

GENERAL MEETING OF BANCO COMERCIAL PORTUGUÊS, S.A.
(30/05/2014)

PROPOSAL IN CONNECTION WITH ITEM 8 OF THE AGENDA

Whereas:

- A. KPMG & Associados – SROC, S.A. ended on 31 December 2013 the mandate 2011-2013 for which it had been elected as External Auditor at the Bank's General Meeting of Shareholders;
- B. The CMVM Corporate Governance Code recommends the rotation of the External Auditor, admitting, however, its maintenance beyond the established reference rotation period, a situation that, if occurs, must be duly grounded by the supervision body by means of a specific opinion expressly stating the independence conditions of the auditor and the advantages and costs involving its substitution;
- C. The Audit Committee, taking into consideration the current context and the nearest future context wherein the Bank's activities will be developed as well as the assessment made to the independence and performance of KPMG, considers that the rotation of the External Auditor, at this moment, would be inopportune;
- D. Due to the significant regulatory and supervision pressure that must be taken into account, plus the need to comply with the strict conditions deriving from the Bank's recapitalisation plan through state aid and the subsequent recapitalisation plan agreed with the Directorate-General for Competition of the European Commission, the rotation of the External Auditor would constitute an additional disturbance in the management of the Bank's operations and would not bring any significant advantage;
- E. The pure and simple substitution of the External Auditor would mean the loss of an important experience and in-depth knowledge of the Bank's operations that, under the current circumstances, may prove to be extremely useful and would certainly take very long to reacquire;
- F. From the supervision made by the Audit Committee to the independence of the External Auditor as well as from the respective evaluation of the performance throughout the mandate, we are able to conclude that the functions of External Auditor were exercised in an appropriate manner, showing professionalism and quality in the work carried out;
- G. The maintenance of the External Auditor is the solution that, within this context, provides an increased assurance of an efficient external supervision of the Bank;
- H. Similar to what has been resolved for the previous triennial and to mitigate the familiarity of the auditor with the audited company, the assessment of the internal control system, as an instrument to support the Bank's management,

may be carried out by a different audit company and not by KPMG & Associados – SROC, S.A., without damaging the legal responsibility of the External Auditor in this issue;

- I. The proposal of the Audit Committee to be submitted to the General Meeting maintains also the company KPMG & Associados – SROC, S.A., as Effective Chartered Accountant, a fact that will enable to take advantage from the consequent synergies;

the Audit Committee proposes, in accordance with the provisos of articles 23 (d) and 39, (h), of the Articles of Association of Banco Comercial Português, S.A., as well as the provisos of article 9 (1) (m), of the Companies Code, **the election as External Auditor of the Bank to exercise functions during the term of office 2014-2016 of:**

- **KPMG & Associados – Sociedade de Revisores Oficiais de Contas, S.A. (SROC n.º 189).**

Lisbon, 28 April 2014

On behalf of the Audit Committee

João Matos Loureiro
(Chairman)