

## **ANNUAL GENERAL MEETING OF SHAREHOLDERS**

### **OF BANCO COMERCIAL PORTUGUÊS, S.A.**

22.05.2025

Proposal in connection with **item 6** of the agenda

#### **To resolve upon the updating of the Policy for the Remuneration of Members of the Management and Supervisory Bodies**

Considering that:

- i) Pursuant to Article 115-C of the Legal Framework for Credit Institutions and Financial Companies and Article 14 of the Bank's Articles of Association, the Remunerations and Welfare Board (CRP) and the Nominations and Remunerations Committee (CNR) are responsible for submitting to the General Meeting of Shareholders the proposal to update the Remuneration Policy applicable to Members of the Management and Supervisory Bodies (MMSBs);
- ii) In the context of its activity, the CNR, as usual, hired an independent external entity to carry out a benchmarking and compliance analysis of the Bank's remuneration policies and practices, assessing the suitability of the current remuneration structure in relation to best market practices, as well as the applicable legal and regulatory requirements;
- iii) From this analysis it emerged that the policy currently in force is broadly in line with market practice and complies with the applicable legislation;
- iv) Nevertheless, opportunities for improvement and clarification were identified with regard to simplifying the structure for defining variable remuneration and the respective performance indicators and other details of the text, which were considered beneficial for a better understanding of the Policy applicable during 2025;
- v) Additionally, given that 2025 will be a year for selecting and defining the composition of the management and supervisory bodies for the 2026-2029 term of office and that the current Long-Term Variable Remuneration (LTVR) period applicable to the executive members of the Board of Directors expires at the end of 2025, the CNR and the CRP have henceforth decided to propose to the General Meeting the definition of the LTVR model for the subsequent period so that the remuneration framework for the next executive members is defined;
- vi) This approach reflects a logic of planning, responsibility and institutional coherence, and reaffirms the Bank's commitment to maintaining a responsible, transparent remuneration policy guided by objective criteria, designed to attract, retain and motivate top talent;

the CRP and the CNR propose that the following changes be approved, embodied in the consolidated version of the Remuneration Policy applicable to Members of the Management and Supervisory Bodies attached hereto, in which the changes are duly marked (except, with a view to ensuring the document's legibility, merely formal adjustments):

## **A. Remuneration Policy for Members of the Management and Supervisory Bodies for 2025:**

In addition to wording clarifications and other formal adjustments to the text that are not identified here because they are not material and make reading difficult, the changes identified below:

### **1. General Principles**

Explicit clarification that the variable remuneration of the members of the management board is based on a logic of commitment and shared responsibility for the results reached by the Bank and that the remuneration practices are neutral, ensuring equal pay for work of equal value, regardless of gender (Basic Principles, paragraph g)).

### **2. Structure and Attribution of Variable Remuneration**

- a) Introduction of a simplification of the structure under which the attribution of Variable Remuneration is no longer dependent on two performance evaluation steps - evaluation of Corporate KPIs, followed by a performance evaluation of the members) and there is now only one individual evaluation that incorporates common corporate objectives and specific objectives (quantitative and qualitative) of each member of the Executive Committee (arts. 8(2), 9(6) and 7), being explicit that the variable remuneration has a possible and discretionary nature, in accordance with the terms of the Policy, and that its payment in a certain year does not grant to the mentioned members the right to any future granting. There is no material change, but rather a change of process;
- b) Change in the maximum variable remuneration applicable to the Chief Risk Officer, which may reach up to 150% of the fixed component (previously limited to 100%), maintaining a clearly lower variable remuneration ratio than that applicable to the other executive members of the Board of Directors, since the legal limit of 200% of the fixed component applies to them (article 8(15)). Considering the Bank's financial performance and the effective evolution of the performance of its control functions, it was felt that there was no justification for differentiating this function from the others. In any case, the Chief Risk Officer's evaluation criteria continue to guarantee independence from the Bank's performance and favour qualitative indicators, as well as quantitative indicators related to compliance with behavioural and prudential rules;

- c) Definition of the overall AVR limit for Executive Committee members at 1.00% of the BCP Group's net income, with its attribution conditional on achieving at least 80% of the budgeted net income, ensuring greater clarity in the maximum and minimum limits applicable (article 9(1));
- d) Update of the AVR calculation formula, with a reduction in the weighting of individual quantitative objectives to 70% (previously 80%) and an increase in qualitative objectives to 30% (previously 20%). In the case of the CRO, the weights are now 65% and 35% (previously 70% and 30%), respectively (art. 9(5)). This change takes into account the uncertainty of the current macroeconomic context, given the high volatility of the market, as well as the greater emphasis on sustainability criteria, balancing quantitative objectives, focused on financial performance, with qualitative ones, now more orientated towards leadership skills and social and environmental responsibility;
- e) Introduction of more complete information on the structure of common corporate KPIs, including their relative weighting, seeking to align with shareholder expectations (art. 9(7));

Category		Corporate KPIs	Weight
Capital	15%	Common Equity Tier 1 (CET1) capital ratio (fully implemented) – Group	10%
		MREL-TREA (%) – Portugal Resolution Group	5%
Profitability	40%	Return On Equity– Group	40%
Risk	10%	NPE ratio – Group	5%
		Net Stable Funding Ratio (NSFR) (%) - Group	5%
Evolution	35%	Digital Transformation (% of mobile active customers in total active customers) – Group	10%
		Customer Satisfaction – BCP PT	10%
		Business Volumes – Group	10%
		Sustainability Master Plan – Group	5%

- f) A change in the AVR deferral criterion, whereby it is proposed that the mandatory deferral rule of 60% will now occur when the AVR value is equal to or greater than the Annual Fixed Remuneration (previously: two thirds) (art. 9(15));
- g) Expected updating of the value of the deferred component of the AVR paid in cash, through the accounting of interest calculated at the 12-month Euribor rate (on the date of the last working day of March of the year of payment), plus

0.25%, starting on the date the AVR is attributed. This proposal is in line with the international practices of listed banks and guarantees that the deferred value is updated over time under market conditions (article 9(16));

### 3. Attribution of Long-Term Variable Remuneration

- a) Introduction of information on the LTVR KPIs applicable to the 2022-2025 term, reinforcing transparency in the way they are calculated and clarifying that this type of remuneration has a possible and discretionary nature, in accordance with the terms of the Policy:

Categories		KPIs
<b>Strategic Plan</b>	<b>50%</b>	Alignment with the Group's Strategic Plan:  i) Component 1 (with 75% of the weight) - Period 2022-2024: degree of achievement of the objectives of the Strategic Plan 2021-2024;  ii) Component 2 (with 25% of the weight) - Year 2025: degree of achievement of the objectives of the Strategic Plan 2025-2028 for the year 2025.
<b>Total Shareholder Return</b>	<b>50%</b>	Performance, measured between 31-12-2021 and 31-12-2025, of the Total Shareholder Return (TSR) of the Bank's shares compared to the TSR resulting from the weighted average TSR of the market indices, calculated as follows:  i) TSR of the PSI Index, weighted at 30%;  ii) TSR of the Stoxx Europe 600 Banks Index, weighted at 70%.

- b) Change to the LTVR deferral criterion under the terms of section 2.f) above (art. 10(9)).

### 4. Benefits and Supplementary Scheme

- a) Clarification that the benefits awarded (health insurance, mobile phone, credit card, and a life insurance may also be awarded) are adjusted to the responsibilities and functional requirements of each position and principles of fairness, clarifying what was in the previous wording (art. 13);
- b) Clarification that the Bank's annual contribution to the retirement plan may correspond to between 20% and 30% of the gross annual fixed remuneration, if so defined by the CRP (art. 14(5)).

### B. Long-term Variable Remuneration Structure for the 2026-2029 Term of Office:

Notwithstanding the fact that the Remuneration Policy for Members of the Management and Supervisory Bodies for 2026 will only be approved at next year's Annual General Meeting and without prejudice to other changes to the Policy that

may be proposed, the following changes to the LTVR structure for the next term of office are hereby proposed:

1. Maintenance of the performance KPIs introduced in the 2025 Policy and identified in Section A above;
2. Definition of a three-year LTVR Evaluation Period - from 1 January 2026 to 31 December 2028 - ensuring alignment between the incentive model and the period of the recently approved Strategic Plan, moving away from the model traditionally associated with the duration of the term of office (2026-2029).

Lisbon, April 29, 2025

**Nominations and Remunerations Committee**

**Remunerations and Welfare Board**