execution of the Bank's risk strategy;
- c) Assessing and allocating adequate resources to risk management in accordance with the General Framework for Credit Institutions and Financial Companies and with the remaining domestic and European legal requirements in effect;
- d) Analysing if the products and services offered to customers take into consideration the Bank's business model and risk strategy;
- e) Examining if the incentives established in the Bank's remunerations policy take into consideration the risk, capital, liquidity and expectations concerning income.

Chapter VIII

Committee for Nominations and Remunerations

Article 42

Composition

1. The Committee for Nominations and Remunerations is composed of three to five directors who do not perform executive functions.
2. The Chairperson of the Committee for Nominations and Remunerations must be independent;
3. At least one of the members of the Committee for Nominations and Remunerations must have the appropriate expertise, skills and experience to exercise such functions.

Article 41

Powers

Besides other powers granted to it by law or by the Board of Directors, the Committee for Nominations and Remunerations shall be specifically responsible for the following:

- a) Identifying and recommending to the Board of Directors the appointees for positions within that body, assessing its composition in terms of knowledge, competences, diversity and experience, drawing up a description of the functions and qualifications for the positions in question and assessing the time required for the exercise of the function;
- b) Assessing, at least once a year, the structure, size, composition and the performance of the Board of Directors and making recommendations to the Board of Directors for the introduction of eventual alterations;

Chapter IX

Committee for Corporate Governance, Ethics and Sustainability

Article 44

Composition

The Committee for Corporate Governance, Ethics and Sustainability is composed of three to five directors who do not perform executive functions.

Article 45

Powers

Besides other powers granted to it by the Board of Directors, the Committee for Corporate Governance, Ethics and Sustainability shall be specifically responsible for the following:

- a) Recommending to the Board of Directors the adoption of policies in line with ethical and social responsibility principles and best practices in terms of corporate governance and sustainability principles;

- b) Supporting the Board of Directors in the evaluation of the systems that identify and solve conflicts of interests;
- c) Evaluating the Compliance control function (compliance), appraising the procedures in effect and the non-compliant situations.
- d) Issue an opinion on the corporate governance report and on the sustainability report.

Chapter X

Strategic Board

Article 46

Name and functions

1. The Strategic Board is an advisory and non-permanent body of the Bank, whose members are the Chairperson and Vice-Chairpersons of the Board of Directors, as well as the Chairperson of the Executive Committee. The Board of Directors may, on a case-by-case basis, appoint up to five ad-hoc members, to choose from among representatives of shareholders with qualified holdings and other personalities of recognized merit linked to the themes that, at any given moment, are the object of analysis by the of the Strategic Board and whose functions will cease simultaneously with the end of the term-of-office of the Board of Directors.
2. The meetings of the Strategic Board are chaired by the Chairperson of the Board of Directors or, in his/her absence, by the Chairperson of the Executive Committee.
3. The Strategic Board is responsible for assessing, reflect upon and issue recommendations submitted to it by the Board of Directors.
4. The Strategic Board shall meet whenever summoned by its Chairperson or by request of the Board of Directors.
5. The members of the Strategic Board who are not members of the Board of Directors shall be remunerated with presence cards whose worth will be defined by the Remunerations and Welfare Board.

Chapter XI

Company Secretary

Article 47

Name and functions

1. The Bank has a Company Secretary and an Alternate Company Secretary appointed by the Board of Directors.
2. In addition to the functions foreseen by law, the Company Secretary and his/her Alternate are responsible for the following:

- a) Certify and disclose, internally and externally, the content of the resolutions adopted by the different corporate bodies;
 - b) Promoting, including with the supervisory authorities, all records that prove necessary and which the Bank is obliged to promote;
 - c) Certify the capacity and signature of the members of the corporate bodies, key-functions holders and the Bank's attorneys;
 - d) Ensure and subscribe replies to requests for information or clarification from supervisors and external auditors, whenever they are related to the composition, functioning or resolutions adopted by corporate bodies or the governance model of the Bank and of the Group, or from the respective members.
3. The term of office of the Company Secretary and of the Alternate Company Secretary shall coincide with that of the Board of Directors.

Chapter XII

Statutory Auditor

Article 48

Name and functions

1. The Bank's Statutory Auditor and its alternate shall be elected by the General Meeting, pursuant to a proposal made by the Audit Committee.
2. The Statutory Auditor shall exercise all functions set forth by the law and the articles of association, and shall also be heard on any subject, if requested by the Chairpersons of the Board of Directors or any of its Committees.

Chapter XIII

Internal control systems and communication of irregularities

Article 49

Implementation

1. The Bank has highly efficient systems for internal control and communication of irregularities, following the most demanding international bank practices, being the Board of Directors responsible for implementing and maintaining them in an adequate and effective manner.
2. The systems are set forth and given the necessary human and materials means by the Board of Directors.

Article 50

Internal control system

1. The internal control system is defined as the set of strategies, policies, systems, processes, rules and procedures established in the Bank aimed at ensuring:

- a) A highly efficient and profitable performance of the activity, in the medium- and long-term, guaranteeing an efficient use of assets and resources, the business continuity, though, namely, the proper management and control of activity risks, a prudent and adequate assessment of assets and liabilities, as well as by defining protection mechanisms against intentional or negligent unauthorized acts;
 - b) The existence of complete, relevant, reliable and timely financial and management information that supports decision-making and control processes, both internally and externally;
 - c) That the institution complies with the applicable legal and regulatory provisos issued by the competent authorities, as well as with applicable professional standards and best practices, internal regulations and by-laws, codes of conduct and of relations, guidelines issued by corporate bodies and recommendations issued by international entities, so as to safeguard the Bank's reputation and image.
2. The internal control system is based on an adequate control environment, a risk management system, and information and communication system and a monitoring system that ensure its adequacy and efficiency, in a consistent and coherent manner in all areas of the Bank.

Article 51

Risk management system

1. The risk management system comprises an integrated set of permanent processes, ensuring an appropriate understanding of the nature and magnitude of the risks of the activities developed and enabling the identification, assessment, monitoring and control of the relevant risks to which the Bank is exposed, allowing for the appropriate development of its strategy.
2. The Bank permanently maintains the function of risks management, charging it with the responsibility for ensuring the effective application of the risks management system.
3. The Bank undertakes, also permanently and independently, the function of compliance control, which is responsible especially for monitoring and assessing risk of non-compliance with the obligations and duties by which the Bank is legally bound.

Article 52

Monitoring and internal audit

1. The Bank keeps a procedure for monitoring the internal control system that includes the control actions and evaluations necessary to ensure its adequacy and effectiveness.
2. The Bank has an internal audit function, working permanently and independently, that is responsible for examining and assessing the adequacy of

the internal control system, in its various components and as a whole.

Article 53

Internal communication of irregularities

The Board of Directors approves a regulation for the internal communication of irregularities after obtaining a favourable opinion of the Audit Committee.

Article 54

Evaluation

1. The Bank shall appoint an external entity with a strong international reputation, by resolution adopted by the Board of Directors, pursuant to a favourable opinion of the Audit Committee, to assess the adequacy and efficiency of the internal control system.
2. Under the terms of the previous paragraph, the Bank may appoint external auditors or other specialized entities to analyse sectoral matters.
3. The external entity appointed may, at the request of the Chairperson of the Board of Directors or of the Chairperson of the Audit Committee, be heard on any matters of the interest of the Bank, and invited to be present, without the right to vote, at any meetings of those corporate bodies.

Chapter XIV

Profits, winding-up and arbitrage

Article 55

Appropriation of profits

1. The net income for the financial year shall be appropriated as determined at the General Meeting, following deduction of the sums that special law requires to be set aside to constitute or increase the reserve and guarantee funds.
2. The General Meeting may freely adopt resolutions by simple majority in matters concerning the appropriation of the net income for the year, without being subject to any mandatory distribution, but following the dividend policy in effect at each moment, which does not impair the full freedom of decision of the General Meeting .
3. The General Meeting may set a percentage of net income to be distributed among the Bank's employees, the Board of Directors being responsible for the criteria of such distribution, after hearing the opinion of the Committee for Nominations and Remunerations.
4. After obtaining the opinion of the statutory auditor, the Board of Directors may adopt a resolution to pay interim dividends under the terms and within the limits of the law.

Article 56

Winding-up

The Bank shall be wound up when so provided by law or pursuant to a resolution adopted by the General Meeting of Shareholders, adopted by a qualified majority of 3/4 of the votes representing the paid-up share capital, following compliance with legal requirements.

Article 57

Arbitrage

In case of dispute between the Bank and any of the members of the corporate bodies, the unresolved dispute shall be resolved by arbitration in accordance with the Arbitration Regulation of the Chamber of Commerce of Porto or with the Arbitration Regulation of the Chamber of Commerce of Lisbon, as the claimant may choose.

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