



Banco Comercial Português, S.A.

## Dividend Policy

**Millennium**  
bcp

## 1. General guidelines

- a) The decision concerning the appropriation of profits pertains to the General Meeting of Shareholders, which decides based on a proposal submitted by the Board of Directors;
- b) Taking into consideration guidelines, described in the following item, and particularly, the ongoing weighting of the Bank's capital requirements to be able to meet its strategic goals, the Board of Directors intends, within a context of macroeconomic stability, to re-establish a policy for the distribution of net profits, estimated in the individual financial statements of each financial year, able of meeting the legitimate expectations of its shareholders and that, in the medium-term, is in line with the best practices of the banking sector benchmark;
- c) Based on the Bank's evolution expectations and the guidelines mentioned in the following item, the Board of Directors will define the implications of these criteria in the prospective maximum threshold of "dividend payout" deriving from the dividend policy, and also the respective application deadline and such must remain evidenced in the Bank's annual budgets.

## 2. Guidelines

The proposal for the appropriation of profits to be presented every year, to the General Meeting of Shareholders, must take especially into account, the following:

- a) The promotion of conditions for the sustainable observance of the capital ratios at any moment applicable to the Bank, as well as the remaining applicable legal requirements, including the limitations that are applicable at any moment, resulting from the calculation of the maximum amount to be distributed;
- b) The retention of own funds that enable to promote coherence with the Risk Appetite Statement (RAS) and with the results of the internal capital adequacy assessment process (ICAAP);
- c) The safeguard of an appropriate safety margin on the values established by the regulator within the scope of its assessment and evaluation on the adequacy of strategies, processes, capital and liquidity to the risks to which the Bank is exposed to (SREP).

**Approval date:** 20<sup>th</sup> May 2021

**Approved by:** General Meeting of Shareholders

**Main changes:** N.A.