Corporate Governance Report

Introduction

The present report aims to disclose, clearly and with as much detail as possible, the practices of Banco Comercial Português, S.A. (Company, Bank, BCP Millennium bcp) linked to Corporate Governance and was drawn up taking into consideration all the alterations introduced to the Corporate Governance framework by the Regulation nr. 1/2010 of CMVM, published on 1/02/2010.

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Chapter 0 – Statement of Compliance

0.1. Indication of the location where the texts on Corporate Governance Codes to which the issuer is subject and, if applicable, those which it has voluntarily chosen to subject itself, are available to the public

The Bank and the Group, together with all remaining legal requirements, comply in their activities with the rules of conduct established by the Banco de Portugal and by the Portuguese Securities Market Commission (CMVM) applicable to credit institutions and issuer entities and to the members of their corporate board members, and with specific rules ensuring that the management is based on the principle of risk diversification and the safety of the applications, taking into account the interests of the depositors, investors and other stakeholders. The same happens with the professional secrecy regime applicable to the members of the management or supervisory boards, employees, attorneys, or any service providers, who may not reveal or use any information relative to facts or elements involving the life of the institution or its relationship with customers.

During the financial year of 2009, the Bank adopted the Corporate Governance Code of the Portuguese Securities Market Commission in force, which can be consulted on the Complementary Legislation page relative to Supervision on the site www.cmvm.pt.

The Code of Conduct, Internal Regulations for Financial Intermediation Activities, the Regulations of the General and Supervisory Board and of the Executive Board of Directors, and the Compliance Manual describe the duties and obligations applicable not only to the activities of Banco Comercial Português, as a cohesive entity, but also to the individual behaviour of each employee and member of the management and supervisory boards of the Bank and Group, in the performance of their respective duties.

The Code of Conduct enumerates the principles and rules to be observed in banking and financial practice, and regarding securities or derivatives traded in organised markets, namely with respect to matters of conflict of interests, secrecy and incompatibilities. This code is disclosed to all employees, who maintain a permanent access to it, through both the internal portal and site of the Bank on the Internet, on the page with the following direct address:


The Internal Regulations Related to the Activity of Financial Intermediation institutes the fundamental rules and procedures, in addition to the general rules of conduct to be observed in the activity pursued by the Bank as a financial intermediary, and is disclosed to the employees through the internal portal. It is also available both on the internal portal and site of the Bank on the Internet, on the page with the following direct address:


The Regulations of the Supervisory Board and of the Executive Board of Directors establish their respective competences and scope of action, and regulate the functioning of these boards, as well as the rules of conduct of the respective members, complementing the Bank’s Articles of Association, the Group’s Code of Conduct and the Internal Regulations Relative to Financial Intermediation Activities. Both are available on the internal portal as well as on the site of the Bank on the Internet, on the page with the following direct address:


These documents are provided to the members of each of these boards at the time of their election or appointment.
The **Compliance Manual** incorporates a set of policies whose objective is to ensure that all the members of the management and supervisory boards and other employees of the Group guide their action by the applicable laws and regulations, both in wording and spirit, whether internal or external, as well as by the business standards of conduct of the Bank and its associates, so as to prevent the risk of financial loss or damage to its image and reputation. This Manual is disclosed via the internal portal and in the Bank’s website at: [http://www.millenniumbcp.pt/pubs/pt/governacao/article.jhtml?articleID=612714](http://www.millenniumbcp.pt/pubs/pt/governacao/article.jhtml?articleID=612714).

### 0.2. List of the recommendations, adopted and not adopted, contained in the Corporate Governance Code of the CMVM or other that the company has decided to adopt, under the terms of the Regulation of which the present Annex is an integrant part. For this effect, recommendations that have not been fully complied with are herein described as non-adopted ones.

<table>
<thead>
<tr>
<th>Recommendations of the CMVM contained in the Corporate Governance Code in force during the financial year of 2009</th>
<th>Statement of adoption</th>
<th>Development in the present Report</th>
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</thead>
<tbody>
<tr>
<td><strong>I. General Meeting</strong>&lt;br&gt;<strong>I.1. Board of the General Meeting</strong>&lt;br&gt;<strong>I.1.1. The Chairman of the Board of the General Meeting must be provided with the supporting human and logistic resources appropriate to his/her needs, considering the economic situation of the company.</strong></td>
<td>Adopted</td>
<td>Chapter – Introduction</td>
</tr>
<tr>
<td><strong>I.1.2. The remuneration of the Chairman of the Board of the General Meeting must be disclosed in the annual report on Corporate Governance.</strong></td>
<td>Adopted</td>
<td>Chapter I – 1.3.</td>
</tr>
<tr>
<td><strong>I.2. Participation in the Meeting</strong>&lt;br&gt;<strong>I.2.1. The period of time in given in advance for the deposit or blocking of shares for participation in the General Meeting imposed by the articles of association must not exceed five business days.</strong></td>
<td>Adopted</td>
<td>Chapter I – 1.4.</td>
</tr>
<tr>
<td><strong>I.2.2. In the case of the suspension of the General Meeting, the company should not force the blocking to remain during the period until the session is resumed, with the ordinary period of time in advance required in the first session being sufficient.</strong></td>
<td>Adopted</td>
<td>Chapter I – 1.5.</td>
</tr>
<tr>
<td><strong>I.3. Voting and the exercise of voting rights</strong>&lt;br&gt;<strong>I.3.1. The companies must not establish any statutory restriction on voting by correspondence.</strong></td>
<td>Adopted</td>
<td>Chapter I – 1.19.</td>
</tr>
<tr>
<td><strong>I.3.2. The statutory period of time in advance for the receipt of votes issued by correspondence must not be greater than three business days.</strong></td>
<td>Adopted</td>
<td>Chapter I – 1.11.</td>
</tr>
<tr>
<td><strong>I.3.3. The companies must establish in their articles of association, that one share corresponds to one vote.</strong></td>
<td>Not adopted</td>
<td>See note 1 to the present table</td>
</tr>
<tr>
<td><strong>I.4. Quorum and resolutions</strong>&lt;br&gt;<strong>I.4.1. The companies must not establish a constitutive or deliberative quorum greater than that established by law.</strong></td>
<td>Not adopted</td>
<td>Chapter I – Introduction</td>
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| I.5. Minutes and information on the adopted deliberations  
I.5.1 The minutes of the meetings of the General Meeting must be provided to the shareholders on the company’s Internet site within the period of five days, since they are not considered inside information, under the terms of the law, and historical records on the lists of attendance, agendas and resolutions adopted at the meetings held should be maintained on this site relative to the previous three years, at least. | Adopted | Chapter I – I.1. and I.13. |
| I.6. Measures relative to corporate control  
I.6.1 Any measures adopted with a view to prevent the success of public takeover offers should respect the interests of the company and its shareholders. | Adopted | Chapter I – I.8. |
| I.6.2 Any articles of association of companies which, respecting the principle of the previous sub-paragraph, establish the limitation of the number of votes which may be held or exercised by a single shareholder, individually or in combination with other shareholders, must also establish the commitment that every five years the maintenance or not of this statutory provision will be subject to a resolution by the General Meeting – without the requisites of a quorum larger than that legally established – and that in this resolution all the votes issued will count, without the application of that limitation. | Not adopted | Chapter I – I.9. |
| I.6.3 Defensive measures must not be adopted if they cause an automatic erosion of company assets in the event of the transfer of control or change of the composition of the management board, thus being detrimental to the free transferability of shares and the free assessment by the shareholders of the performance of members of the management board. | Adopted | Chapter I – I.20. and I.21. |
| II. Management and supervisory boards  
II.1. General subjects  
II.1.1. Structure and competence  
II.1.1.1. The management board must assess the adopted model in its governance report, identifying any constraints to its functioning and proposing measures of action that, in its judgement, are suitable to overcome them. | Adopted | Chapter II – Introduction |
<p>| II.1.2. The companies should create internal control systems for the effective detection of risks arising from the company’s activity, thereby helping to safeguard its assets and the transparency of its corporate governance. | Adopted | Chapter II – II.5. |</p>
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<tr>
<td>II.1.1.3. The management and supervisory boards must have functioning regulations, which must be disclosed on the company’s Internet site.</td>
<td>Adopted</td>
<td>Chapter II – II.7.</td>
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<tr>
<td>II.1.2. Incompatibilities and independence</td>
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<td>II.1.2.1. The Board of Directors must include a sufficient number of non-executive members so as to guarantee effective capacity to manage, supervise and assess the activities of the executive members.</td>
<td>Adopted</td>
<td>See note 2 to the present table</td>
</tr>
<tr>
<td>II.1.2.2. Amongst the non-executive directors, there should be an adequate number of independent directors, taking into consideration the size of the company and its shareholder structure, which cannot under any circumstances, be less than one quarter of the total number of directors.</td>
<td>Adopted</td>
<td>See note 3 to the present table</td>
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<td>II.1.3. Eligibility and nomination</td>
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<td>II.1.3.1. According to the applicable model, the Chairman of the Supervisory Board, Audit Committee or Financial Matters Committee must be independent and possess adequate competences to perform the respective duties.</td>
<td>Adopted</td>
<td>Chapter II – II.2.</td>
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<td>II.1.4. Communication of irregularities policy</td>
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<td>II.1.4.1. The company must adopt a policy of communication of any alleged internal irregularities which have occurred, with the following elements: i) indication of the means which may be used for the internal communication of irregular practices, including the persons with legitimacy to receive the communications; ii) indication of the treatment to be made of the communications, including confidential treatment, if this is wished by the declarant.</td>
<td>Adopted</td>
<td>Chapter II – II.35.</td>
</tr>
<tr>
<td>II.1.4.2. The general guidelines of this policy must be disclosed in the company governance report.</td>
<td>Adopted</td>
<td>Chapter II – II.35.</td>
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<td>II.1.5. Remuneration</td>
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<td>II.1.5.1. The remuneration of the members of the management board should be structured so as to permit the alignment of their interests with the interests of the company. In this context: i) the remuneration of the directors which perform executive duties should include a component based on performance, which should take into consideration the performance assessment carried out periodically by the competent body or committee; ii) the variable component should be consistent with the maximisation of the long term performance of the company and dependent on the sustainability of the adopted performance variables;</td>
<td>Adopted</td>
<td>Chapter II – II.29 to II.34.</td>
</tr>
<tr>
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<td>iii) when it is not the direct result of legal imposition, the remuneration of the non-executive members of the management board must be composed exclusively of a fixed amount.</td>
<td>Adopted</td>
<td>Chapter II – II.30.</td>
</tr>
<tr>
<td>II.1.5.2. The Remuneration Committee and the management board must submit a statement on the remuneration policy, respectively, of the Management and Supervisory Board members and other directors for the assessment of the annual general meeting of shareholders, in observance of number 3 of article 248-B of the Securities Code. In this context, the criteria and main parameters proposed for the assessment of performance used to determine the variable component must be explained to the shareholders, whether this involves bonuses given in shares, share purchase options, annual bonuses or other components.</td>
<td>Adopted</td>
<td>Chapter I – I.15.</td>
</tr>
<tr>
<td>II.1.5.3. At least one representative of the Remuneration Committee must be present in the Annual General Meeting of shareholders.</td>
<td>Adopted</td>
<td>Chapter I – I.17. Chapter II – II.33. o)</td>
</tr>
<tr>
<td>II.1.5.4. The proposal regarding the approval of plans to allocate shares and/or share purchase options, or based on variations in the price of the shares, to members of the management and supervisory boards and other directors should be submitted to the General Meeting, in observance of number 3 of article 248-B of the Securities Code. The proposal should contain all the elements necessary for an appropriate evaluation of the plan. The proposal should be accompanied by the regulations of the plan or, if it has not yet been prepared, of the general conditions the same must comply with. Likewise, the main characteristics of the retirement benefits system extended to the members of the management and supervisory boards and other directors must be approved in the General Meeting, in observance of number 3 of article 248-B of the Securities Code.</td>
<td>Not applicable</td>
<td>Chapter II – II.31.</td>
</tr>
<tr>
<td>II.1.5.5. The remuneration of the members of the management and supervisory boards must be disclosed annually, in individual terms, and whenever applicable, always distinguishing the different components received regarding the fixed remuneration and variable remuneration, as well as any remuneration received from other companies of the group of companies controlled by shareholders owning qualifying holdings.</td>
<td>Adopted</td>
<td>Chapter II – II.3.</td>
</tr>
<tr>
<td>II.2. Executive Board of Directors II.2.1. Within the limits established by the law for each management and supervisory structure, and unless as a result of the small size of the company, the Board of Directors must delegate the daily management of the company, with the</td>
<td>Adopted</td>
<td>Chapter II – II.3.</td>
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<td>delegated competences being identified in the annual Corporate Governance Report.</td>
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<tr>
<td>II.2.2. The Board of Directors must ensure that the company acts in accordance with its objectives, and must not delegate its competence, namely, with respect to: i) the definition of the strategy and general policies of the company; ii) the definition of the business structure of the group; iii) decisions which should be considered strategic due to the amount involved, risk or special characteristics.</td>
<td>Adopted</td>
<td>See note 4 to the present table</td>
</tr>
<tr>
<td>II.2.3. Should the Chairman of the Board of Directors perform executive functions, the Board of Directors must find efficient mechanisms to coordinate the work of the non-executive members, which ensure, in particular, that they can make decisions in an independent and informed manner. The chairman should duly explain these mechanisms to the shareholders in the corporate governance report.</td>
<td>Adopted</td>
<td>See note 5 to the present table</td>
</tr>
<tr>
<td>II.2.4. The annual management report should include a description of the activity developed by the non-executive directors referring, namely, to any constraints that have been encountered.</td>
<td>Adopted</td>
<td>See note 6 to the present table</td>
</tr>
<tr>
<td>II.2.5. The management board should promote a rotation of the member responsible for financial matters, at least at the end of every two mandates.</td>
<td>Adopted</td>
<td>See note 7 to the present table</td>
</tr>
<tr>
<td>II.3. Chief Executive Officer, Executive Committee and Executive Board of Directors</td>
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<tr>
<td>II.3.1. When requested by other members of the corporate boards, the directors who perform executive duties should provide, in due time and in a form appropriate to the request, any information requested by them.</td>
<td>Adopted</td>
<td>Volume II – Reports of the General and Supervisory Board and of the Financial Matters Committee and opinions of the Chartered Accountant and External Auditor</td>
</tr>
<tr>
<td>II.3.2. The Chairman of the Executive Committee should send, respectively, to the Chairman of the Board of Directors and, when applicable, the Chairman of the Supervisory Board or Audit Committee, the call notices and minutes of the respective meetings.</td>
<td>Adopted</td>
<td>See note 8 to the present table</td>
</tr>
<tr>
<td>II.3.3. The Chairman of the Executive Board of Directors should send to the Chairman of the Supervisory Board and to the Chairman of the Financial Matters Committee the call notices and minutes of the respective meetings.</td>
<td>Adopted</td>
<td>Chapter II – II.1.</td>
</tr>
<tr>
<td>II.4. General and Supervisory Board, Financial Matters Committee, Audit Committee and Supervisory Board</td>
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<tr>
<td>II.4.1. The General and Supervisory Board, in addition to performing the supervisory duties to which it is committed, should also carry out an advisory role and ensure the</td>
<td>Adopted</td>
<td>Chapter II – II.1.</td>
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### Recommendations of the CMVM contained in the Corporate Governance Code in force during the financial year of 2009

**Statement of adoption**

**Development in the present Report**

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<tr>
<td>follow-up and continuous evaluation of the company’s management by the Executive Board of Directors. Amongst the matters on which the General and Supervisory Board should issue opinions, are the following: i) the definition of the strategy and general policies of the company; ii) the business structure of the group; iii) decisions which should be considered strategic due to their amount, risk or special characteristics.</td>
<td>Adopted</td>
<td>Chapter II – II.1.</td>
</tr>
<tr>
<td>II.4.2. The annual reports on the activity developed by the General and Supervisory Board, Financial Matters Committee, Audit Committee and Supervisory Board should be disclosed on the company’s Internet site, together with the presentation of accounts.</td>
<td>Adopted</td>
<td>Volume II – Reports of the General and Supervisory Board and of the Financial Matters Committee</td>
</tr>
<tr>
<td>II.4.3. The annual reports on the activity developed by the General and Supervisory Board, Financial Matters Committee, Audit Committee and Supervisory Board should include the description of the supervisory activities developed referring, namely, to any constraints which have been encountered.</td>
<td>Adopted</td>
<td>Chapter II – II.2.</td>
</tr>
<tr>
<td>II.4.4. The Financial Matters Committee, Audit Committee and Supervisory Board, according to the applicable model, should represent the company, for all effects, before the external auditor, being responsible, namely, for proposing the provider of this service and its remuneration, ensuring the existence of the appropriate conditions for the provision of the services within the company, as well as being the interlocutor of the company and first receiver of the respective reports.</td>
<td>Adopted</td>
<td>Volume II – Report of the Financial Matters Committee</td>
</tr>
<tr>
<td>II.4.5. The Financial Matters Committee, Audit Committee and Supervisory Board, according to the applicable model, should assess the external auditor on an annual basis and propose his/her dismissal to the General Meeting whenever there are fair grounds for the effect.</td>
<td>Adopted</td>
<td>Chapter II – II.2. and Report of the General and Supervisory Board, presented in Volume II of the present Annual Report</td>
</tr>
<tr>
<td>II.5. Specialised committees II.5.1. Unless as a result of the small size of the company, the Board of Directors and General and Supervisory Board, according to the adopted model, should create the committees which prove necessary for: i) ensuring a competent and independent assessment of the performance of the executive directors and for the assessment of their own overall performance, as well as that of the different existing</td>
<td>Adopted</td>
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Adopted committees; i) reflecting on the adopted governance system, verifying its effectiveness and proposing to the competent bodies any measures to be taken with a view to their improvement.

II.5.2. The members of the Remuneration Committee or equivalent should be independent from the members of the management board. 

II.5.3. All the committees should prepare minutes of the meetings they hold.

III. Information and audits
III.1. General information duties
III.1.2. The companies should ensure the existence of a permanent contact with the market, respecting the principle of shareholder equality and taking precautions against asymmetries in access to information on the part of investors. For this purpose, the company should maintain an office designed to assist investors.

III.1.3. The following information available on the company’s Internet site should be disclosed in English: a) The firm, its status as a public company and the other elements mentioned in article 171 of the Companies Code; b) Articles of Association; c) Identity of the members of the governing bodies and of the representative for market relations; d) Investor Support Office, respective functions and means of access; and) Documents presenting the accounts; f) Six-monthly calendar of corporate events; g) Proposals presented for discussion and vote at the general meeting; h) Call Notices for the holding of the general meeting.

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<td>Chapter II – II.7.</td>
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<td>Adopted</td>
<td>Chapter III – III.16.</td>
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<td>Adopted</td>
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Notes:

General note

It is clear that, in many ways, the Corporate Governance Code made by CMVM is based on the one tier or Anglo-Saxon model and only in a few cases considers (ex. by separating the recommendations II.3.2. and II.3.3.) the specifications of the two-tier model, the one adopted by Banco Comercial Português.

Obviously, CMVM’s option means that many of its recommendations cannot be applied to companies that have adopted the above-mentioned two-tier model.

However, there are some areas where some approximation seems possible. Namely, a large deal of the considerations on corporate governance and its specific issues regarding executive and Non-Executive Directors is included in the Code (although with only that denomination) can be used as reference for the members of the executive management body and the supervisory body of the two-tier model – in Portugal called the Executive Board of Directors and the General and Supervisory Board.
Thus, and whenever possible we shall try to, in this report, take those circumstances under consideration in order to provide as much information as possible and to be transparent, namely by associating the references made in the Code to Non-Executive Directors to the members of the supervisory board, whenever possible.

**Note 1**

Each 1,000 euros of share capital corresponds to 1 vote, with the shares having a nominal value of 1 euro, hence, in practice, each 1,000 shares corresponds to one vote.

The principle one share-one vote is far from being consensual. In 2003 the European Committee, when of the publication of its “Communication from the Commission to the Council and the European Parliament — Modernising Company Law and Enhancing Corporate Governance in the European Union — A Plan to Move Forward, Brussels, 21 May 2003) did not consider it necessary to include the principle within the scope of the adopted measures and recommendations and simply decided to study the same later on. Afterwards, the Commissioner in charge declared, in October 2007 that the European Union would not take any action on this matter, following the considerable number of studies and researches that evidenced that this was the best attitude to adopt.

These researches and orientations have centred mainly in other aspects of the principle, which CMVM calls proportionality (the so-called control enhancing mechanisms), but also emphasize this sub-aspect of the uniformity of the attribution of the voting right, i.e., that to one share corresponds one vote.

This way, the principle is evidently positive but also presents some disadvantages concerning namely: the minimum shareholding necessary to take part in general meetings; and the logistics required for the correct organization of the general meetings.

The negative aspects of this principle increase in cases such as that of the Banco Comercial Português considering the number of shareholders which are normally present at the General Meetings of the Bank – in the last three financial years over 1,045 shareholders were physically present and over 2,014 were represented, with an average of 533 shareholders in attendance in the last three years, and shareholders with less than 1,000 euros of share capital can form groups and, in this way, participate in the Meeting.

The new Corporate Governance Code of CMVM, published in January 2010 no longer presents this recommendation, turning it into a mere suggestion, in recognition of the fact that, depending on the characteristics and shareholder profile of each company, the imposition of the principle of “one share one vote” could be damaging to the interests of the shareholders.

In view of an eventual legislative reform, one may admit the adoption of some measures, namely enabling the shareholders holding an amount of capital under the one established to vote by correspondence (besides the right to form groups).

**Note 2**

In the corporate governance model adopted by Banco Comercial Português — the two-tier model — the management and supervision of the activity of the executive directors is committed to an autonomous body called the Supervisory Board, which is mandatorily composed of non-executive members, in greater number than that of the Executive Board of Directors, and composed of a majority of independent members.

**Note 3**

In the governance model adopted by Banco Comercial Português, this recommendation should be considered as reported to the Supervisory Board, composed of a majority of independent members.
Note 4

Under the terms of the law and the Bank’s articles of association, and as a result of the two-tier governance model adopted, the matters identified in sub-paragraphs i), ii) and iii) are necessarily submitted to the opinion of the Supervisory Board.

Note 5

In the companies that adopt the two-tier model, the majority of independent members of the Supervisory Board ensures compliance with the objective of this recommendation.

Note 6

The issues covered by the present recommendation are addressed in the Report of the Supervisory Board, published simultaneously with this Report.

Note 7

The member of the Executive Board of Directors responsible for financial matters has held this position since 15 January 2008 and is still exercising his first mandate. This recommendation was altered in the Corporate Governance Code published in 2010.

Note 8

Not being applicable to the governance system adopted by the Bank, the issues covered by the present recommendation are addressed by the recommendation II.3.3.

Note 9

All the information is available in English on the following site: www.millenniumbcp.pt/site/conteudos/en/.

0.3. Without prejudice to the provisions in the previous number, the company can also make an overall assessment, provided that there are reasonable grounds to do so, of the degree of adoption of groups of recommendations of interrelated subjects.

Given the contents of the previous table and the detailed manner according to which the issues are handled in the following chapters, we do consider that the degree of adoption of the recommendations is widely comprehensive and complete.

0.4. When the Corporate Governance structure or practices differ from the recommendations of the CMVM or other codes to which the company subscribes or has voluntarily adhered, the parts of each code which are not complied with or which the company considers are not applicable should be explained, as well as the respective grounds and other relevant observations, in addition to clear indication of the part of the Report where the description of this situation can be found.

The contents of this paragraph have already been addressed in detail in the three previous paragraphs. Notwithstanding, the relevance of this issue requires a more detailed explanation.
The Directive 2006/46/EC of the European parliament and of the Council, dated 14 June 2006, amended Directive 78/660/EEC and introduced in its article 46-A the principle “comply or explain” foreseeing an annual statement on the corporate governance that must “contain, at least, the following information”:

“a) Reference to:
   i) The corporate governance code to which the company is subject;
   and/or
   ii) The corporate governance code that the company may have voluntarily decided to apply;
   and/or
   iii) All relevant information about the corporate governance applied beyond the requirements under national law.

(…)"

“b) To the extent to which a company, in accordance with national law, departs from a corporate governance code referred to under points (a) (i) or (ii) an explanation by the company as to which parts of the corporate governance code it departs from and the reasons for doing so. Where the company has decided not to apply any provisions of a corporate governance code referred to under points (a) (i) or (ii) it shall explain its reasons for doing so;

(…)”

In effect, experience shows – not only in Portugal – that this comply or explain alternative formula has not been successfully applied, failing to translate its underlying equivalence, and this should definitely not happen. The compliance or submission became more used and recognized than the legitimate alternative explanation, a fact that also unbalances the compliance cost, as the formal compliance (with or without concordance) becomes much more simple and easy to do than the effort of explaining, more onerous and less useful.

This situation – worsened by the more or less mechanical surveys, scorings and rankings, deciding which companies comply more or simply do not comply – deeply jeopardizes the essence of the principle upon which the Corporate Governance Code is based and tends to eliminate the creativity and flexibility that it needs, tending to crystallize the recommendations, making them more rigid (regardless of their merit), more “common place”, depriving them of their real meaning.

Furthermore, the Spanish “Informe Olivencia” (Spanish Corporate Governance Code) already stated in the nineties that recommendations couldn’t be imposed to its addressees, not even indirectly through adopted control systems that may harm the voluntary nature of the Good Corporate Governance Code.

Nowadays, anyone wishing to base a group of recommendations upon the fundamental principle of comply or explain – as the above-mentioned Directive 2006/46/EC recommends and the majority of the corporate governance codes of international companies follow suit – cannot just state the principle without trying to contribute to preserve its real meaning.

It is, therefore, crucial to stress the importance of a firm application of the principle comply or explain in all its aspects, strongly underlining the real exchangeability of both possibilities.
Chapter I – General Meeting

The General Meeting of Shareholders is the highest governing body of the company, representing all shareholders. This body is responsible for electing and dissolving its own Board and the members of the management and supervisory boards, approving amendments to the articles of association, resolving on reports, accounts, proposals for the appropriation of profits and any matters submitted at the request of management and supervisory bodies and, in general, resolving on all matters specifically attributed by the law or articles of association, or which are not included in the attributions of other corporate bodies.

Although the law does not determine a minimum number of attendances at the General Meetings for which no constitutive quorum or qualifying majority is required, Banco Comercial Português considers that, in the interests of its shareholders, the General Meeting cannot be held upon the first notice of convocation if a minimum number of shareholders are not present or represented. Therefore, the presence or representation of shareholders with over one third of the share capital is statutorily required for the Meeting to be held on the date of the first call notice. On the second date, which it should be recalled may take place 15 days after the first, then, if the shareholders continue to show the intention not to attend, the Meeting can be held independently of the number of shareholders, which are present or represented.

For the same reason, for Meetings which resolve on the merger, de-merger, transformation of the company or its dissolution, while the law requires only that, on the first notice of convocation, shareholders owning at least one third of the share capital must be present or represented, the articles of association of Banco Comercial Português require, at least, half of the share capital.

Regarding the deliberative quorum, and always within the spirit referred to above, the articles of association of Banco Comercial Português are more demanding than the law only in the case of resolutions on the merger, de-merger and transformation of the company and alteration of the provisions which limit the voting rights of shareholders in a Group relation or interrelated shareholders, which requires three quarters of the votes cast in order to be approved. The resolutions to dissolve the company also require a majority corresponding to 75% of the fully paid-up capital.

The Chairman of the Board of the General Meeting is provided with the necessary supporting human and logistic resources, over the year, by the Company Secretary and respective Services and, at every General Meeting and in the respective preparatory period by a Working Party specifically constituted for the effect which, in addition to the Company Secretariat, includes employees of the Operations, IT, Direct Banking and Audit Departments. An International Audit firm is also specifically contracted to certify the voting and shareholder accreditation procedures.

I.1. Identification of the members of the Board of the General Meeting

The Board of the General Meeting is composed of:

Chairman: António Manuel da Rocha e Menezes Cordeiro (independent), elected for the first time on 15 January 2008;

Vice-Chairman: Manuel António de Castro Portugal Carneiro da Frada (independent), elected for the first time on 15 January 2008;

Inherent to the position, the secretary of the Board is the Company Secretary, Ana Isabel dos Santos de Pina Cabral.

On its Internet site the Bank maintains the historical record of the relevant information relative to the General Meetings of the last five years providing, namely: the number of shareholders present or represented, agendas, proposals submitted to vote, resolutions adopted and percentages of votes cast.
The abovementioned publication is available on the Bank's site, on the page with the following direct address:

Likewise, and independently of the number of shares owned, the Bank sends the minutes to shareholders who have participated in the General Meetings and request them, providing access to the attendance lists to shareholders who wish to validate their own registration on these records.

I.2. Indication of the starting and ending date of the respective mandates

The mandate of the elected members of the Board of the General Meeting currently in office is in progress and started in 2008 and will end in 2010. It is expected that the list for the composition of the Board of the General Meeting for the following three years will be submitted to vote at the 2011 General Meeting.

I.3. Indication of the remuneration of the chairman of the Board of the General Meeting

The annual remuneration earned by the Chairman of the Board of the General Meeting amounts to 150,000 euros and was established on 28 May 2007 by the Remuneration and Welfare Board elected by the General Meeting. This remuneration remained unaltered during the 2009 financial year.

Always in observance of the rules of independence, the Chairman of the Board, with his considerable and recognised technical knowledge and legal strictness, supported the different Corporate Boards and Bodies of the Bank, over the entire financial year, in all matters of corporate governance on which he was consulted.

I.4. Indication of the time in advance required for the blocking of shares for participation in the General Meeting

While no limiting date has been established for the blocking of shares, they must be blocked by a date which allows the information relative to the number of shares owned by each shareholder on the 5th business day prior to the date of the General Meeting to be received by the Bank by 17:00 hours of the second last business day prior to the day scheduled for the Meeting.

It has been the Bank's policy to accept all formal requests for the cancellation of blocking received by 17:00 hours of the business day prior to the day scheduled for the Meeting.

I.5. Indication of the rules applicable to the blocking of shares in case the General Meeting is suspended

Since the certificate of the blocking of shares is valid only until the end of the day scheduled for the initial session of the General Meeting, whenever it is suspended to be continued on a subsequent date, the shares are unblocked on that same date.

As a consequence, shareholders who wish to participate in the continuation of the Meeting must send the Bank a new statement confirming their status as a shareholder by the 5th business day prior to the date scheduled for this continuation. This statement must be received by 17:00 hours of the second business day before the scheduled Meeting date.

Notwithstanding the fact that these rules are established by Banco Comercial Português for the shares representing its share capital, those rules are also complied with by the Bank as a registration entity, not pertaining to the Bank the issue of any opinion relative to any other registration entity where its shareholders may have their shares registered.
1.6. Number of shares corresponding to one vote

Each 1,000 euros of share capital corresponds to one vote, with shareholders owning a number of shares less than those required being able to form a group so as to complete the minimum number required, which should then be represented by any person of their choice, provided that the person has full legal capacity.

Each share has the nominal value of 1 euro, hence, in practice, each 1,000 shares corresponds to one vote.

1.7. Indication of the statutory rules establishing the existence of shares which do not confer the right to vote or which establish that rights to vote above a certain number should not be counted, when issued by a single shareholder or by related shareholders

Within the legal framework applicable to companies in general and specifically to credit institutions it is not possible to issue preferred shares without voting rights, if these do not confer to their holders minimum dividends corresponding to, at least, 5% to their nominal value to be paid for using the income of the financial year able of being appropriated.

Although Banco Comercial Português S.A. never issued preferred shares without voting rights, the ability to do so is regulated in article 5 of the Bank's Articles of Association, in accordance with the mandatory rulings of the Companies Code.

The preferred shares with such features (preferred shares without voting rights) may be issued by the company and allow the investors to abdicate from actively intervening in the management of the corporate business, in consideration for a minimum return on their investment. Therefore these shares cannot be freely compared with other ordinary shares, which bear the voting rights crucial to an effective control of the company.

Hence, one cannot conclude – when mentioning this type of shares or securities, just because they grant no voting rights – that those voting rights may affect the proportionality of the voting rights. Besides if, in accordance with the law, their preferential dividend is not paid for two consecutive financial years, these shares will gain voting rights, recalibrating the corporate balance and allowing their holders to actively participate in the company’s life.

The recommendation of the CMVM (Portuguese Securities Regulator) towards the abolishment of the possibility of issuing preferred shares without voting rights would collide with the provisions established in section V of Chapter II of the Companies Code, namely with article 341 (1) and also ignores article 384 of the same Code.

Regarding the provisions in article 16 of the articles of association of BCP which determine that votes corresponding to more than 10% of the total share capital should not be counted when imputable to a single shareholder or Group, Banco Comercial Português considers that this article was created with the purpose of establishing limits to the voting power of the major shareholders, thus ensuring that the small and medium-sized shareholders have greater and more effective influence in any decisions that might be submitted to the General Meeting. The limits to voting rights enshrined in the articles of association – consisting of a maximum limitation – aimed, on one hand, to restrict the rights of the largest shareholders, defending the interests of the small-medium-sized shareholders, whose vote thus achieves greater weight and representativeness in final proportion, and, on the other hand, protected the company from hostile takeovers.

This proviso can be freely altered by the shareholders without the need to periodically submit its maintenance to the General Meeting. Therefore the Bank disagrees with the need to reappraise this limitation every five years, since the latter can be eliminated with the decisive contribution of the smaller shareholders.

Likewise, the proviso that establishes that to each 1,000 shares corresponds one vote and that the shareholders owning less than 1,000 shares may form a group and be represented at the general meeting by one of them, does not mean that there are shares without a vote or that the right to participate and vote in the general meetings is denied to shareholders holding less than 1,000 shares. What it simply means is that this right may be exercised
through the ability of establishing groups with other shareholders in the same situation and be represented by one of them at the general meeting, assuring, as already mentioned in note 1 to point 0.2 above, an adequate management of the General Meeting.

I.8. Existence of statutory rights on the exercise of voting rights, including constitutive and deliberative quorums or systems emphasising rights related to assets

Complying with the law and in accordance with the structure of the company, the Bank’s articles of association ensure the rules for the exercise of voting rights.

Article 18 of the Articles of Association of the Bank establishes the requirement of a constitutive quorum of over one third of the share capital so that meeting can validly resolve on most matters. In the case of the general meeting wanting to resolve on the merger, demerger and transformation of the company, there must be a constitutive quorum corresponding to, at least, half the share capital.

Article 21 of the Articles of Association of the Bank establishes the requirement of a deliberative quorum of two thirds of the share capital issued whenever the resolutions refer to an amendment of the Articles of Association. Deliberations on the merger, demerger and transformation of the company require approval by three quarters of the votes cast.

The bank can only be dissolved by a majority of 75% of the paid-up capital.

With the exception mentioned in I.7., the articles of association do not establish limitations to the exercise of voting rights.

There are no special or other voting rights, with the shares representing the Bank’s share capital falling under a single category.

I.9. Existence of statutory rules on the exercise of the right to vote by correspondence

The Bank ensures the effective exercise of corporate rights by its shareholders who choose to exercise their vote by correspondence.

For such, and for each General Meeting, the Bank discloses this possibility widely and in due time:

a) by sending the Shareholders appearing on the prepared list a copy of the respective call notice, referring to a date as close as possible to the date scheduled for the Meeting, as well as a letter from the Chairman of the Board of the General Meeting explaining the different possible ways to participate in the General Meeting (through attendance, through proxy, or voting by postal correspondence or through electronic means) and the forms to be used in each of these circumstances, with this documentation being accompanied by a “pre-paid” envelope previously addressed to the Bank to be used to send the Bank the vote by correspondence;

b) by providing, at least during the entire month prior to the date scheduled for the meeting, on the Bank’s site, all the relevant information, such as the agenda, proposals and documents to be submitted to the Meeting, forms of the letter to request the blocking of shares for participation in the Meeting and of the representation letter, ballot papers for postal correspondence and how to use the electronic means. This information is placed on a specific page of the General Meeting created on the Bank’s institutional site, where, complying with the legal deadlines, it is possible to consult and print all the documentation which, being known to the company, is prepared for appraisal by the shareholders, and an explanatory note is also provided on how to participate, indicating the steps which must be taken to ensure the shareholder’s presence at the Meeting and exercise of the right to vote, namely by correspondence.

The General Meeting call notice, prepared under the terms of the law and the Bank’s Articles of Association, indicates, in a clear and unequivocal manner, the possibility of the right to vote by correspondence or through electronic means.
Under the terms article 16 (13) of the Articles of Association of the Bank, the exercise of the right to vote by correspondence covers all the matters presented on the call notice, under the terms and conditions established therein.

The above-mentioned publications are available on the Bank’s site, on the page with the following direct address: http://www.millenniumbcp.pt/pubs/pt/governacao/article.jhtml?articleID=286308.

I.10. Provision of a model for the exercise of the right to vote by correspondence

The methodology to be adopted for the exercise of the right to vote by correspondence is published both on the call notice of the General Meeting as well as on the Bank’s Internet site, with the ballot paper being sent to the Shareholders by e-mail and provided at the Bank’s Branch and respective Internet site.

The ballot papers for postal correspondence and correspondence using electronic means are placed at the disposal of the shareholders on the Bank’s site from the moment the General Meeting is called, being updated in accordance with the proposals received, such as any alteration in the agenda.

The ballot papers are also sent by postal mail together with the notice of convocation and provided at all branches of the Bank.

The instructions for voting through these means are published during the month prior to that of the date of the General Meeting on the Bank’s site, on the page with the following direct address: http://www.millenniumbcp.pt/pubs/pt/governacao/direitosdoaccionista.

I.11. Requirement of a period of time between the receipt of votes issued by correspondence and the date of the General Meeting

The Bank has established, as the deadline for the receipt of votes issued by correspondence, 17:00 hours of the penultimate business day before the date scheduled for the General Meeting, with this deadline coinciding with that established for the receipt of the rest of the documentation for the General Meeting, namely the representation letters and statements for the blocking of shares.

I.12. Exercise of the right to vote through electronic means

Under the terms of article 16 (13) of the Articles of Association of the Bank, the exercise of the right to vote through electronic means covers all the matters presented on the call notice, with the Chairman of the Board of the General Meeting being responsible for verifying the existence of the means to ensure the security and reliability of votes issued in this manner.

Voting by correspondence through the use of electronic means, as defined by the Bank, can be exercised by Shareholders who have requested the respective code in due time between the fourth and second last day before the day scheduled for the General Meeting.

The instructions for voting by using these means are published during the month prior to that of the date of the General Meeting on the Bank’s site, on the page with the following direct address: http://www.millenniumbcp.pt/pubs/pt/governacao/direitosdoaccionista.

I.13. Possibility of the shareholders accessing extracts of the minutes of the General Meetings on the company’s Internet site during the five days after the General Meeting

The Bank publishes the constitutive quorum, agenda, text of the proposals and reports submitted to the General Meeting, contents of the resolutions adopted and results of the voting within the maximum period of 48 hours after the conclusion of the General Meeting.
The abovementioned publication is available on the Bank’s site, on the page with the following direct address: http://www.millenniumbcp.pt/pubs/pt/governacao/article.jhtml?articleID=286308.

All these data are also used to draw up the minutes of the meeting and constitute an extract of the same regarding such matters. The minutes are written up following a duly established procedure that usually lasts more than five days.

I.14. Existence of an historical record on the company’s Internet site, with the resolutions adopted in the company’s General Meetings, the share capital represented and the results of the voting, relative to the last 3 years

On its Internet site the Bank maintains the historical record of the attendance, agendas, resolutions adopted and percentage of the votes issued at the General Meetings over the last five years.

I.15. Indication of the representatives of the remuneration committee present at the General Meetings

Both the Chairman of the Remuneration and Welfare Board and at least one of its Members are present at the General Meeting.

I.16. Information on the intervention of the General Meeting relative to the company’s remuneration policy and assessment of the performance of the management board members and other senior executives

At the Annual General Meeting held on 30 March 2009, the Chairman of the Board of the General Meeting resolved proceeding with the joint voting, not being of binding nature, under the terms of article 13 (5) of the articles of association, on the statement made by the Remuneration and Welfare Board and by the Nominations Committee (a committee appointed by the Supervisory Board, under the terms of article 13 (1) of the articles of association and of article 429 of the Companies Code) on the remuneration policy of the members of the corporate bodies approved by them, as well as on a statement on the Pensions Regulations adopted by the Supervisory Board for the three year period of 2009/2011. The Supervisory Board at its meeting held on 16 April 2009 resolved that, since the election of the Executive Board of Directors pertains to the General Meeting of Shareholders and not to the Supervisory Board, the establishment of the remuneration of the Directors as well as the approval of their retirement regime would become one of the competences of the Remunerations and Welfare Board.

The joint voting, while not binding, was supported by a majority of 99.66% of the votes cast. Its objective was to get to know the opinions of the shareholders on the company’s remuneration policy and assessment of the performance of the members of the management board.

Apart from the members of the Supervisory Board and of the Executive Board of Directors, there are no other people who can be qualified as senior executives, as per article 248-B of the Securities Code, that is, people who, possessing regular access to privileged information, participate in the decision-making process on the company’s management and business strategy.

The Annual General Meeting is responsible for making a general assessment of the company’s management and supervision, with the amplitude established by law, using for the effect the recommendation resulting from the assessment made by the Supervisory Board in the report and opinion placed at the disposal of the shareholders together with the rest of the documentation related with the financial statements.
I.17. Information on the intervention of the General Meeting relative to the proposal on plans to allocate shares and/or share purchase options, or based on variations in the price of the shares, to members of the management and supervisory boards and remaining senior executives, complying with article 248-B (3) of the Securities Code, as well as on the elements provided to the General Meeting with a view to a correct assessment of these plans.

The Bank does not have in progress, nor does it foresee having, any plans to allocate shares, and/or share purchase options or based on variations in the price of the shares.

I.18. Information on the intervention of the General Meeting regarding the approval of the main characteristics of the retirement benefits system extended to the members of the management and supervisory boards and other senior executives, complying with 248-B (3) of the Securities Code.

As noted above, apart from the members of the management and supervisory boards, there are no other people who can be qualified as senior executives, in observance of article 248-B of the Securities Code.

The members of the supervisory bodies are not entitled to any retirement benefit.

The Retirement Regulation of the members of the Executive Board of Directors, transcribed below, was approved by the Remuneration and Welfare Board and submitted for consultation to the General Meeting, which approved it by 99.66% of the votes cast.

“Retirement Regulations for Executive Directors of Banco Comercial Português, S.A.

Article 1
Object
These Regulations set forth, in accordance with Art. 13 of the Articles of Association of Banco Comercial Português, S.A. (the Bank), the supplemental regime of benefits due to retirement, disability or survivorship, granted based on the functions as Director in the Bank’s executive management body.

Article 2
Scope
1. – Are within the scope of these Regulations the Beneficiaries, included in the Social Security General Regime or in the Social Security Private Regime for the Banking Sector in Portugal, who were members of the Bank’s Executive Board of Directors during the terms-of-office as of 2008/2010, for purposes of protection in case of disability or retirement.
2. – These Regulations also comprise the beneficiaries of the survivorship pensions referred in Article 5.

Article 3
Supplemental retirement and disability pension
1. – The right to the supplemental retirement or disability pension is granted if the beneficiary retires due to old age or disability, under the terms of the applicable social security regime.
2. – The value of the supplemental pension results from the transformation of the capital accrued in the Individual Account of the Pension Fund, after deducting the applicable taxes, into a monthly pension for life.
3. – The supplemental pension will be granted by purchasing a lifelong pension policy from an insurance company, being the Director responsible for choosing the annual growth rate and the pension conversion in case of death.

Article 4
Capital redemption
As an alternative to the supplemental pension provided in Article 3, the Director may choose to redeem the capital under the terms and limits provided by law.
Article 5
Survivorship supplemental pension
If the Director is deceased before retirement, his/her legitimate heirs, if any, shall be entitled to the capital accrued in the Director’s Individual Account, in accordance with the laws of inheritance.

Article 6
Financing
1 – The supplemental benefits plan regulated herein is financed through individual applications to an open pension fund.
2 – The Bank’s annual contribution to the plan established in these regulations equals, before applying any income tax deductions for individuals, 23% of the difference between the annual gross fixed remuneration of the Director for being a member of the Bank’s Executive Board of Directors and the annual gross fixed remuneration used as base for the Bank’s mandatory contributions to the welfare system applicable to the Director in case of disability, old age or death (Social Security General Regime; Social Security Private Regime for the Banking Sector and the supplemental Plan for Employees of Banco Comercial Português, S.A.).

Article 7
Accumulation of retirement benefits and remunerations
The accumulation of retirement benefits due to old age and the remuneration earned as Director of the entity paying the pension is allowed, but while the Director remains in functions it will be deducted from his gross remuneration the net amount of the pension or the amount that would have been paid as an alternative to the capital redemption, without damaging the full payment of all amounts decided by the Remunerations and Welfare Board or Remunerations Committee in accordance with art. 13 of the Bank’s Articles of Association, when applicable, as variable remuneration or premiums for the functions exercised.

Article 8
Application and revision
1 – These Regulations, as adopted in 2008, shall apply to the benefits to grant after the date of their approval by the competent corporate body and approval by or notification to Instituto de Seguros de Portugal, as required.
2 – These Regulations shall be interpreted and applied by the Remunerations Board or Committee referred in the previous article.
3 – The Remunerations Board or Committee must submit any amendments to these Regulations to the appraisal of the Annual General Meeting”.

I.19. Existence of a statutory rule establishing the duty to subject, at least every five years, to the General Meeting, the maintenance or elimination of the statutory rule establishing the limitation of the number of votes which can be held or exercised by a single shareholder individually or in a concerted manner with other shareholders

There is no rule with the contents of the present paragraph in the Articles of Association of the Bank, with the inclusion of such a rule never having been requested by shareholders or members of corporate bodies.

I.20. Indication of defensive measures which have the effect of automatically leading to a serious erosion of company assets in the event of the transfer of control or change of the composition of the management board

There are no measures with these characteristics.
I.21. Significant agreements of which the company is a party and which enter into force, able of being altered or that cease to be in force in the case of the change of control of the company, as well as the respective effects, unless, due to their nature, their disclosure would be seriously harm the company, except if the company is specifically obliged to disclose this information due to other legal requirements

There are no agreements with these characteristics.

I.22. Agreements between the company and members of the management board and directors, in observance of number 3 of article 248-B of the Securities Market Code which establish compensation in the case of resignation, dismissal without fair grounds or termination of the work relation following a change in the control of the company

There are no agreements with these characteristics.
Chapter II – Management and Supervisory Boards

Banco Comercial Português has developed consistent efforts to incorporate the criteria of the assessment of good corporate governance – equity, accountability and transparency, technical competence and internal alignment and loyalty and responsibility duties – simultaneously with the adoption of practices to ensure the achievement of the objectives of the best models of Corporate Governance – separation of duties, specialisation of supervision, financial and management control, risk control and monitoring, minimisation of conflicts of interests and orientation towards sustainability.

Hence, four financial years after the adoption of the two-tier governance model and stabilisation of the structural alterations which have enabled adapting the organisation of the Bank and Group to this new model, the Executive Board of Directors considers that it has permitted a strict separation between the management and supervision, ensuring that the latter is carried out by non-executive members who are mostly independent in relation to the company, in accordance with the criteria established by the Companies Code. No constraints have been detected in its functioning, which is considered perfectly suitable to a Group with the size and object of the Millennium bcp Group, thereby leading the Executive Board of Directors to consider that there is no need to propose any measures of action aimed at altering the governance regime adopted in June 2006.

Section I – General Issues

II.1. Identification and composition of the governing bodies

In accordance with the two-tier corporate governance model adopted by Banco Comercial Português, its management and supervision is structured as follows:

• Executive Board of Directors;
• Supervisory Board;
• Statutory Auditor.

Since, in accordance with the Bank’s bylaws, the establishment of the remuneration of the corporate bodies, including the one of the Executive Board of Directors, is not a responsibility of the Supervisory Board, the General Meeting delegated these competences on a Remuneration and Welfare Board, which is statutorily defined as a Governance Body.

The Group also uses a company of external auditors to carry out the audits of the individual and consolidated accounts of Banco Comercial Português and of the different companies controlled by it.

A) Executive Board of Directors

The Executive Board of Directors is responsible for the management of the company, being composed of an odd number of members, a minimum of seven and maximum of thirteen, elected by the General Meeting for a period of three years, who can be re-elected one or more times. In the present term-of-office the Board is composed of seven members.
The Executive Board of Directors has ample competence established in the law and articles of association of the company, which covers, amongst others, the following duties:

- managing the Bank, carrying out such acts and operations as may be pertinent to its corporate object;
- preparing the documents presenting the accounts;
- preparing the documents with projections of the Bank’s activity and corresponding implementation reports;
- deciding freely, subject to any legal requirements, regarding the acquisition of holdings in companies that may have any object whatsoever and in companies governed by special legislation or in incorporated joint ventures or any other form of association of companies;
- mobilising financial resources and engaging in credit operations which are not prohibited by the law;
- appointing attorneys to carry out specific acts;
- complying and ensuring compliance with legal and statutory provisos and with General Meeting’s resolutions;
- setting up the Bank’s organisation and methods of work, drawing up regulations and issuing such instructions as it may deem fit;
- constituting new decision-making levels with competence to assess credit operations;
- representing the Bank in and out of judicature, as plaintiff or defendant;
- resolving or proposing, with due grounds, such share capital increases as may be necessary.

The current Executive Board of Directors of the Bank was elected at the General Meeting of Shareholders on 15 January 2008 and is composed of the following members:

**Chairman:** Carlos Jorge Ramalho dos Santos Ferreira (61 years old)

**Vice-Chairmen**
- Armando António Martins Vara (56 years old) (whose functions are suspended)(*)
- Paulo José de Ribeiro Moita de Macedo (46 years old)

**Members:**
- Vítor Manuel Lopes Fernandes (46 years old)(**)
- José João Guilherme (52 years old)
- Nelson Ricardo Bessa Machado (50 years old)
- Luís Maria França de Castro Pereira Coutinho (48 years old)
- Miguel Maya Dias Pinheiro (45 years old)(***)

All the Directors show technical competence, knowledge and professional experience appropriate to the performance of their respective duties, employing therein the diligence of a careful and orderly manager, observing duties of loyalty, in the interest of the company, attending to the long term interests of the Shareholders and other stakeholders. For this effect, see the Curriculum attached to this report, presented on page 356 and following.

(* On 3 November 2009 and pursuant to the disclosure of news on issues that led to his indictment, the Director and Vice-Chairman Armando António Martins Vara decided to request the suspension of his term-of-office until the facts were duly investigated and decided. The suspension resolution was adopted by the Supervisory Board at its meeting held on 11 November 2009.

(**) Following the suspension of Armando António Martins Vara, the Director Vítor Manuel Lopes Fernandes was appointed as Vice-Chairman for the duration of the suspension.

(*** The Supervisory Board, at its meeting held on 11 November 2009, appointed Miguel Maya Dias Pinheiro to replace Armando António Martins Vara as member of the Executive Board of Directors for the duration of the suspension. This appointment will be submitted for ratification to the Annual General Meeting, in accordance with the law.)
In accordance with the provisions of the Articles of Association of the Bank and in the Regulations of the Executive Board of Directors, all the Executive Directors undertake to observe a strict regime of exclusivity, and are prevented from performing duties of any nature by appointment to a corporate office or through a work contract, in any other commercial company in which the Group led by Banco Comercial Português has no interests, unless the explicit prior authorisation of the company has been obtained for such.

The current term-of-office of the Executive Board of Directors relates to the three year period 2008/2010.

**B) Supervisory Board**

The Supervisory Board is a supervision body, being responsible, under the terms established by the law and Articles of Association of the Bank for:

- representing the company in its relations with the directors;
- supervising the activity of the Executive Board of Directors and providing it with advice and assistance;
- ensuring observance of the law and articles of association of the company;
- proceeding with the permanent follow-up of the activity of the Statutory Auditor and external auditor of the company, proposing their election and appointment, respectively, at the General Meeting, issuing opinions on requisites of independence and other relations with the company, as well as the respective exoneration, a decision which, to the extent permitted by the law, will be binding, implying that the governing bodies must proceed in conformity;
- proceeding with the continuous follow-up of the systems and procedures relative to the company’s financial reporting and risk management and regarding the activity of the Statutory Auditor and external auditor;
- assessing and monitoring the internal procedures relative to accounting matters, the effectiveness of the risk management system, internal control system and internal audit system, including the receipt and processing of related complaints and doubts, whether derived from employees or not;
- issuing opinions on the management report and accounts of the financial year;
- monitoring and assessing issues relative to corporate governance, sustainability, codes of ethics and conduct and systems for the assessment and resolution of conflicts of interest.

The Supervisory Board is composed of thirteen permanent members. All the members of this Board are, by the nature of the actual governance model, non-executive and mostly independent. Five of the members do not meet the requisites of independence due to being related to entities with holdings greater than 2% of the Bank’s share capital. All the members comply with the rules on incompatibility established in number 1 of article 414-A, of the Companies Code including sub-paragraph f) and perform their respective duties observing the duties of accountability, in accordance with the high standards of professional diligence and duties of loyalty, in the interest of the company, provided for by law.

The Supervisory Board was elected at the General Meeting of 30 March 2009 and has the following composition:

**Chairman:** Luis de Melo Champalimaud (58 years old) (Independent)

**Vice Chairmen:**
- Manuel Domingos Vicente (53 years old) (Not Independent for being related to an entity owning a qualifying holding)
- Pedro Maria Calainho Teixeira Duarte (55 years old) (Not Independent for being related to an entity owning a qualifying holding)

**Members:**
- Josep Oliu Creus (60 years old) (Not Independent for being related to an entity owning a qualifying holding)
- António Luís Guerra Nunes Mexia (52 years old) (Not Independent for being related to an entity owning a qualifying holding)
Patrick Huen Wing Ming, representing the company Sociedade de Turismo e Diversões de Macau S.A (68 years old) (Not Independent representing a company owning a qualifying holding)
António Víctor Martins Monteiro (66 years old) (Independent)
João Manuel de Matos Loureiro (50 years old) (Independent)
José Guilherme Xavier de Basto (71 years old) (Independent)
José Vieira dos Reis (62 years old) (Independent)
Manuel Alfredo da Cunha José de Mello (61 years old) (Independent)
Thomaz de Mello Paes de Vasconcelos (52 years old) (Independent)
Vasco Esteves Fraga (60 years old) (Independent)

The term-of-office of the Supervisory Board started on 30 March 2009 and will end on 31 December 2010.

The Reports of the Supervisory Board and of the Audit Committee, and the financial statements are disclosed on the Bank’s site, on the page with the following address:

C) Statutory Auditor and External Auditors

In the two-tier system adopted by Banco Comercial Português the Statutory Auditor is elected by the General Meeting through a proposal of the Supervisory Board, for three year mandates, being responsible, namely, for:
• verifying the regularity of the accounting ledgers and records;
• verifying the accounting policies and worth measurement criteria adopted;
• verifying the accuracy of the documents presenting the accounts;
• preparing a monthly report on their supervisory action;
• participating in the meetings of the Executive Board of Directors and of the Supervisory Board whenever their presence is requested, namely at the time of the approval of the company accounts.

The Statutory Auditors, permanent and alternate, elected at the General Meeting to perform duties for the three-year period of 2008/2010 are:

Permanent: KPMG & Associados – Sociedade de Revisores Oficiais de Contas, S.A., represented by their partner Vítor Manuel da Cunha Ribeirinho, ROC, number 1081
Alternate: KPMG & Associados – Sociedade de Revisores Oficiais de Contas, S.A., represented by their partner Ana Cristina Soares Valente Dourado, ROC number 1011

The Annual General Meeting of 2008 also proceeded, under the statutory terms and through proposal of the Supervisory Board, with the election of KPMG & Associados – Sociedade de Revisores Oficiais de Contas, S.A. (SROC number 189) as External Auditor of the Group.

D) Remuneration and Welfare Board

The Remuneration and Welfare Board, in which the General Meeting delegated, for the three year period of 2008/2010, the competence to resolve on the remuneration of the members of the governing bodies of the Bank and, as from the resolution adopted by the Supervisory Board on 16 April 2009 to resolve on the remuneration of the Executive Board of Directors, has the following composition:

Chairman: José Manuel Rodrigues Berardo (66 years old)
Members:

Luís de Melo Champalimaud (58 years old)
Manuel Pinto Barbosa (66 years old)

The members of the Remuneration and Welfare Board are independent from the members of the management board.

During the financial year of 2009, the Remuneration and Welfare Board met seven times.

At the request of their Chairman, the Chairman of the Board of the General Meeting and the Chairman of the Executive Board of Directors participated in some of their meetings.

The Remuneration and Welfare Board has André Luiz Gomes (lawyer) as its expert.

II.2. Identification and composition of the specialised committees constituted with competences in management or supervision matters of the company

In order to ensure and contribute to the good performance of the supervision duties committed to it, the Supervisory Board created, at its meeting of 16 April 2009, in accordance with the law, the Bank’s Articles of Association and its own Regulations, the following three specialised committees:

A) Audit Committee

This Committee is established by article 444 (2) of the Companies Code, being committed, in accordance with the abovementioned rule and the Regulations of the Supervisory Board, namely, to matters related to the supervision of the Management, financial reporting documents, and also the establishment of qualitative measures to improve the internal control systems, risk management policy and compliance policy, being also responsible for supervising the activities performed by the Audit Department, ensuring the independence of the Statutory Auditor and issuing a recommendation on the engagement of the External Auditor, formulation of the proposal for the election and contractual conditions of the provision of services by the latter and receive the communications on irregularities presented by shareholders, employees and others, ensuring their follow-up by the Internal Audit or Client Ombudsman. This Committee also analyses the risk classification of the bank’s customers made by the Rating Department.

This Committee is also responsible for issuing opinions on loans granted under any form or modality, including the provision of guarantees, as well as on any other agreements that the Bank or any company of the Group enters into with members of its corporate bodies, owners of holdings greater than 5% of the share capital of the Bank, as well as with entities which, under the terms of the General Framework for Credit Institutions and Financial Companies, are related to any of them.

The Audit Committee is the receiver of the Reports of the internal Audit Department and of the Statutory Auditor and External Auditors, meeting regularly with the Director responsible for the Financial Area, the Risk Officer, the Compliance Officer and the Person Responsible for Internal Audits, being entitled to call on any Coordinating manager that it wishes to hear. The Audit Committee also recruits the Statutory Auditor and External Auditor, whose election and contracting are proposed to the General Meeting by the Supervisory Board.

During the financial year of 2009, the Audit Committee met eighteen times.

The Audit Committee has the following composition:

Chairman:  João Manuel de Matos Loureiro (Independent)

Members:  José Guilherme Xavier de Basto (Independent)
José Vieira dos Reis (Independent)
Thomaz de Mello Paes Vasconcelos (Independent)
This Committee receives logistic and technical support from the Supporting Office of the Supervisory Board, with the secretarial services being administered by the Office Head.

João Manuel de Matos Loureiro is qualified as Independent and, as shown on the respective curriculum attached to the present Report, possesses the expertise and professional experience appropriate to the exercise of the respective position, these being characteristics which are also found in the respective curricula of the remaining members of this Committee.

B) Sustainability and Corporate Governance Committee

This Committee advises the Supervisory Board on matters relative to the Corporate Governance of the Company, with the essential function of coordinating the work of reflection on the Bank’s governance model, so as to be able to recommend the solutions which are best suited to their management needs, culture and strategy, namely those arising from the international best practices, also issuing statements on the Group’s sustainability policy.

The Sustainability and Corporate Governance Committee has the following composition:

Chairman: Luís de Melo Champalimaud (Independent)
Members: Josep Oliu Creus (Not Independent)
          António Luís Guerra Nunes Mexia (Not Independent)

This Committee has appointed as its Experts the law firm Morais Leitão, Galvão Teles, Soares da Silva & Associados, currently represented by João Soares da Silva, and by Paulo Olavo Cunha (law professor).

During the financial year of 2009, the Sustainability and Corporate Governance Committee met four times.

The secretary of this Committee is the Company Secretary.

C) Nominations Committee

The Nominations Committee assists and advises the Supervisory Board on matters relative to the filling of vacancies in the Bank’s Executive Board of Directors and in the definition of the competence profiles and composition of the internal structures and bodies and formulation of the opinion on the annual vote of confidence in the members of the Management Body.

Likewise, it advises the Supervisory Board by issuing an opinion on the nomination of the Coordinating managers (reporting directly to the management), of people who are indicated for the performance of management or supervisory duties in companies in which the Bank has a stake, whether controlled or not, and, finally, on the issue of the necessary prior agreement for directors to accept corporate positions in entities outside the Group.

The Nominations Committee has the following composition:

Chairman: Manuel Alfredo da Cunha José de Mello (Independent)
Members: António Víctor Martins Monteiro (Independent)
         Vasco Esteves Fraga (Independent)

Its expert is Hipólito Pires (entrepreneur).

During the financial year of 2009, the Nominations Committee met seven times.

The current secretary of the Committee is the Company Secretary.
All the specialised Committees prepare minutes of the meetings held, in accordance with the respective rules of procedure.

**II.3. Organizational charts or flowcharts relative to the distribution of competences between the different governing boards, committees, commissions and/or departments of the company, including information on the scope of the delegation of competences, in particular with respect to the delegation of the daily management of the company, or distribution of areas of responsibility amongst the members of the management or supervisory boards, and list of matters which are not able of being delegated and of competences effectively delegated**

Since the competences of the General Meeting, the Supervisory Board and its specialised committees, as well as those of the Remuneration and Welfare Board have been addressed in detail in the numbers above, this one will describe the scope of action of the Ombudsman Office, the Distribution of Areas of Responsibility of the Executive Board of Directors and the main structures that report to them.

**Client Ombudsman Office**

The Client Ombudsman is an internal structure that is independent of the Bank’s hierarchical structures and functions, namely, as a mediation agent in conflicts between the customers and the institution, aimed at the defence and promotion of the legitimate rights, guarantees and interests of these customers, recommending the adoption or alteration of practices or procedures, with its activity being disciplined by the Rules of Procedure of the Ombudsman Office and guided by the principles of impartiality, swiftness, gratuitousness and confidentiality.
During the financial year of 2009, the Ombudsman Office monitored the evolution of 2,020 files relative to claims and requests, the processing of which was ensured through collaboration with the Direct Banking Department. Acting as a board of appeal, the Ombudsman Office enabled the assessment of 83 appeals lodged by Customers.

**Client Ombudsman Office – Activities 2009**

The average time of response, for appeals and claim procedures, took sixteen and twenty-eight business days, respectively, with the overall average response time respecting the period established in the respective Rules of Procedure. 51% of the claims and 16% of the appeals were found to be admissible. In another twelve appeals which were successful it was not necessary for the relevant recommendations to be addressed to the Executive Board of Directors – since their nature was not excessively complex – and were implemented by the competent sectors of the Bank.

The mission of the Client Ombudsman is adequately disclosed on the Millennium bcp portal, through the Ombudsman’s Office link, which provides information, namely, on the way claims or complaints should be presented, with there being direct access to the Rules of Procedure.

This internal structure has its own office and working structures with three full-time employees of the Bank, working exclusively for this office, providing technical, operational and administrative support.
**Executive Board of Directors**

The current distribution of areas of responsibility amongst members of the Executive Board of Directors is indicated in the chart presented below:

### Areas of responsibility and Alternate Members

<table>
<thead>
<tr>
<th>Carlos Santos Ferreira (CSF)</th>
<th>Paulo Macedo (PM)</th>
<th>Vitor Fernandes (VF)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Office of the Chairman of the EBD</td>
<td>1. Research Office</td>
<td>1. IT Department</td>
</tr>
<tr>
<td>2. Company Secretary</td>
<td>2. Budget Planning &amp; Control Department</td>
<td>2. Operations Department</td>
</tr>
<tr>
<td>3. Fundação Millennium b.p</td>
<td>3. Accounting &amp; Consolidation Department</td>
<td>3. Credit Department</td>
</tr>
<tr>
<td>5. Staff Management Support Department</td>
<td>5. ALM Department (Assets &amp; Liabilities Mgmt)</td>
<td>5. Rating Department</td>
</tr>
<tr>
<td>(A) Financial Holdings &amp; Valuation Department</td>
<td>10. General Secretariat</td>
<td>10. Companies Marketing Department</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>José João Guilherme (JGG)</th>
<th>Nelson Machado (NM)</th>
<th>Luis Pereira Coutinho (LPC)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Retail Banking (South)</td>
<td>1. Retail Banking (North)</td>
<td>1. Private Banking</td>
</tr>
<tr>
<td>2. Retail Banking (Centre South)</td>
<td>2. Retail Banking (Centre North)</td>
<td>2. Banque Privé BCP (Switzerland)</td>
</tr>
<tr>
<td>3. Companies Banking (South)</td>
<td>3. Companies Banking (North)</td>
<td>3. Bank Millennium (Poland)</td>
</tr>
<tr>
<td>4. International Department</td>
<td>4. Madeira Regional Department</td>
<td>4. Millennium Bank (Greece)</td>
</tr>
<tr>
<td>5. Treasury &amp; Markets Department</td>
<td>5. Azores Regional Department</td>
<td>5. Millennium Bank (Turkey)</td>
</tr>
<tr>
<td>6. Direct Banking Department</td>
<td>6. Retail Banking Support Division</td>
<td>6. Bank Millennium (Romania)</td>
</tr>
<tr>
<td>7. Millennium b.i.m.</td>
<td>7. Microcredit Department</td>
<td>7. Millennium binbank (USA)</td>
</tr>
</tbody>
</table>

| Miguel Maya (MM) | | |
|-----------------|---------------------|
| 1. Corporate Department I | | |
| 2. Corporate Department II | | |
| 3. Investment Banking Department | | |
| 4. Specialized Credit Department | | |
| 5. Credit Recovery Department | | |
| 6. ActiveBank07Blue Project | | |

### Company Secretary

The Executive Board of Directors appoints the Company Secretary and his/her Alternate, with their duties ceasing upon the termination of the mandate of the Board that elected them. The current Company Secretary and Alternate Secretary were re-elected to their respective duties by the Executive Board of Directors in office. Both have Law degrees, recognised experience and merit to perform the duties required by the position. Their functions are, namely to perform secretarial duties in meetings of the governing bodies, produce certificates of the actions of the governing bodies and powers of the respective members, meet the requests of the Shareholders relative to their right to information, produce certificates of copies of minutes and other company documents. The Company Secretary also provides legal counsel to the corporate bodies on corporate issues or any other that may be eventually requested.

**Company Secretary:** Ana Isabel dos Santos de Pina Cabral  
**Alternate Company Secretary:** António Augusto Amaral de Medeiros
Committees, Commissions and Corporate Areas

Regarding the internal organisation of the company and decision-making structure, it is important to mention the existence of a series of Committees and Commissions which, apart from the Directors who have been entrusted with the responsibility to specifically follow matters within their scope of action, also include the Employees of the Bank or Group who are the persons in charge of their respective areas.

Currently, there are five Coordination Committees, aiming at facilitating the articulation of current managerial decisions, involving the senior management of the units included in each of the Business Areas and Bank Service Units, with the mission of reconciling perspectives and supporting the managerial decision-making process of the Executive Board of Directors.

Retail and Companies Coordination Committee

This Committee is composed of fourteen members, including, apart from the Directors responsible for the related areas, Vítor Fernandes, José João Guilherme and Nelson Machado, the persons in charge of the Companies Banking Department, Companies Banking North, Centre-South Coordination Department, Centre-North Coordination Department, Direct Banking Department, Management Information Department (MID), Marketing Department, Companies Marketing Department, Retail Coordination Departments – South and North and the Network Support Department.

Its department’s mission is to coordinate the Bank’s Retail business in Portugal, being responsible for defining the business strategy proposal and for its implementation in the different distribution channels. Some of the departments that are part of this committee are also responsible for serving, in Portugal, the customers of the Companies segment, making their personalized follow-up, capturing potential customers, developing competences in terms of design, management and support to the sale of the products and services, acting pro-actively to create instruments that allow the Bank to optimise customer management, so as to maximise the value added and the level of satisfaction.

This Committee submits proposals on the guidelines covering the management of the respective areas of action, being responsible for their articulation with the other functional areas of the Bank.

Corporate and Investment Banking Coordination Committee

This Committee is composed of eleven members, including, apart from the Directors responsible for the related areas, José João Guilherme and Miguel Maya, the persons in charge of the Corporate I and II Departments, International Department, Specialized Credit Department, Management Information Department (MID), Real Estate Promotion Department, Treasury and Markets Department, Investment Banking Tax Advisory Department and the Investment Banking Department.

The mission of the departments part of this committee is to provide services for customers of the corporate and investment banking segments in Portugal. This Committee is also responsible, throughout the entire Group, for the follow-up and management of the international area and products for Leasing, Renting, Factoring, Real Estate Promotion, Protocol Loans and/or Re-financing Loans, acting pro-actively to create instruments that allow the Bank to optimise customer management, so as to maximise the value added and the level of satisfaction. This Committee submits proposals on the guidelines covering the management of the respective areas of action.

It also manages the relations with the several Chambers of Commerce of which the Bank is an associate and the relations with Public Entities such as IAPMEI, AICEP and Mutual Guarantee Companies.
**Private Banking and Asset Management Coordination Committee**

This Committee is composed of seven members, including, apart from the Directors responsible for the related areas, Nelson Machado and Luís Pereira Coutinho, the persons in charge of the Private Banking Department, Management Information Department, Millennium Banque Privée (Switzerland), Asset Management, Activobank7/Project Blue and the Wealth Management Unit (WMU). Also part of this Committee are the persons in charge of the companies in which the Bank has a stake which, at a national and multinational level, pursue their activity in areas of action of the Committee.

Its mission is to assess issues related with the areas under its supervision, especially business analysis, valuation of assets entrusted to the Bank, earnings and the analysis of sales and performance of investment funds. This Committee submits proposals on the guidelines covering the management of the respective areas of action.

**European Business Coordination Committee**

This Committee is composed of seven members, including, apart from the Directors with related areas of responsibility, Vítor Fernandes, Nelson Machado and Luís Pereira Coutinho, the persons in charge of the Group’s Banks in Poland, Romania, Greece and Turkey (the sale of this operation has already been agreed).

Its mission is to monitor, coordinate and articulate the management of the subsidiary companies located in Europe and, within the scope of its competences, submit for decision-making, proposals on subjects related to the implementation of reporting procedures on activity and financial developments to allow for a systematic and harmonised approach to the follow-up of the different operations, in terms of control of budgetary implementation, financial activity and evolution, and relative to support to decision-making and subsequent implementation of resolutions on restructuring, investment and divestment.

**Banking Services Coordination Committee**

This Committee is composed of fourteen members, including, apart from the Directors with related areas of responsibility, Paulo Macedo and Vítor Fernandes, the persons in charge of the Budget Planning and Control Department, Operations Department, Property & Logistics Department, the Security and Prevention Office, Credit Department, Credit Recovery Department, Information Technology Department, Rating Department and Banking Service Departments of the Banks in Greece, Romania and Poland.

Its department’s mission is to serve Business Units in Portugal and in other geographic areas, contributing, in a sustained manner, to cut costs and improve service quality, ensuring a degree of innovation compatible with the Group’s aspirations for growth. It analyses the information relative to the evolution of costs and main service levels of the Banking Services, as well as the proposals presented by the respective members and submits, for decision-making, proposals on subjects related to the management of the Credit Department, Credit Recovery, Operations, Property & Logistics, Security and Prevention, and IT Departments.

**Commissions**

There are six Commissions appointed by the Executive Board of Directors, essentially with overall and transversal duties, responsible for pursuing the study and assessment, for each area of intervention, of the policies and principles which should guide the actions of the Bank and Group.

**Capital Assets and Liabilities Management Commission (CALCO)**

The main duties of this Commission are the monitoring and management of the market risks associated to the asset and liability structure, the planning and allocation of capital and definition of the policies appropriate to liquidity and market risk management, for the Group as a whole.

All the members of the Executive Board of Directors are part of this Commission, as well as the Heads of the Assets and Liabilities Management Department, the Treasury and Markets Department, the Management Information Department, the Budget Planning and Control Department, the Research Office, the Risk Office and the Chief Economist.
Risk Commission

This Commission is responsible for the follow-up of all overall risk levels (credit, market, liquidity and operating risk), ensuring that these are compatible with the objectives, available financial resources and strategies approved for the development of the Group’s activity.

All the members of the Executive Board of Directors, the Risk Officer, the Compliance Officer and the Heads of the Audit Department, Treasury and Markets Department, Budget Planning and Control Department, the Rating Department, Research Office, Assets and Liabilities Management Department and Credit Department are part of this Commission.

Within the scope of the Risk Commission there is also the Pension Fund Monitoring Sub-Commission responsible for monitoring the performance and risk of the Group’s Pension Funds and establishing appropriate investment policies and hedging strategies.

Apart from Carlos Santos Ferreira, Chairman of the Executive Board of Directors, Paulo Macedo, Vice Chairman of the Executive Board of Directors, and Nelson Machado, the member of the Executive Board of Directors responsible for this area, this sub-commission also includes the Risk Officer, the Heads of the Staff Management Support, Budget Planning and Control Departments and also the General Manager of Pensões Gere (the company that manages the Pension Fund) and a representative of F&C (a funds management company advisor of the Pension Fund management company).

Pension Fund Monitoring Commission

The mission of this Commission is the follow-up of the management of the Pension Funds and issue opinion on the proposals to alter the pension plans and was established in accordance with the provisos of article 53 of the Pension Fund Law – Decree-Law 12/2006 of 20 January, in the wording given by Decree-law 180/2007 of 9 May. This Commission is responsible for the monitoring and management of the risk of the Group’s Pension Funds, as well as for the establishment of hedging strategies and suitable investment policies.

Apart from the Vice-Chairman of the Executive Board of Directors, Paulo Macedo, this Commission also includes the Risk Officer, the Heads of the Staff Management Support Department and of the Assets and Liabilities Management Department and a representative of Pensões Gere (the pension fund’s management company); the Bank also invited the Workers Commission to be part of this Commission, giving to it one of the seats the EBD is entitled to; in accordance with legal requirements are also part of this commission three representatives of the Banking Unions.

Sustainability Coordination Commission

Its mission is to define and render operational the Bank’s initiatives and programmes under the scope of its competences, submit for decision-making, proposals on subjects related to the action plan underlying the sustainability policy.

This Committee is composed of Carlos Santos Ferreira, Chairman of the Executive Board of Directors, Paulo Macedo, Vice-Chairman of the Executive Board of Directors, and the Heads of the Communication Department, Quality Department, Assets and Logistics Department, Marketing Department, Staff Management Support Department and Fundação Millennium bcp.

Stakeholders Commission

This Commission is responsible for relations with stakeholders, functioning simultaneously as a privileged channel for the disclosure of internal company information and as a forum of debate and strategic advice for the Executive Board of Directors.

Its members are individuals of high merit and a publicly recognised prestige, without ties to the Bank, being invited amongst the main stakeholders, namely shareholders, employees, customers and civil society.
Are members of this Commission the Chairman of the Executive Board of Directors, the Chairman of the Board of the General Meeting, the representative of the Workers Commission, Luís Arezes, the representative of Fundação Millennium bcp, Luís Mota Freitas, in representation of the Customers, DECO, embodied by Jorge Morgado, in representation of the Suppliers, IBM, embodied by José Joaquim Oliveira, and in representation of the Universities, Luís Campos e Cunha.

Credit Commission

This Commission issues opinions on credit granting to customers or economic groups with overall high exposure to risk, namely in transactions involving the renewal or review of credit lines and limits, one-off operations or mid-term reviews of credit lines and limits which represent considerably increased exposure to risk. The competences of the Credit Commission cover other types of credit operations, namely, project finance operations, collateralised operations with financial assets from the sales networks of the Bank, operations funding real estate promotion, real estate and movable asset leasing operations, factoring operations and operations involving the restructuring of current liabilities at the Bank.

The Commission is composed of: a minimum of three members of the Executive Board of Directors and the Heads of: the Credit Department, the Credit Recovery Department, the Litigations Department, the Rating Department, the Legal Department and the Risk Officer of the Group. This Commission also includes, according to the specific operations to be assessed or their nature, the Coordinating Managers of the Commercial Areas and Investment Banking, the Specialised Credit, the Real Estate Promotion Department, the person in charge of the Corporate II Department, Level 3 Credit Managers and the Compliance Officer.

Business Areas and Support Units

The graphic below presents the Bank’s organisation relative to business activity and support.
In addition to those presented above, we consider that, in view of their functions, the following corporate areas deserve particular emphasis: Compliance Office, Audit Department and Risk Office.

**Compliance Office**

The mission of the Compliance Office is to ensure that the management bodies, functional structures and all the Employees of Banco Comercial Português Group comply with the legislation, rules and regulations (internal and external) which guide the activity of the Bank and its associates. In the performance of its duties, the Compliance Office relates directly with the Executive Board of Directors, the Audit Committee of the Supervisory Board.

The main lines of action of the Compliance Office focus on the implementation of a culture of compliance in the different business units of the Banco Comercial Português Group, together with the development and implementation of internal policies which are adequate and comply with the regulations, involving Employee training, Customer monitoring, transactions and the implementation of the best practices in terms of Customer Due Diligence, Know Your Counterparts, Know Your Transactions and Know Your Processes (compliance risk control at the level of operating processes).

In all countries where the Group operates through a subsidiary company, a local Compliance Officer, working under the Group Compliance Officer, assures compliance with the legal requirements of the incorporation country:

**Compliance Officer:** Carlos António Torroaes Albuquerque

**Audit Department**

The Audit Department is responsible for the Internal Audit function of Banco Comercial Português. The Department carries out its mission by adopting principles of internal auditing which are internationally recognised and accepted, aimed at assessing whether the processes of risk identification and management, internal control and governance of the Bank and Group are adequate, effective and designed to ensure that:

- the risks are duly identified and managed;
- the controls implemented are correct and proportional to the risks;
- the different governing bodies interact in an adequate, effective and efficient manner;
- the operations are recorded correctly and the operational, financial and managerial information is rigorous, reliable and in due time;
- the safeguarding and security of the interests and assets of the Bank and Group or which were entrusted to them are duly ensured;
- the Employees perform their duties in conformity with the internal policies, rules and procedures and with the legislation and other applicable regulations;
- the resources are acquired economically, used efficiently and protected adequately;
- the programmes, plans and objectives defined by the management are followed;
- the overall quality of the organisation and its continuous improvement are fostered by the internal control procedures;
- the legal and regulatory matters of impact on the organisation are recognised, clearly understood and duly addressed.
The activity of the Audit Department contributes to the pursuit of the objectives defined in Notice number 5/2008 of the Banco de Portugal for the internal control system of the institutions covered by the General Framework for the Credit Institutions and Financial Companies, ensuring the existence of:

- an adequate control environment;
- a solid risk management system;
- an efficient information and communication system;
- an effective monitoring process.

In the performance of its duties, the Audit Department relates directly with the Executive Board of Directors and the Audit Committee of the Supervisory Board.

**Person in Charge:** António Pedro Nunes de Oliveira

**Risk Office**

The main function of the Risk Office is to support the Executive Board of Directors in developing and implementing risk management and control processes. This activity is described in greater detail in paragraph II.5.

In the performance of its duties, the Risk Office relates directly with the Executive Board of Directors and the Audit Committee of the Supervisory Board.

**Risk Officer:** José Miguel Bensliman Schorcht da Silva Pessanha

**II.4. Reference to the fact that the annual reports on the activity developed by the General and Supervisory Board, the Financial Matters Committee, Audit Committee and Supervisory Board include a description of the supervisory activity carried out, noting any constraints detected, and are disclosed on the company’s Internet site, together with the documents presenting the accounts**

The description of the supervisory activity carried out by the Supervisory Board and the Audit Committee are in the respective annual reports and opinions published together with the documents presenting the accounts, which are disclosed on the Bank’s Internet site, on the page with the following direct address: http://www.millenniumbcp.pt/pubs/pt/investidores/informacaofinanceira/apresentacaoderesultados.

**II.5. Description of the internal control and risk management systems implemented in the company, namely, relative to the process of disclosure of financial information, mode of functioning of this system and its effectiveness**

**The Internal Control System**

The Internal Control System is defined as the set of principles, strategies, policies, systems, processes, rules and procedures established in the Group aimed at ensuring:

- an efficient and profitable performance of the activity in the medium and long term, which guarantees the effective use of the assets and resources, the continuity of the business and actual survival of the Group, namely through the adequate management and control of the risks of the activity, the prudent and correct evaluation of the assets and liabilities, as well as the implementation of mechanisms for prevention and protection against non-authorized, intentional or negligent action;
- the existence of financial and managerial information which is complete, pertinent, reliable and timely, to support decision-making and control processes, both at an internal and external level;
observance of the applicable legal and regulatory provisions issued by Banco de Portugal, including those relative to the prevention of money laundering and financing of terrorism, as well as the professional and deontological standards and practices, internal and statutory rules, codes of conduct and of customer relations, guidelines of the governing bodies and recommendations of the Basel Banking Supervisory Committee and Committee of European Banking Supervisors (CEBS), so as to preserve the image and reputation of the institution before its customers, shareholders, employees and supervisors.

In order to achieve these objectives, the Internal Control System is based on the Compliance, Risk Management and Internal Audit functions, centralised and transversal across the Group, with the persons in charge being nominated by the Executive Board of Directors of BCP, after the Supervisory Board has been heard, and are directly related to the Audit Committee.

The Internal Control System is based on:

- an adequate internal control environment;
- a solid risk management system, aimed at the identification, evaluation, follow-up and control of all risks which might influence the activities of the Group;
- an efficient information and communication system, instituted to guarantee the collection, processing and transmission of relevant, encompassing and consistent data, within a period of time and manner allowing for the effective and timely management and control of the activity and of the institution’s risks;
- an effective monitoring process, implemented with a view to ensuring the adequacy and effectiveness of the actual internal control system over time, which guarantees, namely, the immediate identification of any deficiencies (defined as the group of existing, potential or real insufficiencies, or of opportunities for the introduction of improvements to permit strengthening the internal control system);
- strict compliance with all the legal and regulatory provisions in force, by the Group’s employees in general, and by the people who hold senior or directorship positions and members of the management board in particular, also complying with the Group’s Code of Professional Conduct and codes of conduct to which banking, financial, insurance and intermediation in securities or derivatives activities are subject.

The Risk Management, Information and Reporting systems

The Internal Control System covers two sub-systems of internal control: the Risk Management System and Information and Reporting System.

The Risk Management System is responsible for taking into consideration the risks related to credit, market, interest rate, exchange rate, liquidity, compliance, operating, information systems, strategy and reputation, as well as all other risks which, in view of the specific situation of the institutions of the Group, could materialise.

The activities that compose the Risk Management System are aimed at the evaluation, follow-up and control of risks, consisting of policies and procedures that are appropriate and clearly defined, with a view to ensuring that the objectives of the institution are achieved and that the necessary measures are taken to respond adequately to the previously identified risks.

The function of the Information and Reporting System is to ensure the existence of information which is substantive, up-to-date, understandable, consistent, timely and reliable, to permit an overall and encompassing vision of the financial situation, development of the business, compliance with the strategy and objectives which have been defined, risk profile of the institution and behaviour and prospects of evolution of the relevant markets.

The financial information process is supported by the accounting and management support systems which record, classify, associate and archive, in a timely, systematic, reliable, complete and consistent manner; all the operations carried out by the institutions and its subsidiaries, in accordance with the determinations and policies issued by the Executive Board of Directors.
These two sub-systems of the Internal Control System are managed in the Risk Management area by the Risk Office and in the Information and Communication area by the Budget Planning and Control Department, by the Accounts and Consolidation Department and by the areas responsible for the accounts in the different subsidiary companies. The activity of the Risk Office is transversal across the Group and includes the coordination of the local risk management structures. The Accounting and Consolidation Department and the Budget Planning and Control Department receive and centralise the financial information of all the subsidiary companies.

In this way, the Risk Office, the Accounting and Consolidation Department and the Budget Planning and Control Department ensure the implementation of the procedures and means required for obtaining all the relevant information for the information consolidation process at the level of the Group – of accounting nature, as well as relative to management support and the follow-up and control of risks – which should cover, namely:

- the definition of the contents and format of the information to be reported by the Entities included in the consolidation perimeter, in accordance with the accounting policies and guidelines defined by the Executive Board of Directors, as well as the dates when the reporting is required;
- the identification and control of the operations within the Group;
- the guarantee that the managerial information is coherent between the different Entities, so that it is possible to measure and monitor the evolution and profitability of each business, verify compliance with the objectives that have been established, as well as evaluate and control the risks incurred by each entity, both in absolute terms and relative terms.

II.6. Responsibility of the management board and supervisory board in the creation and functioning of the company’s internal control and risk management systems, as well as in the evaluation of their functioning and adjustment to the company’s needs

Responsibilities of the Executive Board of Directors in the context of the Internal Control System

In the context of the Internal Control System and, more specifically, of the Risk Management System, the Executive Board of Directors must ensure that it has adequate knowledge of the types of risks to which the institution is exposed and of the processes used to identify, evaluate, follow and control these risks, as well as of the legal obligations and duties to which the institution is subject, being responsible for the development and maintenance of an appropriate and effective risk management system.

Hence, the Executive Board of Directors is responsible for:

- defining and reviewing the overall objectives and specific objectives for each functional area, with respect to the risk profile, decision levels and degree of tolerance relative to risk;
- approving policies and procedures which are specific, effective and adequate for the identification, evaluation, follow-up and control of the risks to which the institution is exposed, ensuring their implementation and fulfilment;
- approving, prior to their introduction, the new products and activities of the institution, as well as the respective risk management policies;
- verifying, in a regular manner, compliance with the risk tolerance levels and risk management policies and procedures, assessing their effectiveness and continuous adequacy to the institution’s activity, so as to enable the detection and correction of any deficiencies;
- requesting the preparation and assessment of periodic reports, which are precise and complete, on the main risks to which the institution is exposed and reports that identify the control procedures implemented to manage these risks;
- ensuring the effective implementation of its guidelines and recommendations so as to introduce corrections and/or improvements in the Risk Management System;
- ensuring that the risk management activities have sufficient independence, status and visibility and are subject to periodic reviews;
• issuing opinions on the reports prepared by the Risk Management and Compliance functions, namely, on the recommendations for the adoption of corrective measures.

The Executive Board of Directors is also responsible for ensuring the implementation and maintenance of information and communication processes which are adequate to the institution’s activity and risks, for defining the accounting policies to be adopted, for establishing the guidelines and for defining the options which, in the context of such policies, must be taken, also approving the outputs of the reporting or external dissemination produced by the Accounting and Consolidation Department and the Budget Planning and Control Department.

II.7. Indication of the existence of working regulations for the corporate bodies, or other rules relative to incompatibilities defined internally and the maximum number of positions which can be accumulated, and place where they can be consulted

The Supervisory Board and the Executive Board of Directors have their working Regulations, which can be consulted on the Bank’s site, directly through the following address:


Banco Comercial Português, apart from fully respecting the legal requirements on these matters, has in its own Articles of Association specific limitations in relation to this issue, contained in article 12, transcribed below:

“Article 12
Incompatibilities

1 – The exercise of functions in any governance body is incompatible:
   a) with the exercise of functions, of any nature whatsoever, by appointment to corporate office or by employment contract, in another credit institution with a registered office in Portugal or with an affiliate or branch in Portugal in a controlling or group relationship with it; and
   b) with direct or indirect ownership of a holding of more than 2% of the share capital or voting rights of another credit institution with a registered office in Portugal or with an affiliate or branch in Portugal.

2 – In case of a law firm or an audit firm, the incompatibility referred to in the previous paragraph refers only to the partner that represents the firm in the performance of duties.

3 – The position of member of any governance body is also incompatible:
   a) with the status of competing company or person, whether individual or corporate entity, related to a company competing with the Bank;
   b) with the nomination, even if not legally binding, for member of a governance body made by a competing company or by a person, whether individual or corporate entity, related to a company competing with the Bank.

4 – For the purposes of these Articles of Association, a person related to a competing company is:
   a) the one whose voting rights are attributable to the latter under article 20 of the Securities Code or any provision that comes to modify or replace it;
   b) the one that, either directly or indirectly, holds, in a competing company, in a company in control or group relation with the latter, as defined in article 21 of the Securities Code, or provision that comes to modify or replace it, or in a company, depending either directly or indirectly on it, a holding equal to or above ten per cent of the voting rights corresponding to the share capital of the subsidiary.

5 – The position of Director is further incompatible with the exercise of functions, of any nature whatsoever, by appointment to corporate office or by employment contract, in any other commercial company.

6 – The exercise of function in corporate bodies or ownership of holdings in companies in which Banco Comercial Português has a direct or indirect holding of more than 2% are excluded from the provisions of the foregoing paragraphs, provided that, in the event of exercise of corporate office, the appointment is made with the vote of
the Bank or of a company controlled by the Bank, or that the Bank or such company previously express their agreement.

7 – The incompatibilities set forth in paragraphs 1 and 2 shall constitute impediment to the exercise of functions in Banco Comercial Português for which the person shall have been elected; the impediment lasting for six months, without an end having been put thereto, shall determine loss of office.

8 – The incompatibilities set forth in the foregoing paragraphs to this article may, to the extent permitted by law and subject to favourable and prior resolution of the General Meeting that proceeds to the election, not apply to the exercise of functions as an elected member of the Supervisory Board as long as, cumulatively:

a) the competing company or the person, whether individual or corporate body, related to the competing company does not have its registered office, domicile, delegation or representation in Portuguese territory, nor does it exercise there, by any means, a competing activity;

b) the competition relation is expressly referred and precisely identified in the election proposal;

c) the shareholder, i.e. competing corporate entity or person, whether individual or corporate entity, related to the competing corporate entity, or, necessarily, the ultimate corporate entity controlling the competing corporate entity, when it is a company depending on another corporate entity, has entered into an agreement with the company in favour of the latter and of third parties, of which are beneficiaries the remaining shareholders of the company, under which he/she/it is bound, except in case of consent granted by favourable vote of more than half of the shares held by the beneficiaries, not to acquire or hold, either directly or indirectly, a holding corresponding to, under article 20 of the Securities Code, or any provision that comes to modify or replace it, a percentage above ten per cent of the voting rights of the company’s share capital.

9 – The agreements mentioned in paragraph c) above shall be approved by the Supervisory Board as a requisite for the election to be effective, which is considered to be made under that suspensive condition;

10 – The member of the Supervisory Board elected in accordance with paragraph 8 above may not attend or take part in the meetings, or parts of meetings, in which matters with competitive risk or sensitivity, namely matters with incidence in the markets where there is competition with the company, are discussed, nor may have access to the correspondent information and documentation. The Supervisory Board, especially its Chairman, shall assure the compliance with this regulation.

11 – Apart from what is expressly determined in these Articles of Association, the legal and regulatory rules on prevention of conflicts of interest will always be applicable to all governance bodies.”

Likewise, the matter of incompatibilities is also addressed in the Bank’s Professional Code of Conduct, in article 20, transcribed below:

“Article 20
Exclusivity

1 – Given the degree of responsibility and the demands of the individual duties and the rigour and transparency of the decisions underlying the business, work shall be provided on an exclusive basis.

2 – The BCP Board of Directors shall be informed of any accumulation of jobs carried on within the Banco Comercial Português Group or on its behalf with duties or activities not related to the said Group, and the Board may determine the incompatibility of the latter duties or activities or not.”

Furthermore, performance of duties in the Supervisory Board is subject to specific rules, established in article 4 of the respective regulations, transcribed below:
Article 4
(Incompatibilities)

1 – The exercise of the functions as member of the SB is subject to the incompatibilities regime established by the Law and the Bank’s Articles of Association.

2 – If, after his/her election occurs, or it is expected to occur; a change in the personal circumstances of any SB member that may eventually constitute an incompatibility in accordance with the conditions stated in the previous number; the SB member in question must immediately inform in writing the Chairman of the SB and the Company Secretary.

3 – In accordance with nr.5 of article 414 of the Companies Code, the Board members that at the moment of his/her election are considered independent, must immediately issue the written statement referred to in the previous number in the event any circumstance that may affect this condition occurs or is expected to occur.”

Section II – Board of Directors

As mentioned on page 291 in the General Note to this Report since the issues addressed in this section totally ignore the characteristics, functions and competences of the Executive Board of Directors, and are specifically applicable to companies with a one-tier or anglo-saxon type of governance model, it is considered that this section does not apply to the management board of Banco Comercial Português.

However and because, in accordance with the a.m. General Note, it is the objective of the present report to convey the governance rules of this company in a complete and transparent manner; we will endeavour to provide the information requested, with the necessary adaptations and within the listed constraints.

II.8. Should the chairman of the management board perform executive duties, indication of the mechanisms for the coordination of the work of the non-executive members which ensure the independent and informed character of the decisions

In the two-tier model, which has been adopted by Banco Comercial Português, the Directors with executive functions are part of the Executive Board of Directors – with the Supervisory Board being entrusted with some of competences such as control and monitoring – which in the anglo-saxon or one tier model belong to the non-executive directors – besides the SB’s specific competences.

Hence, in the two-tier model, different people, imperatively, perform the duties of the Chairman of the Executive Board of Directors and of the Supervisory Board, with the Audit Committee emanating from the Supervisory Board.

In the anglo-saxon model, the Board of Directors includes executive and non-executive directors, it only has one chairman and this chairman may also be the chairman of the Executive Committee and the Audit Committee is composed of members of that Board of Directors.

Comparing the two models, it must be concluded that in the two-tier model the mechanisms for the coordination of the work of the members of the Supervisory Board which ensure the independent and informed character of its decisions are inherent to the actual structure of the model and are certainly guaranteed by the fact that they have their own Chairman and an Audit Committee that is totally autonomous of the Executive Board of Directors and that, it must be recalled, is the first receiver of the audit reports.

II.9. Identification of the main economic, financial and legal risks to which the company is exposed during the exercise of its activity

On this issue, see the information provided in the Annual Report and Accounts for 2009, Volume I – “Risk Policy and Management”.
II.10. Powers of the management board, namely with respect to the deliberations relative to increased share capital

Under the terms of the articles of association of the Bank, the Executive Board of Directors can, when it believes this to be convenient, after having obtained the favourable opinion of the Supervisory Board, increase the share capital, once or more times, until the total value of the increase corresponds to three quarters of the existing share capital on the date when the authorisation was granted or on the date of each of any of its renewals.

The authorisation to resolve on the increase of share capital was granted at the General Meeting held on 13 March 2006, and will expire, should it not be renewed, on 12 March 2011.

The authorisation to increase the share capital was used in 2006 and 2008, with the increases carried out in this manner having reached a total of 1,106,268,662 euros, remaining 1,584,979,841 euros left unused under the authorization granted.

II.11. Information on the policy of rotation of the areas of responsibility within the Board of Directors, namely of the person responsible for financial matters, as well as on the rules applicable to the nomination and replacement of members of the management and supervisory boards

Since the management teams are chosen as a whole according to the capacities, qualifications and professional experience of each member, and recognising that not all the Directors can carry out all the duties with the same capacity and level of performance, it is considered that it would be counterproductive to have a rigid and abstract policy of rotation of areas of responsibility.

The action of Banco Comercial Português on this matter has been, at any given time and after careful consideration on the characteristics and personal and professional experience of each member of the Executive Board of Directors, to proceed with the rotations considered suitable to safeguard the best interests of the company. Therefore, the rotation of areas of responsibility has occurred with some regularity that need to be submitted to the Supervisory Board, which require the opinion of the Nominations Committee for issuing that resolution.

The Chief Financial Officer has been in office since 15 January 2008.

The members of the Supervisory Board and the Statutory Auditor can be elected only at the General Meeting and in the event of the occurrence of vacancies which cannot be filled by the elected alternate members, only the General Meeting can proceed with their respective appointment through a new election. Therefore, any rotation pertains solely to the Shareholders.

Regarding the members of the Executive Board of Directors, which are also elected at the General Meeting, in the event of the absence or temporary impediment of any of them, it is the responsibility of the Executive Board of Directors to provide for their replacement, which should receive the favourable opinion of the Supervisory Board and later on be ratified at the next General Meeting.

II.12. Number of meetings of the management and supervisory boards, and reference to the drawing up of the minutes of these meetings

Please see the answer to II.13.

II.13. Indication of the number of meetings of the Executive Committee or Executive Board of Directors, and reference to the drawing up of the minutes of these meetings and their remittance, accompanied by the call notices, as applicable, to the Chairman of the Board of Directors, to the Chairman of the Supervisory Board or of the Audit Committee, to the Chairman of the General and Supervisory Board and to the Chairman of the Financial Matters Committee

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During the financial year of 2009, the Supervisory Board met 11 times, with an attendance rate of 87.1%. All absences were duly and previously justified.

During the financial year of 2009, the Executive Board of Directors met 54 times, with an attendance rate of 88.6%. All absences were duly and previously justified with most being due to the need to travel for motives of performance of duties and representation of the Bank. As a rule, the Executive Board of Directors meets every Tuesday.

During the financial year of 2009, the Audit Committee, duly called to meeting, met 18 times, with an attendance rate of 93%.

Minutes are drawn up of all the meetings of the General and Supervisory Board, Executive Board of Directors and Financial Matters Committee.

The file relative to each meeting of the Executive Board of Directors, including draft minutes for approval, agenda and supporting documents, is sent by the Company Secretary, with the necessary time in advance, to the members of the Executive Board of Directors, to the Office Supporting the Supervisory Board, the structure providing support to the Supervisory Board, to its Chairman and, in particular, to the Audit Committee.

Since the management board is an executive body, there is no delegation of competences in the real sense of the term. There is, however, a clear distribution of areas of responsibility amongst the Directors, who are assisted by various committees and departments.

**II.14. Distinction between the executive and non-executive members and, amongst them, discrimination between the members which would comply, if the rules of incompatibilities established in article 414-A (1) of the Companies Code were applicable to them, with the exception laid out in sub-paragraph b), and the criteria of independence established in article 414 (5), both in the Companies Code**

The present paragraph is not applicable to the two-tier model adopted by Banco Comercial Português.

Taking into consideration that, as mentioned above, some corporate governance issues regarding non-executive directors of the one tier and anglo-saxon models are reported as being applicable to the members of the Supervisory Board, the description of the incompatibility rules and independence criteria is made in paragraph II.17. of this Report.

**II.15. Indication of the legal and regulatory rules and other criteria underlying the assessment of the independence of its members made by the management board**

Not applicable to the two-tier model of corporate governance adopted by Banco Comercial Português. Regarding the Supervisory Board, the rules and criteria of independence adopted are those mentioned in article 414 (5) of the Companies Code and in nr. 2 of the Corporate Governance Recommendation made in the Circular-Letter of Banco de Portugal nr: 24/2009/DSB dated of 27 February 2009.

**II.16. Indication of the rules of the process of selection of candidates to non-executive directors and way they ensure the non-interference of the executive directors in this process**

In view of the two-tier model of governance adopted by Banco Comercial Português, there are no non-executive Directors; therefore the present point is not applicable.

It should be recalled that the members of the Supervisory Board must be elected at the General Meeting, through proposal formulated by the shareholder(s), who should provide the curricula of the proposed members for prior consultation by the shareholders, 15 days in advance of the date when the elective General Meeting will be held.
Furthermore, it should be added that, once elected, the members of this board cannot take up office until Banco de Portugal, the supervisory entity, has analysed the respective curricula and proceeded with the competent registration.

For all the reasons presented above, the impossibility of the executive directors interfering in this process is considered fully guaranteed.

II.17. Reference to the fact that the company’s annual management report should include a description of the activity developed by the non-executive directors and any constraints which have been detected

Once again and in view of the model of governance adopted by Banco Comercial Português, the present point is not applicable.

Since there are no non-executive directors, and considering the correspondence used to analyse the two tier model, the activities performed by the members of the Supervisory Board, including possible constraints (that did not occur), are described in the report and opinion of the Supervisory Board which are provided together with this Corporate Governance Report and are an integral part of the financial statements.

II.18. Professional qualifications of the members of the Board of Directors, indication of the professional activities carried out by them, at least, over the past five years, number of company shares they own, date of the first nomination and date of the end of mandate

Annexed to the present report (Annex I) is a description of the respective professional qualifications and activities carried out by the Executive Board of Directors over the past five years, as well as the number of company shares they own.

The Executive Board of Directors was elected for the mandate of 2008/2010, which ends on 31 December 2010, at the General Meeting held on 15 January 2008. Under the terms of the law, the Directors should remain in office until the General Meeting that will proceed with the election of the new members of the governing bodies, due to be held by the end of May 2011.

II.19. Positions that the members of the management board hold in other companies, detailing those held in other companies of the same group

The positions held by members of the management board in other companies are indicated in Annex I to the present Report.

In accordance with the Bank’s Articles of Association, the position of Director is incompatible with the performance of duties, of any nature whatsoever, by appointment to a corporate office or through a work contract, in any other commercial company, unless the election has been carried out through vote at the Bank or company controlled by the Bank, or where one or the other have expressed prior agreement. This election must receive the favourable opinion of the Supervisory Board.
Section III – General and Supervisory Board, Financial Matters Committee, Audit Committee and Supervisory Board

As applicable:

II.21. to II.24

Not applicable.

II.25. Identification of the members of the General and Supervisory Board and of other committees and commissions constituted within them for the effects of the assessment of the individual and overall performance of the executive directors, reflection on the system of governance adopted by the company and identification of potential candidates with the profile for the position of director

See point II.1. above.

II.26. Statement that the members comply with the rules on incompatibility established in number 1 of article 414-A, including sub-paragraph f), and the criteria on independence established in number 5 of article 414, both of the Companies Code. For the effect, the general and supervisory board carries out the respective self-assessment

See point II.1. above.

Based on the information gathered from the members of the Supervisory Board, the Sustainability and Corporate Governance Committee and Nominations Committee appraised the information provided in point II.1., which was approved by that corporate body.

II.27. Professional qualifications of the members of the General and Supervisory Board and of other committees and commissions constituted within it, indication of the professional activities carried out by them, at least, over the past five years, number of company shares they own, date of the first nomination and date of the end of mandate

Annexed to the present report is a description of the respective professional qualifications and activities carried out by the Supervisory Board over the past five years and the number of company shares they own and in point II.1.B) the date of their first nomination and of their term-of office.

II.28. Positions that the members of the general and supervisory board and of other committees and commissions hold in other companies, detailing those held in other companies of the same group

The positions held by members of the Supervisory Board in other companies are indicated in the annex to the present Report.

II.29. Description of the remuneration policy, including, namely, that of the directors in observance of number 3 of article 248-B of the Securities Market Code, and that of other workers whose professional activity might have a relevant impact on the company’s risk profile and whose remuneration contains an important variable component

There are no remuneration criteria that distinguish the senior executives from the remaining members of the Bank’s Senior Management. Thus, the respective remuneration comprehends the base-remuneration corresponding to the level established in the collective work agreement and a supplement that varies depending on the individual statute and evolution of his/her professional career; i.e. on the professional category, the remuneration level, seniority degree, individual merit and the attributed level of responsibility. The individual differentiation, equally adopted in what
concerns the remaining Bank’s employees, must comply with the following criteria: level of classification in the Collective Agreement, seniority degree, individual merit and attributed level of responsibility.

During the financial year of 2009 no variable part was included in the estimation of the remunerations of the Bank’s workers at the Management level.

**Section IV – Remuneration**

**II.30. Description of the remuneration policy of the management and supervisory boards referred to in article 2 of Law nr. 28/2009, of 19 June**

In the governance model adopted by the Bank, the Remuneration and Welfare Board establishes the remuneration of the Executive Directors. However, it is important to take into account the statutory provisions that determine that the remuneration of the Executive Board of Directors can be composed of a fixed part and a variable part, expressed in a participation that does not exceed 2% of the profit for the year.

The remuneration policy of the Executive Board of Directors was submitted for consultation at the Annual General Meeting of 2009, which approved it with a favourable expression of 99.6% of the votes.

However, during the financial year of 2009 and with a view to its simplification, the Remuneration and Welfare Board decided to review the Remuneration Model of the Executive Board of Directors, which was then drawn up as follows:

**“Remuneration Model of The Executive Board Of Directors**

Considering that the remuneration policy of the Executive Board of Directors should be simple, transparent and reflect the competitive position of Millennium bcp as a reference at a national and international level, in addition to ensuring its necessary alignment with the overall retributive policy of the Institution, being focused on the creation of added value for the shareholder and on promoting and rewarding the achievement of the Bank’s results, in the short and long-term, supporting the implementation of prescribed sustained growth.

The main guidelines of the remuneration policy for the Executive Board of Directors are transcribed below:

**I.**

The remuneration of the Members of the Executive Board of Directors is composed by:

a) the Monthly Fixed Remuneration, paid 14 times a year and defined based on the Bank’s position in comparison with a benchmark of Portuguese companies, composed by companies listed in PSI-20 with size or features similar to those of Millennium bcp;

b) the Annual Variable Remuneration, paid only once to the Members of the Executive Board of Directors in effect in the month of the payment of dividends approved at the Annual General Meeting. This definition of this remuneration depends on a benchmark based on the practices of the European financial sector;

c) the Pluriannual Variable Remuneration, computed for the three year term-of-office, provisioned every year and paid all at once the year after the end of the term-of-office, in the month of the payment of dividends approved at the Annual General Meeting. This definition of this remuneration depends on a benchmark based on the practices of the European financial sector.

If a Director takes on functions while a term-of-office is underway, the Pluriannual Variable Remuneration shall be adjusted to the number of months completed in office, out of the total number of months in a complete term-of-office.
II.

a) the three components of the remuneration listed above are approved by the Remuneration and Welfare Board;

b) despite the computation and provisioning of the sums part of the Pluriannual Variable Remuneration, their effective payment requires the confirmation of the Remuneration and Welfare Board, according to paragraph VI (d and following), below.

III.

a) the Annual Variable Remuneration cannot surpass 130% of the Annual Fixed Remuneration, which totals the 14 months of the monthly fixed remuneration;

b) the Pluriannual Variable Remuneration cannot surpass 130% of the Annual Fixed Remuneration for each year in office;

c) the variable remuneration, as a whole and for all the Members of the Executive Board of Directors, cannot surpass 2% of the net income achieved in the financial year; considering that only seven Members compose the present Executive Board of Directors. Any changes to its current number of Members may imply a revision of the limit defined.

IV.

The approval of the Monthly Fixed Remuneration of the Members of the Executive Board of Directors obeys the following rules:

a) Chairman – autonomous remuneration;

b) Vice-Chairmen – amount computed based on a percentage of the Chairman’s remuneration, varying between 70% and 80% of that remuneration. The Monthly Fixed Remuneration of each Vice-Chairman may be the same or different, taking into consideration his seniority in the position and his performance assessment, to be undertaken by the Remuneration and Welfare Board pursuant to a proposal made by the Executive Board of Directors;

c) Members – amount computed based on a percentage of the Chairman’s Monthly Fixed Remuneration, varying between 60% and 70% of that remuneration, computed according to the criteria described in the previous paragraph for the Vice-Chairmen’s Monthly Fixed Remuneration;

d) The Monthly Fixed Remuneration of the Members of the Executive Board of Directors may be updated and/or raised pursuant to a proposal from the Remuneration and Welfare Board. These updates and/or rises must take into consideration the rises given to General Managers.

V.

The Annual Variable Remuneration of the Members of the Executive Board of Directors shall depend on the Group’s earnings, resulting from the Group’s economic performance, computed by the Remuneration and Welfare Board in the same manner for all the Members of the Executive Board of Directors.
The Annual Variable Remuneration is computed based on the degree of objective fulfilment of the Group’s results, which will determine the percentage to be earned by the member of the Executive Board of Directors, as follows:

**Table 1**

**Payment formula**

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<thead>
<tr>
<th>Variable remuneration</th>
<th>Grup’s earnings</th>
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<tbody>
<tr>
<td>% of objective fulfilment (of the Group’s earnings)</td>
<td>Base salary %</td>
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For the percentage of objective fulfilment of 50% or below 50%, the Remuneration and Welfare Board may attribute a maximum premium of 50%.

a) Group’s income – for all the members of the Executive Board of Directors.

a.1) The amounts may vary between 0 and 130% of the Annual Fixed Remuneration, being computed based on the fulfilment of the financial ‘Objectives’ set for that financial year;

a.2) The assessment of each objective must be made taking into consideration its relative fulfilment in comparison with the BEBANKS in terms of value for the shareholder and in comparison with the budget for other indicators. The ‘Objectives’ for Group earnings are computed as follows:
### Table 2

**Performance remuneration**

Objectives for short-term incentives plan

<table>
<thead>
<tr>
<th>Objective</th>
<th>Performance indicator</th>
<th>Objective</th>
<th>Value</th>
<th>Period of time</th>
<th>Evolution (on the objective)</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth</td>
<td>Operating income</td>
<td>Budget</td>
<td>20%</td>
<td>Annual</td>
<td>Earnings/Budget</td>
<td></td>
</tr>
<tr>
<td>Cost to income</td>
<td>Cost to income</td>
<td>Budget</td>
<td>20%</td>
<td>Annual</td>
<td>Earnings/Budget</td>
<td></td>
</tr>
<tr>
<td>Earnings</td>
<td>Net income</td>
<td>Budget</td>
<td>20%</td>
<td>Annual</td>
<td>Earnings/Budget</td>
<td>If the percentage achieved is below 80% of the objective’s evolution, it should be zero.</td>
</tr>
<tr>
<td>Profitability</td>
<td>ROE (1)</td>
<td>Budget</td>
<td>20%</td>
<td>Annual</td>
<td>Earnings/Budget</td>
<td></td>
</tr>
<tr>
<td>Value for shareholder</td>
<td>TSR (2)</td>
<td>Evolution of the BeBanks with dividends</td>
<td>20%</td>
<td>Annual</td>
<td>BCP/BeBanks Index</td>
<td></td>
</tr>
</tbody>
</table>

(1) This objective presumes a Core Tier 1 ratio above 5.5%. Extraordinary situations, such as capital increases or downsizing reserves not foreseen when the objectives were defined and decisions made by the shareholders may not be computed.

(2) In case of extraordinary situations (i.e., public offerings) the TSR computation must be adjusted accordingly.

a.3) In case of extraordinary events, caused by factors outside the control of the management, the annual objectives set forth may be revised pursuant to a proposal made by the Chairman of the Executive Board of Directors and its approval by the Remuneration and Welfare Board.

### VI.

**Pluriannual Variable Remuneration**

a) This component of the Variable Remuneration aims to ensure the sustainability of Millennium bcp’s performance and to continuously bind the Members of the Executive Board of Directors under these terms and conditions. This component shall not be paid in case of resignation or loss of mandate when caused by the member except death or retirement on account of age or disability. Failure to be re-elected alone does not hurt the computation of the pluriannual remuneration. The amount of the Pluriannual Variable Remuneration shall be the result of the following computation:
Table 3

Performance remuneration
Objectives for long-term incentives plan

<table>
<thead>
<tr>
<th>Objective</th>
<th>Performance indicator</th>
<th>Objective</th>
<th>Value</th>
<th>Evolution</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth</td>
<td>Operating income</td>
<td>Average fulfillment of the objectives in 2009 and 2010</td>
<td>15%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost to income</td>
<td>Cost to income</td>
<td></td>
<td>15%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Earnings</td>
<td>Net income</td>
<td></td>
<td>15%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profitability</td>
<td>ROE (1)</td>
<td></td>
<td>15%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Value for shareholder</td>
<td>TSR (2)</td>
<td>Relative growth considering the market benchmark</td>
<td>40%</td>
<td></td>
<td>Earnings/BeBanks performance</td>
</tr>
</tbody>
</table>

(1) This objective presumes a Core Tier 1 ratio above 5.5%. Extraordinary situations, such as capital increases or downsizing reserves not foreseen when the objectives were defined, and decisions made by the shareholders may not be computed. (2) In case of extraordinary situations (i.e., public offerings) the TSR computation must be adjusted accordingly.

b) as with the Annual Variable Remuneration, the figures reached for the Pluriannual Variable Remuneration, on a yearly basis, for each Member of the Executive Board of Directors shall be computed based on the Group’s earnings and applying the same formula, up to an annual limit of 130% of the Annual Fixed Remuneration;

c) under the terms described in the previous paragraphs, the amounts of the Pluriannual Variable Remuneration calculated (and provisioned) every year are credited to the respective Members of the Executive Board of Directors, with their effective payment being subject to the rules set forth below;

d) if, in a financial year, the value calculated for the Pluriannual Variable Remuneration is equal to zero, this will not affect, per se, the values provisioned in previous financial years, unless the calculation of the sums for the third year reveals a fulfillment degree under 80% for the three-year period, in which case the accrued sums will be lost in favour of Millenium bcp, unless as otherwise resolved by the Remuneration and Welfare Board;

e) as noted in 1.c), the Pluriannual Variable Remuneration will be paid only once in the financial year immediately after the term-of-office to which it refers, together with the Annual Variable Remuneration calculated for the year, however; the payment of that sum is subject to explicit confirmation in the resolution of the Remuneration and Welfare Board for the respective year;

f) the sums accrued shall be lost to the Bank in case of resignation or loss of mandate for any reason caused by the member, except retirement on account of age or disability, or any other type of termination of the member’s employment at the Bank;

g) if a Member of the Executive Board of Directors ceases his functions due to death or retirement, on account of age or disability, the amounts accrued shall be fully paid in the month following that of the cessation.

VII.

The Members of the Executive Board of Directors are only entitled to the compensations disclosed and shall receive no additional compensations for their functions.

Hence, given that the remuneration of the Members of the Executive Board of Directors is aimed at the direct compensation of the activities they carry out at the Bank and that for all duties performed at companies or
corporate bodies to which they have been nominated by indication or in representation of the Bank, in this last case, the net value of the remunerations received annually for such duties by each Member of the Executive Board of Directors will be deducted from their respective Annual Fixed Remuneration (preferably from the last monthly payments of each year). It is the obligation and responsibility of each Member of the Executive Board of Directors to inform the Bank of any additional compensations which might have been received, for the purposes of the procedure established above.

The existing benefits in terms of home loans, health insurance, credit card and mobile phones remain in effect, being the Chairman of the Executive Board of Directors responsible for authorizing them.

Company vehicles do not fall under the competence of the Remuneration and Welfare Board and, therefore, the limits to their value shall be determined by the Executive Board of Directors, taking into account the practice followed by other credit institutions of an equivalent size. The Remuneration and Welfare Board must be previously informed of this value.

The remunerations policy applicable to the Millennium bcp’s corporate bodies must be simple, transparent and competitive, thus ensuring the focus on the creation of added value for the shareholders and stakeholders.

Considering the functions of the Supervisory Board, its remuneration should, in addition, guarantee the full independence of its members from the Bank’s executive bodies.

These remunerations shall be fixed and not accrue with any other remunerations for functions in other corporate and/or governance bodies of the Bank.

The Remuneration and Welfare Board also considered that the remunerations of the Supervisory Board should be established bearing in mind the greater effort to meet the interests of Millennium bcp’s shareholders, obtained by substantially reducing the remunerations of the current Executive Board of Directors elected at the General Meeting of 15 January 2008.

Therefore, the Remuneration and Welfare Board foresees a significant decrease of the costs with the functioning of the Supervisory Board – estimated at around 50%-, without incurring the risk of disturbing the Supervisory Board’s effective and efficient exercise of its functions.

Thus, bearing in mind the principles listed above, as well as the practices of large Portuguese companies, the responsibilities and functions of the members of the Supervisory Board and the present market conditions, the Remuneration and Welfare Board adopted the following rules:

Chairman: autonomous remuneration;

Vice-Chairman who is member of a Specialized Committee: between 50% and 75% of the Chairman’s remuneration;

Chairman of the Audit Committee: between 50% and 75% of the Chairman’s remuneration;

Vice-Chairman who is not a member of a Specialized Committee: between 25% and 50% of the Chairman’s remuneration;

Member who is also member of a Specialized Committee: between 25% and 50% of the Chairman’s remuneration;

Member who is not a member of a Specialized Committee: between 10% and 25% of the Chairman’s remuneration.”
II.31. Indication of the annual value of the remuneration earned individually by the members of the management and supervisory boards of the company, including fixed and variable remuneration and, relative to it, mention of its different components, the part deferred and part which has already been paid

As mentioned above, the current Executive Board of Directors was elected in 2008, and on its own suggestion, was not attributed any annual variable remuneration in the 2008 and 2009 financial years.

The Supervisory Board is not entitled to any immediate or deferred variable remuneration as per article 440 (3) of the Companies Code.

The amounts paid to the members of the Executive Board of Directors and of the Supervisory Board are presented in detail in the table below.

<table>
<thead>
<tr>
<th>Name</th>
<th>Remuneration from BCP</th>
<th>Remuneration from Shareholdings (Controlled or not)</th>
<th>Total Remuneration</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Fixed Remuneration</td>
<td>Variable Remuneration</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Annual</td>
<td>Pluriannual</td>
<td>Annual</td>
</tr>
<tr>
<td>Executive Board of Directors</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carlos Jorge Ramalho dos Santos Ferreira</td>
<td>433,929.41</td>
<td>216,076.59</td>
<td>650,006.00</td>
</tr>
<tr>
<td>Armando António Martins Vara</td>
<td>520,002.00</td>
<td></td>
<td>520,002.00</td>
</tr>
<tr>
<td>Paulo José de Ribeiro Moita de Macedo</td>
<td>497,251.64</td>
<td>22,750.36</td>
<td>520,002.00</td>
</tr>
<tr>
<td>Vítor Manuel Lopes Fernandes</td>
<td>459,298.51</td>
<td>12,416.29</td>
<td>471,714.80</td>
</tr>
<tr>
<td>José João Guilherme</td>
<td>455,000.00</td>
<td></td>
<td>455,000.00</td>
</tr>
<tr>
<td>Nelson Ricardo Bessa Machado</td>
<td>434,083.71</td>
<td>20,916.29</td>
<td>455,000.00</td>
</tr>
<tr>
<td>Luís Maria França de Castro Pereira Coutinho</td>
<td>433,853.06</td>
<td>21,146.94</td>
<td>455,000.00</td>
</tr>
<tr>
<td>Miguel Maya Dias Pinheiro (a)</td>
<td>78,355.80</td>
<td></td>
<td>78,355.80</td>
</tr>
<tr>
<td>Supervisory Board</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Luís de Melo Champalimaud (b)</td>
<td>163,750.00</td>
<td></td>
<td>163,750.00</td>
</tr>
<tr>
<td>Manuel Domingos Vicente (b)</td>
<td>62,083.36</td>
<td></td>
<td>62,083.36</td>
</tr>
<tr>
<td>Pedro Maria Calaíño Teixeira Duarte</td>
<td>37,500.03</td>
<td></td>
<td>37,500.03</td>
</tr>
<tr>
<td>Josep Oliu Creus</td>
<td>37,500.03</td>
<td></td>
<td>37,500.03</td>
</tr>
<tr>
<td>António Luís Guerra Nunes Mexia</td>
<td>0.00</td>
<td></td>
<td>0.00</td>
</tr>
<tr>
<td>Patrick Huen Wing Ming</td>
<td>18,749.97</td>
<td></td>
<td>18,749.97</td>
</tr>
<tr>
<td>António Víctor Martins Monteiro</td>
<td>37,500.03</td>
<td></td>
<td>37,500.03</td>
</tr>
<tr>
<td>José Guilherme Xavier de Basto</td>
<td>52,499.97</td>
<td></td>
<td>52,499.97</td>
</tr>
<tr>
<td>José Vieira dos Reis</td>
<td>52,499.97</td>
<td></td>
<td>52,499.97</td>
</tr>
<tr>
<td>Manuel Alfredo Cunha</td>
<td>45,000.00</td>
<td></td>
<td>45,000.00</td>
</tr>
<tr>
<td>José de Melo</td>
<td>101,250.00</td>
<td></td>
<td>101,250.00</td>
</tr>
<tr>
<td>João Manuel Matos Loureiro</td>
<td>52,499.97</td>
<td></td>
<td>52,499.97</td>
</tr>
<tr>
<td>Thomaz de Melo Paes de Vasconcellos</td>
<td>37,500.03</td>
<td></td>
<td>37,500.03</td>
</tr>
</tbody>
</table>

(a) Appointed as Member of the Executive Board of Directors on 11 November 2009; until this date he was remunerated as employee.
(b) Includes remuneration received as member of the Supervisory Board between 1 January 2009 and 30 March 2009; date of the election of the current Supervisory Board.
Since the Supervisory Board currently in office was only elected on 30 March 2009, an indicative table of the remunerations paid in the first quarter of the financial year to the former members of this Board is presented below.

<table>
<thead>
<tr>
<th>Name</th>
<th>Remuneration from BCP</th>
<th>Remuneration from Shareholdings (Controlled or not)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Fixed Remuneration</td>
<td>Variable Remuneration</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Annual</td>
<td>Pluriannual</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Fixed Remuneration</td>
<td>Variable Remuneration</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Annual</td>
<td>Pluriannual</td>
<td></td>
</tr>
<tr>
<td>Supervisory Board</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>in office until 30/03/2009</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gijsbert J. Swalef</td>
<td>90,000.00</td>
<td></td>
<td>90,000.00</td>
</tr>
<tr>
<td>António Manuel Ferreira da Costa Gonçalves</td>
<td>37,500.00</td>
<td></td>
<td>37,500.00</td>
</tr>
<tr>
<td>Francisco de la Fuente Sanchez</td>
<td>37,500.00</td>
<td></td>
<td>37,500.00</td>
</tr>
<tr>
<td>João Alberto Pinto Busto</td>
<td>37,500.00</td>
<td></td>
<td>37,500.00</td>
</tr>
<tr>
<td>José Eduardo Faria Neiva dos Santos</td>
<td>37,500.00</td>
<td></td>
<td>37,500.00</td>
</tr>
<tr>
<td>Keith Satchell</td>
<td>37,500.00</td>
<td></td>
<td>37,500.00</td>
</tr>
<tr>
<td>Luís Francisco Valente de Oliveira</td>
<td>37,500.00</td>
<td></td>
<td>37,500.00</td>
</tr>
<tr>
<td>Mário Branco Trindade</td>
<td>28,750.00</td>
<td></td>
<td>28,750.00</td>
</tr>
</tbody>
</table>

II.32. Information on the way the remuneration is structured so as to permit the alignment of the interests of the members of the management board with the long-term interests of the company, as well as on the manner in which it is based on the assessment of performance and discourages excessive risk taking

On this issue, see the remuneration policy of the Executive Board of Directors, reproduced in the answer to point II.30.

II.33. Regarding the remuneration of the executive directors:

a) Reference to the fact that the remuneration of the executive directors includes a variable component and information on the way this component depends on the assessment of performance

On this issue, see point II.30.

b) Indication of the governing bodies which are competent to carry out the assessment of the performance of the executive directors

The assessment of the performance of the members of the Executive Board of Directors is carried out by the Supervisory Board, which is assisted in this task by the Sustainability and Corporate Governance Committee, the Nominations Committee and the Audit Committee.

c) Indication of the default criteria for the assessment of the performance of the executive directors

On this issue, see the remuneration policy of the Executive Board of Directors, reproduced in point II.30.
d) Detailed explanation of the relative importance of the variable and fixed components of the remuneration of the directors and indication of the maximum limits for each component

On this issue, see the remuneration policy of the Executive Board of Directors, reproduced in point II.30.

The Articles of Association of Bank contain a limitation to the variable component of the remuneration of the Executive Board of Directors, according to which the same cannot exceed 2% of the profit for the year.

e) Indication of the deferral of the payment of the variable component of the remuneration, mentioning the period of deferral

On this issue, see the remuneration policy of the Executive Board of Directors, reproduced in point II.30.

f) Explanation on the way the payment of the variable remuneration is subject to the continuation of the positive performance of the company over the period of deferral

On this issue, see the remuneration policy of the Executive Board of Directors, reproduced in point II.30.

g) Sufficient information on the criteria underlying the attribution of variable remuneration in shares as well as on the holding, by the executive directors, of the shares to which the company has accessed, on any signing of contracts relative to these shares, namely, hedging or risk transfer contracts, the respective limit, and their relation to the value of the annual total remuneration

On this issue, see the remuneration policy of the Executive Board of Directors, reproduced in point II.30.

h) Sufficient information on the criteria underlying the attribution of variable remuneration in options and indication of the deferral period and price for exercise of the option

On this issue, see the remuneration policy of the Executive Board of Directors, reproduced in the answer to point II.30.

i) Identification of the main parameters and grounds of any system of annual bonuses and any other non-pecuniary benefits

On this issue, see the remuneration policy of the Executive Board of Directors, reproduced in the answer to point II.30.

j) Remuneration paid in the form of participation in profit and/or payment of premiums and the reasons for the concession of such premiums and/or participation in profit

Through proposal of the Executive Board of Directors, in 2009, as had occurred in 2008, there was no remuneration in this form.

l) Compensation paid or owed to former executive directors relative to their termination of office during the financial year

During 2009, no compensation was paid or are owed to former executive directors relative to their termination of office during the financial year.

m) Reference to the contractual limitation established for the compensation payable for dismissal without fair grounds of a director and its relationship with the variable component of the remuneration

There are no agreements in effect and the Articles of Association of the Bank do not establish anything on this matter.
n) Amounts paid, for any reason, by other companies controlled by the Bank or in the same group

In view of the provisions in the remuneration policy of the Executive Board of Directors transcribed above, and which establish that the net value of the remunerations gained on an annual basis by each Member of the Executive Board of Directors due to the performance of duties in companies or governing bodies to which they have been nominated through indication or in representation of the Bank, will be deducted from the values of the respective annual fixed remuneration, as shown in the first table of point II.31.

o) Description of the main characteristics of the regimes for the supplementary pensions or early retirement of the directors, indicating if they were, or not, subject to the assessment of the General Meeting

The Retirement Regulations of the members of the Board of Directors were amended during 2008, having been submitted for consultation to the General Meeting of 2009 and received the consensus of 99.66% of the votes cast. After the introduction of some improvements during 2010, it will be submitted for the appraisal of the Annual General Meeting of 2010, with the current version of the Regulations being transcribed below:

“Retirement Regulation of the Executive Directors of Banco Comercial Português, S.A.

Article One
(Object)

The present Regulation establishes, under Article 13 of the Articles of Association of Banco Comercial Português, S.A. (Bank), the supplementary retirement benefits regime due to old age or invalidity and survival attributed according to the performance of duties as Director in the executive management board of the Bank.

Article Two
(Personal scope)

1 – Beneficiaries, under the General Social Security Regime or Private Social Security Regime of the Bank Sector in Portugal, vested in the position of member of the Executive Board of Directors for the mandates 2008/2010 and following, are included under the personal scope of the present Regulation for the effects of protection in the case of invalidity and old age.

2 – Beneficiaries of the survival pensions referred to in Article Five are also covered by the present Regulation.

Article Three
(Pension supplement for retirement due to old age or invalidity)

1 – The recognition of the right to a pension supplement for retirement due to old age or invalidity depends on the beneficiary retiring as a result of either of these cases, under the social security regime applicable to the case.

2 – The value of the retirement pension supplement results from the transformation of the accumulated capital in the Individual Account of the Pension Fund, after deduction of the applicable taxes, into a lifelong monthly annuity.

3 – The retirement pension supplement will be attributed through the acquisition of a lifelong annuity policy from an Insurer, with the Director being able to choose the annual growth rate and reversibility of the annuity in the case of death.

Article Four
(Capital repayment)

Alternatively to the pensions supplement established in Article Three, the Director can choose capital repayment, under the terms and with the limits established in the law.
Article Five  
(Survival pension supplement)

In the case of the death of the Director before having reached the situation of retirement, the legitimate heirs, should there be any, are entitled to the reimbursement of the accumulated capital in the Individual Account of the Director, in accordance with the rules of succession established in the law.

Article Six  
(Funding)

1 – The supplementary benefit plan established in this Regulation is funded through individual subscription to an open-end pension fund.

2 – The annual contribution of the Bank to the plan established in the present Regulation is equal to the value, before any applicable personal income tax deduction, corresponding to 23% of the difference between the annual gross fixed remuneration received by the Director in accordance with the performance of duties as member of the Bank’s Executive Board of Directors and the annual gross fixed remuneration which is used as the base of incidence of the mandatory contributions of the Bank to the pension system applicable to the Director in the cases of invalidity, oldage and death (Social Security General Regime; Private Social Security Regime of the Bank Sector and Supplementary Plan of the Employees of Banco Comercial Português, S.A.).

Article Seven  
(Accumulation of retirement benefits with remunerations)

The accumulation of old age retirement benefits with income gained from a Director’s salary from the entity owing the pension is permitted, but while the Director continues to hold the respective position the amount of the gross annuity attributed, or which has been attributed as an alternative to capital repayment, will be deducted from the gross remuneration gained, without prejudice to the full receipt of everything which might be decided by the Remuneration and Welfare Board or Remuneration Committee established in article 13 of the Articles of Association of the Bank, as applicable, as variable remuneration or premiums relative to the performance of duties.

Article Eight  
(Application and review)

1 – The present Regulation, in the version adopted in 2008, applies to the benefits to be attributed after the date of its approval by the competent governing body and approval or notification to the Portuguese Insurance Institute, if applicable.

2 – The interpretation and application of the present Regulation is the responsibility of the Remuneration Board or Committee referred to in the previous article.

3 – The Remuneration Board or Committee should submit or request the submission to the Annual General Meeting any alterations made to the present Regulation.

p) Estimate of the value of the relevant non-pecuniary benefits considered as remuneration not covered in the previous situations

There are no benefits under the conditions referred to above.
q) Existence of mechanisms preventing the directors to sign contracts which place in question the underlying rationale of the variable remuneration

The level of supervision of the activity of the Executive Board of Directors, both by the Supervisory Board and by its Audit Committee (which, it should be recalled, is the first receiver of the Internal and External Audit reports) provides mechanisms that are sufficient and adequate to the objective considered in this point.

II.34. Reference to the fact that the remuneration of the non-executive directors of the management board does not include variable components

In view of the adopted governance model, the present number is not applicable.

However, it should be noted that the members of the Supervisory Board receive a fixed remuneration, which does not include any variable component, and cannot, under the law and the articles of association of the Bank, receive any other remuneration from the Bank and/or the companies in which the Bank has a stake.

II.35. Information on the policy on the communication of irregular practices adopted by the company (means of communication, persons with legitimacy to receive the communications, treatment to be made of the communications and indication of the persons and bodies with access to the information and respective intervention in the procedure)

By taking cognisance of any situation or behaviour that may show irregularities, any corporate body or employee will be responsible for reporting such events to the head of the corporate unit of the perpetrator(s) and also to the head of his/her unit. They will both assess the occurrence and resolve on its remittance to the Bank’s Audit Department for the conduction of all diligences deemed necessary or its conclusion.

Whenever the detected irregularities concern employees part of the Audit Department, the reporting must be made directly to the Chairman of the Executive Board of Directors, who will conduct all diligences deemed necessary by using means that do not belong to that department and will give cognisance of the same to the Supervisory Board.

With the purpose of adopting the best corporate governance practices and reinforce the compliance and responsibility culture that has always guided the Group’s activities, the Executive Board of Directors has envisaged, for the situations where the communication via hierarchy is not able to meet the intended goals, a irregularity communication system that replaces the employee and relieves him/her from reporting the irregularity to the head of the department of the perpetrator(s).

For this purpose, an electronic email address has been specifically created, exclusively to receive the communication of alleged irregularities (comunicarirregularidade@millenniumbcp.pt) that have occurred within the Group that are to be forwarded and managed by the Supervisory Board, which has delegated these competences to the Audit Committee.

In the event of the communication being related to any member of the Supervisory Board or of any of its specialised committees or commissions, it should be sent to the Chairman of the Supervisory Board through a specific electronic mail address (presidente.cgs@millenniumbcp.pt).

The Audit Committee articulates with the Audit Department the treatment given to the communications received, namely in what concerns the need to make additional research diligences or file any disciplinary proceedings.
Section V– Specialised Commissions

II.36. Identification of the members of the commissions constituted for the effects of the assessment of the individual and overall performance of the executive directors, reflection on the system of governance adopted by the company and identification of potential candidates with the profile for the position of director

See points II.1. D) and II.2. B).

II.37. Number of meetings of the commissions constituted with competence in management and supervisory matters during the financial year in question, and reference to the drawing up of the minutes of these meetings

See point II.2.

II.38. Reference to the fact of a member of the remuneration commission having knowledge and experience on matters of remuneration policy

The curricula and professional activities of the members of the Remuneration and Welfare Board, described in Annex III, evidence their respective experience.

On this issue it should be noted that the Remuneration and Welfare Board, in order to resolve on the policy approved by it, based itself on the opinion of an independent expert company, the Hay Group.

II.39. Reference to the independence of the natural or legal persons contracted by the remuneration commission through a work or provision of services contract relative to the board of directors as well as, when applicable, to the fact that these persons having a current relationship with a consultant of the company

Neither the Hay Group nor any of its employees provided services to the Executive Board of Directors during the financial year of 2009.
Chapter III – Information and Audits

III.1. Structure of the share capital, including indication of the non-tradable shares, different categories of shares, their inherent rights and duties and percentage of share capital that each category represents

All the shares issued by Banco Comercial Português are tradable, of a single category and confer the same rights and duties. Consequently, there are no shareholders with special rights.

III.2. Qualifying holdings in the share capital of the issuer, calculated under the terms of article 20 of the Securities Market Code

As at 31 December 2009, the qualifying holdings in the share capital of Banco Comercial Português, calculated under the terms of article 20 of the Securities Code, in accordance with the information provided by the shareholders, were as follows:

<table>
<thead>
<tr>
<th>Shareholders</th>
<th>Number of shares</th>
<th>% of capital</th>
<th>% of voting rights</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sonangol</td>
<td>469,000,000</td>
<td>9.99%</td>
<td>10.00%</td>
</tr>
<tr>
<td>Teixeira Duarte Group</td>
<td>304,989,864</td>
<td>6.50%</td>
<td>6.51%</td>
</tr>
<tr>
<td>Arenopor – Investimentos S.G.P.S., S.A.</td>
<td>23,000,000</td>
<td>0.49%</td>
<td>0.49%</td>
</tr>
<tr>
<td>Others (Board Members)</td>
<td>2,231,565</td>
<td>0.05%</td>
<td>0.05%</td>
</tr>
<tr>
<td>Total</td>
<td>330,221,429</td>
<td>7.03%</td>
<td>7.05%</td>
</tr>
<tr>
<td>Fundação José Berardo (1)</td>
<td>198,324,440</td>
<td>4.22%</td>
<td>4.24%</td>
</tr>
<tr>
<td>Fundação José Berardo (equity swap with Banco Espírito Santo)</td>
<td>29,710,526</td>
<td>0.63%</td>
<td>0.63%</td>
</tr>
<tr>
<td>Total</td>
<td>228,034,966</td>
<td>4.86%</td>
<td>4.87%</td>
</tr>
<tr>
<td>Metalgest – Sociedade de Gestão, S.G.P.S., S.A. (2)</td>
<td>63,328,399</td>
<td>1.35%</td>
<td>1.35%</td>
</tr>
<tr>
<td>Kendon Properties</td>
<td>721,480</td>
<td>0.02%</td>
<td>0.02%</td>
</tr>
<tr>
<td>Moagemas Associadas S.A.</td>
<td>13,245</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>Cotraner – Comércio e transformação de cereais, S.A.</td>
<td>13,245</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>Bacalhôa,Vinhos de Portugal, S.A.</td>
<td>10,596</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>Board Members of Metalgest, S.G.P.S., S.A.</td>
<td>19,547</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>Total</td>
<td>64,106,512</td>
<td>1.37%</td>
<td>1.37%</td>
</tr>
<tr>
<td>Banco Sabadell</td>
<td>208,177,676</td>
<td>4.43%</td>
<td>4.45%</td>
</tr>
<tr>
<td>Total</td>
<td>208,177,676</td>
<td>4.43%</td>
<td>4.45%</td>
</tr>
</tbody>
</table>

(continues)
### III.3. Identification of shareholders with special rights and description of those rights

There are no shareholders with special rights.

### III.4. Any restrictions to the transmissibility of the shares, such as clauses of consent for sale or limitations to the ownership of shares

There are no statutory restrictions to the free transmissibility of shares.

### III.5. Shareholders’ agreements that are known to the company and could lead to restrictions on matters of the transmission of securities or voting rights

The company is not aware of the existence of any shareholders’ agreements that limit the ability to transfer the securities or condition the exercise of voting rights.

### Number of shares

<table>
<thead>
<tr>
<th>Number of shares</th>
<th>December 31, 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number of shares</td>
</tr>
<tr>
<td><strong>EDP Group</strong></td>
<td></td>
</tr>
<tr>
<td>EDP – Imobiliária e Participações, S.A.</td>
<td>123,509,341</td>
</tr>
<tr>
<td>Fundo de Pensões EDP</td>
<td>52,285,541</td>
</tr>
<tr>
<td>Membros Órgãos de Administração e Fiscalização da EDP, S.A.</td>
<td>346,487</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>176,141,369</td>
</tr>
<tr>
<td><strong>Grupo Caixa Geral de Depósitos</strong></td>
<td></td>
</tr>
<tr>
<td>Caixa Geral de Depósitos, S.A. (carteira de investimento)</td>
<td>100,281,441</td>
</tr>
<tr>
<td>Companhia de Seguros Fidelidade-Mundial, S.A.</td>
<td>22,290,677</td>
</tr>
<tr>
<td>Caixa Geral de Depósitos, S.A. (carteira de negociação)</td>
<td>161,556</td>
</tr>
<tr>
<td>Companhia de Seguros Império-Bonança, S.A.</td>
<td>105,716</td>
</tr>
<tr>
<td>Fundo de Pensões CGD</td>
<td>5,087,835</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>127,927,225</td>
</tr>
<tr>
<td><strong>Sogema S.G.P.S., S.A.</strong></td>
<td></td>
</tr>
<tr>
<td>124,375,417</td>
<td>2.65%</td>
</tr>
<tr>
<td><strong>Eureko Group</strong></td>
<td></td>
</tr>
<tr>
<td>Eureko BV</td>
<td>118,252,417</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>118,252,417</td>
</tr>
<tr>
<td><strong>Stanley Ho Group</strong></td>
<td></td>
</tr>
<tr>
<td>Sociedade de Diversões e Turismo de Macau, S.A.</td>
<td>76,112,854</td>
</tr>
<tr>
<td>Stanley Hung Sun Ho</td>
<td>30,142,080</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>106,254,934</td>
</tr>
<tr>
<td><strong>SFGP – Investimentos e Participações S.G.P.S., S.A.</strong></td>
<td></td>
</tr>
<tr>
<td>IPG – Investimentos, Participações e Gestão S.G.P.S., S.A.</td>
<td>43,574,742</td>
</tr>
<tr>
<td>58,488,113</td>
<td>1.25%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>102,062,855</td>
</tr>
<tr>
<td><strong>Total Qualified Shareholdings</strong></td>
<td>2,054,554,800</td>
</tr>
</tbody>
</table>

Source: Information received from the shareholders.

(1) According number 10 a) of Article 16 of Banco Comercial Português Articles of Association, votes exceeding 10% of the share capital are not considered.

(2) The shares and voting rights held by Fundação José Berardo and Metalgest are subject to reciprocal imputation.
III.6. Rules applicable to the alteration of the articles of association of the company

A) Constitutive quorum – Article 18 of the Articles of Association

The General Meeting can only meet pursuant to the first call when the shareholders present or represented own over one third of the share capital. When the General Meeting intends to resolve on the merger, demerger and transformation of the company, the shareholders present or represented, on the first call, must own shares corresponding to at least half of the share capital.

On the second call, the General Meeting can meet and resolve independently of the number of shareholders present or represented and amount of share capital they correspond to.

B) Deliberative quorum – Article 21 of the Articles of Association

Whether the Meeting is held on the first or second call, any alterations to the articles of association must be approved by two thirds of the votes cast, with any resolutions on the merger, demerger and transformation of the company requiring the approval of three quarters of the votes cast.

III.7. Control mechanisms established for any system of participation of the workers in the share capital to the extent that voting rights are not exercised directly by them

No system whatsoever has been established with these characteristics. No workers owning shares are discriminated, due to their capacity as such, and are equivalent to any other shareholder.

III.8. Description of the evolution of the prices of the shares of the issuer, taking into account, namely:

a) The issuance of shares or other securities extending entitlement to the subscription or acquisition of shares

During 2009, no operations were carried out involving the issuance of shares or other securities granting entitlement to the subscription or acquisition of shares.

b) Announcement of results

The announcement of results is presented in Annex IV “Earnings Release”.

Furthermore, the main events which occurred during the financial year of 2009 and respective impact on the share price are presented below:
<table>
<thead>
<tr>
<th>Nr.</th>
<th>Date</th>
<th>Event</th>
<th>Chan. +1D</th>
<th>Chan. vs. PSI 20 (ID)</th>
<th>Chan. vs. DJS Banks (ID)</th>
<th>Chan. +SD</th>
<th>Chan. vs. PSI 20 (SD)</th>
<th>Chan. vs. DJS Banks (SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>12/01/2009</td>
<td>Issued fixed rate note guaranteed by the Portuguese Republic</td>
<td>0.2%</td>
<td>0.8%</td>
<td>3.2%</td>
<td>-7.7%</td>
<td>-5.1%</td>
<td>13.8%</td>
</tr>
<tr>
<td>2</td>
<td>21/01/2009</td>
<td>Announcement of Millennium Bank S.A. in Turkey</td>
<td>-0.1%</td>
<td>-0.8%</td>
<td>-0.5%</td>
<td>6.4%</td>
<td>3.5%</td>
<td>-12.8%</td>
</tr>
<tr>
<td>3</td>
<td>29/01/2009</td>
<td>Announcement of Millennium bim in Mozambique</td>
<td>-1.2%</td>
<td>-1.8%</td>
<td>-1.9%</td>
<td>-6.2%</td>
<td>-5.4%</td>
<td>-4.1%</td>
</tr>
<tr>
<td>4</td>
<td>04/02/2009</td>
<td>Relevant short position</td>
<td>-3.3%</td>
<td>-2.2%</td>
<td>-1.9%</td>
<td>-4.6%</td>
<td>-5.2%</td>
<td>-2.5%</td>
</tr>
<tr>
<td>5</td>
<td>17/02/2009</td>
<td>Release of the 2008 consolidated results and Announcement of the</td>
<td>0.8%</td>
<td>0.5%</td>
<td>0.2%</td>
<td>-17.2%</td>
<td>-12.9%</td>
<td>-9.6%</td>
</tr>
<tr>
<td>6</td>
<td>18/02/2009</td>
<td>Announcement regarding possible alternatives to increase own funds</td>
<td>-5.3%</td>
<td>-4.7%</td>
<td>-5.6%</td>
<td>-17.0%</td>
<td>-11.4%</td>
<td>-10.6%</td>
</tr>
<tr>
<td>7</td>
<td>25/02/2009</td>
<td>Announcement that Banco Millennium Angola completes partnership</td>
<td>6.4%</td>
<td>4.3%</td>
<td>-1.8%</td>
<td>-1.5%</td>
<td>-0.9%</td>
<td>4.5%</td>
</tr>
<tr>
<td>8</td>
<td>03/03/2009</td>
<td>Announcement of sale of Banco BPI shares</td>
<td>-3.1%</td>
<td>-4.4%</td>
<td>-6.5%</td>
<td>-1.6%</td>
<td>-3.8%</td>
<td>-3.9%</td>
</tr>
<tr>
<td>9</td>
<td>09/03/2009</td>
<td>Relevant short position</td>
<td>5.4%</td>
<td>3.4%</td>
<td>-7.3%</td>
<td>9.4%</td>
<td>4.1%</td>
<td>-18.1%</td>
</tr>
<tr>
<td>10</td>
<td>30/03/2009</td>
<td>Conclusions of General Meeting of Shareholders</td>
<td>0.7%</td>
<td>-1.5%</td>
<td>-4.9%</td>
<td>7.8%</td>
<td>0.9%</td>
<td>-11.3%</td>
</tr>
<tr>
<td>11</td>
<td>01/04/2009</td>
<td>Reduction of relevant short position</td>
<td>2.6%</td>
<td>-0.8%</td>
<td>-6.7%</td>
<td>4.6%</td>
<td>0.8%</td>
<td>-2.7%</td>
</tr>
<tr>
<td>12</td>
<td>02/04/2009</td>
<td>Relevant short position</td>
<td>3.2%</td>
<td>3.5%</td>
<td>3.5%</td>
<td>2.1%</td>
<td>0.0%</td>
<td>-2.6%</td>
</tr>
<tr>
<td>13</td>
<td>07/04/2009</td>
<td>Moody's rating action</td>
<td>-1.7%</td>
<td>-2.0%</td>
<td>-2.8%</td>
<td>1.6%</td>
<td>-1.3%</td>
<td>-12.1%</td>
</tr>
<tr>
<td>14</td>
<td>15/04/2009</td>
<td>Reduction of relevant short position</td>
<td>4.4%</td>
<td>3.3%</td>
<td>1.1%</td>
<td>7.9%</td>
<td>8.2%</td>
<td>5.1%</td>
</tr>
<tr>
<td>15</td>
<td>30/04/2009</td>
<td>Announcement of an authorization to use the internal model method</td>
<td>3.1%</td>
<td>0.1%</td>
<td>2.4%</td>
<td>17.6%</td>
<td>8.7%</td>
<td>7.5%</td>
</tr>
<tr>
<td>16</td>
<td>06/05/2009</td>
<td>Reduction of relevant short position</td>
<td>5.8%</td>
<td>4.0%</td>
<td>6.6%</td>
<td>-5.5%</td>
<td>-2.6%</td>
<td>1.5%</td>
</tr>
<tr>
<td>17</td>
<td>11/05/2009</td>
<td>Release of the 1st Quarter 2009 consolidated results</td>
<td>-8.9%</td>
<td>-6.2%</td>
<td>-6.3%</td>
<td>-8.4%</td>
<td>-6.7%</td>
<td>-6.3%</td>
</tr>
<tr>
<td>18</td>
<td>13/05/2009</td>
<td>Change in Eureko B.V. qualified shareholding</td>
<td>4.3%</td>
<td>2.7%</td>
<td>3.0%</td>
<td>10.8%</td>
<td>5.5%</td>
<td>0.4%</td>
</tr>
<tr>
<td>19</td>
<td>15/07/2009</td>
<td>Announcement of the placement of 300,000 “Valores” Perpetual</td>
<td>2.4%</td>
<td>2.7%</td>
<td>1.6%</td>
<td>4.0%</td>
<td>3.2%</td>
<td>1.6%</td>
</tr>
<tr>
<td>20</td>
<td>28/07/2009</td>
<td>Announcement by the Executive Board of Directors regarding five former</td>
<td>0.4%</td>
<td>0.1%</td>
<td>-0.5%</td>
<td>10.4%</td>
<td>7.8%</td>
<td>3.2%</td>
</tr>
<tr>
<td>21</td>
<td>29/07/2009</td>
<td>Announcement of the 1st Half 2009 consolidated results</td>
<td>3.8%</td>
<td>3.5%</td>
<td>0.8%</td>
<td>7.6%</td>
<td>5.6%</td>
<td>0.8%</td>
</tr>
<tr>
<td>22</td>
<td>30/07/2009</td>
<td>Standard &amp; Poor’s rating action</td>
<td>-1.7%</td>
<td>-1.0%</td>
<td>-2.5%</td>
<td>9.3%</td>
<td>7.4%</td>
<td>2.7%</td>
</tr>
<tr>
<td>23</td>
<td>01/07/2009</td>
<td>Fitch re-affirms rating</td>
<td>3.1%</td>
<td>1.2%</td>
<td>0.1%</td>
<td>9.5%</td>
<td>6.9%</td>
<td>1.8%</td>
</tr>
<tr>
<td>24</td>
<td>24/08/2009</td>
<td>Announcement of Millennium bcpbank in USA</td>
<td>-2.5%</td>
<td>-2.5%</td>
<td>-2.7%</td>
<td>-2.0%</td>
<td>-1.2%</td>
<td>-2.5%</td>
</tr>
<tr>
<td>25</td>
<td>06/09/2009</td>
<td>Moody’s change in rating</td>
<td>0.0%</td>
<td>-1.5%</td>
<td>-1.2%</td>
<td>1.1%</td>
<td>0.2%</td>
<td>0.2%</td>
</tr>
<tr>
<td>26</td>
<td>18/09/2009</td>
<td>Change in Privado Holding and JP Morgan qualified shareholding</td>
<td>0.0%</td>
<td>1.0%</td>
<td>1.6%</td>
<td>5.0%</td>
<td>5.6%</td>
<td>7.5%</td>
</tr>
<tr>
<td>27</td>
<td>29/09/2009</td>
<td>Decision to reduce its participation in the Baía de Luanda Project</td>
<td>-1.0%</td>
<td>-1.3%</td>
<td>0.1%</td>
<td>-1.1%</td>
<td>-2.8%</td>
<td>1.0%</td>
</tr>
<tr>
<td>28</td>
<td>29/10/2009</td>
<td>Announcement of statement by the Chairman of the Supervisory Board</td>
<td>-1.6%</td>
<td>0.2%</td>
<td>0.6%</td>
<td>-2.6%</td>
<td>-2.2%</td>
<td>-0.7%</td>
</tr>
<tr>
<td>29</td>
<td>03/11/2009</td>
<td>Announcement of statement by the Chairman of the Supervisory Board</td>
<td>0.8%</td>
<td>-0.9%</td>
<td>-1.7%</td>
<td>-0.9%</td>
<td>-3.8%</td>
<td>-7.8%</td>
</tr>
<tr>
<td>30</td>
<td>11/11/2009</td>
<td>Release of the 3rd Quarter 2009 consolidated results and deliberations</td>
<td>-2.3%</td>
<td>-1.9%</td>
<td>-2.4%</td>
<td>-1.9%</td>
<td>-2.1%</td>
<td>-2.1%</td>
</tr>
<tr>
<td>31</td>
<td>13/11/2009</td>
<td>Appointment of Deputy Chairman of the Executive Board of Directors</td>
<td>2.1%</td>
<td>1.3%</td>
<td>0.6%</td>
<td>-0.1%</td>
<td>0.7%</td>
<td>3.5%</td>
</tr>
<tr>
<td>32</td>
<td>03/12/2009</td>
<td>Relevant short position</td>
<td>0.1%</td>
<td>0.0%</td>
<td>-1.1%</td>
<td>-8.9%</td>
<td>-6.0%</td>
<td>-6.7%</td>
</tr>
<tr>
<td>33</td>
<td>10/12/2009</td>
<td>Reduction of relevant short position</td>
<td>1.7%</td>
<td>1.0%</td>
<td>2.7%</td>
<td>-2.4%</td>
<td>-3.1%</td>
<td>-1.6%</td>
</tr>
<tr>
<td>34</td>
<td>23/12/2009</td>
<td>Announcement of Millennium bim in Mozambique</td>
<td>-0.9%</td>
<td>-1.1%</td>
<td>n.a.</td>
<td>3.9%</td>
<td>3.0%</td>
<td>3.9%</td>
</tr>
</tbody>
</table>
The graph below illustrates the performance of BCP shares during 2009:
III.9. Description of the policy on the distribution of dividends adopted by the company, identifying, namely, the value of the dividend per share distributed over the last three financial years

Maintaining the principles of discernment and prudence which characterise the income distribution policy adopted by the Bank, the Executive Board of Directors proposed, and the Supervisory Board issued a favourable opinion, the non-payment of interim dividends relative to the financial year of 2009, in view, on the one hand, of the high uncertainty relative to the evolution of the international financial circumstances and functioning of the markets and, on the other hand, the level of results created on a consolidated basis in the first three quarters, and recent guidelines relative to the base level of own funds issued by the Banco de Portugal.

In spite of this decision not to proceed with the distribution of interim dividends for 2009, the Bank’s Executive Board of Directors reiterated the objective of maintaining the dividend distribution policy which had already been announced, having, as a principle, the objective of distributing about 40% of the net income, the proposal of which will be presented at the Annual General Meeting.

The dividends paid in the last ten financial years are listed in the table above.

c) The payment of dividends made by category of shares, indicating the net value per share

The values of the dividends distributed by the Bank since 2000 are detailed in the table below:

<table>
<thead>
<tr>
<th>Year</th>
<th>Paid in</th>
<th>Gross Dividend per Share (euros)</th>
<th>Net Dividend per Share (euros)</th>
<th>Payout Ratio ($)</th>
<th>Dividend Yield (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Residents</td>
<td>Non Residents</td>
<td>Residents</td>
<td>Non Residents</td>
</tr>
<tr>
<td>2000 (1)</td>
<td>2001</td>
<td>0.15</td>
<td>n.a.</td>
<td>n.a.</td>
<td>62.4%</td>
</tr>
<tr>
<td>2001</td>
<td>2002</td>
<td>0.15</td>
<td>0.12</td>
<td>0.105</td>
<td>61.1%</td>
</tr>
<tr>
<td>2002</td>
<td>2003</td>
<td>0.10</td>
<td>0.08</td>
<td>0.07</td>
<td>49.2% (4)</td>
</tr>
<tr>
<td>2003</td>
<td>2004</td>
<td>0.06</td>
<td>0.051</td>
<td>0.045</td>
<td>44.7%</td>
</tr>
<tr>
<td></td>
<td>2004</td>
<td>0.03</td>
<td>0.0255</td>
<td>0.0225</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2005</td>
<td>0.033</td>
<td>0.02805</td>
<td>0.02475</td>
<td>41.3%</td>
</tr>
<tr>
<td></td>
<td>2006</td>
<td>0.037</td>
<td>0.03149</td>
<td>0.02775</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2006</td>
<td>0.037</td>
<td>0.0296</td>
<td>0.0296</td>
<td>31.9% (4)</td>
</tr>
<tr>
<td></td>
<td>2007</td>
<td>0.048</td>
<td>0.0384</td>
<td>0.0384</td>
<td>39.0%</td>
</tr>
<tr>
<td></td>
<td>2007</td>
<td>0.037</td>
<td>0.0296</td>
<td>0.0296</td>
<td>23.7%</td>
</tr>
<tr>
<td></td>
<td>2008</td>
<td>0.000</td>
<td>0.0000</td>
<td>0.0000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2008</td>
<td>0.037</td>
<td>0.0296</td>
<td>0.0296</td>
<td>39.7%</td>
</tr>
<tr>
<td></td>
<td>2009</td>
<td>0.017</td>
<td>0.0136</td>
<td>0.0136</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2009</td>
<td>0.019</td>
<td>0.0152</td>
<td>0.0152</td>
<td>39.6%</td>
</tr>
</tbody>
</table>

(1) Payout Ratio is the percentage of net profit distributed to shareholders in the form of dividend.
(2) Dividend Yield is the annual return, as a percentage, expressed by dividing the amount of the gross dividend by the share price at the end of the year to which the dividend refers.
(3) Paid in the form of script dividend through the issue of new shares and their proportional distribution to shareholders holding shares representing the Bank’s equity capital.
(4) On the basis of the net profit before setting aside general banking risk provisions in the sum of 200 million euros.
(5) Proposal to be submitted to the Annual General meeting to be held on 12 April 2010.
III.10. Description of the main characteristics of the plans to attribute shares and of the plans to attribute share purchase options which have been adopted or were in force during the financial year in question, namely, justification for the adoption of the plan, category and number of beneficiaries of the plan, conditions of attribution, clauses on the inability to dispose of shares, criteria relative to the price of the shares and agreed price for the exercise of options, period during which the options can be exercised, characteristics of the shares to be attributed, existence of incentives for the acquisition of shares and/or exercise of options and competence of the management board to implement or modify the plan

Indication:

a) Of the number of shares required for the exercise of the attributed options and of the number of shares required for the exercise of options which can be exercised, with reference to the beginning and end of the year;

b) Of the number of options attributed, able to be exercised and extinct during the year;

c) Of the assessment at the General Meeting of the characteristics of the plans which were adopted or were in force during the financial year in question.

There are no plans to attribute shares or share purchase options.

III.11. Description of the main elements of the businesses and operations carried out between, on the one hand, the company and, on the other hand, the members of its management and supervisory boards or companies controlled by the Bank or in the same group, provided that they are significant in economic terms for any of the parties involved, except with respect to businesses or operations which, cumulatively, are carried out under normal market conditions for similar operations and are part of the current activity of the company

All the operations addressed in this number were carried out under normal market conditions for similar operations and are part of the current activity of the company.

III.12. Description of the fundamental elements of the businesses and operations carried out between the company and owners of qualifying holdings or entities that are in any relationship with it, under the terms of article 20 of the Securities Code, outside of normal market conditions

There are no operations under these conditions.

III.13. Description of the procedures and criteria applicable to the intervention of the supervisory board for the effects of the prior evaluation of the business to be carried out between the company and carried out between the company and owners of the qualifying holdings or entities which are in any relationship with it, under the terms of article 20 of the Securities Market Code

Any business to be carried out between the company and owners of qualifying holdings or entities which are in any relationship with it, are the object of exclusive assessment by the Executive Board of Directors, supported by analyses and technical opinions issued by the Credit Department and in reports prepared by the Audit Department and subject to the opinion of the Audit Committee, a specialised committee of the Supervisory Board.
III.14. Description of the statistics (number, average value and maximum value) relative to the business subject to the prior intervention of the supervisory board

During 2009, the Audit Department issued opinions on twenty transactions for the purpose of requesting the Audit Committee for assessment on the signing of credit granting contracts with members of the Supervisory Board or owners of Qualifying Holdings and entities related to them, the average value of which was 48.3 million euros and the maximum amount granted was 296.5 million euros.

III.15. Indication of the provision, on the company's Internet site, of the annual reports on the activity developed by the general and supervisory board, financial matters committee, audit committee and supervisory board, including indication of any constraints which have been detected, together with the presentation of accounts

The reports referred to in the present point are available on the Bank's site, on the page with the following direct address:

III.16. Reference to the existence of an Investor Support Office or other similar service, mentioning:

a) duties of the Office
b) type of information provided by the Office
c) forms of access to the Office
d) the company's Internet site
e) identification of the representative for market relations

The Investor Relations Department helps the Bank establish a permanent dialogue with the financial universe – shareholders, investors and analysts – as well as with the financial markets in general and respective regulatory entities.

a) Duties of the Investor Relations Department

The main duties of the Investor Relations Department are:

• to promote a full, accurate, transparent, efficient and available relationship with investors and analysts as well as with the financial markets in general and respective regulatory entities;
• monitor the trading of securities issued by the Group aiming to update the Bank’s shareholder structure;
• cooperate with the areas responsible for the Group’s debt issuances and investor relations areas of subsidiary companies, namely by providing information and coordinating activities;
• cooperate with the business areas and remaining units of the Bank in the provision of institutional information and disclosure of the activities developed by the Group.

b) Type of information provided by the Investor Relations Department

In 2009, the Bank developed a vast activity of communication with the market, adopting the recommendations of the Portuguese Securities Regulator (CMVM) and the best international practices in terms of financial and institutional communication.

For purposes of complying with the legal and regulatory obligations in terms of report, the Bank discloses data on its results and activities on a quarterly basis, holding press conferences and conference calls with Annalists and Investors in which the members of the Executive Board of Directors participated.
The Bank also discloses its Annual Report, a half-year report and financial statements quarterly information, publishing all the relevant and mandatory information through the information disclosure system of Comissão do Mercado de Valores Mobiliários and in Bank’s site. In 2009, the Bank issued 781 press releases, of which 102 regarded insider information.

During 2009, the Bank took part in several events and promoted five roadshows after the disclosure of results in the largest world financial centres – London, New York and Paris – and participated in 11 investors’ conferences and roadshows organized by other banks such as HSBC (London), Citigroup (London and Lisbon), KBW (London and Madrid), Cheuvreux (Paris), Santander (Lisbon), Morgan Stanley (London), Nomura (London), Merrill Lynch (London) and Millennium bcp Investimento (London) where it organized institutional presentations and one-to-one meetings with investors. The Bank held 154 meetings with investors in 2009.

The Bank also followed the analysts of the different domestic and international brokers that monitor the BCP share, trying to establish a full, accurate, transparent, efficient and available relationship with them.

By means of several meetings, conference calls and e-mails, the Bank provided all the information requested in an attempt to ensure that the market is at all times informed of the Group’s business, strategy and execution, financial and business evolution, pursuit of sector trends and other trends particular to Portugal and the Group, was well as of its prospects for the future. It is likewise provided information on the more significant risks and uncertainties for the Group and on how the Group handles them.

All the information of institutional nature that is public and relevant is available on the Bank’s site, on the page with the following direct address:

As a matter of principle, after the disclosure of information to the market relative to Privileged Information, General Meetings, Presentations of Results and other notifications, the Bank immediately provides the documents and presentations in the institutional area of its portal.

c) Forms of access to the Investor Relations Department

Telephone: + 351 21 113 10 84  
Fax: + 351 21 113 69 82  
Address: Av. Prof. Doutor Cavaco Silva, Edifício 1 Piso 0B  
2744-002 Porto Salvo, Portugal  
e-mail: investors@millenniumbcp.pt

d) The company’s Internet site

www.millenniumbcp.pt

e) Identification of the representative for market relations

Ana Sofia Costa Raposo Preto
III.17. Indication of the value of the annual remuneration paid to the auditor and to other natural or legal persons belonging to the same network supported by the company or by legal persons controlled by the Bank or in the same group and details of the percentage relative to the following services:

a) legal accounts review services;

b) other guarantee and reliability services;

c) tax consultancy services;

d) services other than legal accounts review services.

If the auditor provides any of the services described in sub-paragraphs c) and d), a description should be made of the means to safeguard the independence of the auditor.

For the effects of this information, the concept of network is as defined in Recommendation of the European Commission nr. C (2002) 1873, of 16 May

Relations with the Independent Auditors

Activity monitoring

The monitoring of the activity of the Group’s Auditor, KPMG & Associados, SROC, S.A. is ensured by the Supervisory Board, through the Audit Committee, which is also responsible for proposing the election and appointment of the Group Auditor to the General Meeting, issuing its opinion on the Auditor’s independence and other relations with the Group.

The abovementioned monitoring is achieved through regular contact with KPMG, allowing the Supervisory Board and the Audit Committee to discuss solutions and criteria arising from the audit work in a timely manner.

Remunerations

During the financial year of 2009, Banco Comercial Português, S.A. and/or legal persons controlled by the Bank or part of the same group contracted services from the KPMG Network (in Portugal and Abroad), the fees of which reached a total of 7,136,385 euros, distributed through the following different types of services provided:

<table>
<thead>
<tr>
<th>Services</th>
<th>Portugal</th>
<th>Abroad</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal accounts review services</td>
<td>2,239,600</td>
<td>1,269,500</td>
<td>3,509,100</td>
<td>49%</td>
</tr>
<tr>
<td>Other guarantee and reliability services</td>
<td>1,527,295</td>
<td>538,780</td>
<td>2,066,075</td>
<td>29%</td>
</tr>
<tr>
<td>1. Total audit services</td>
<td>3,766,895</td>
<td>1,808,280</td>
<td>5,575,175</td>
<td>78%</td>
</tr>
<tr>
<td>Tax consultancy services</td>
<td>63,800</td>
<td>47,219</td>
<td>111,019</td>
<td>2%</td>
</tr>
<tr>
<td>Services other than legal accounts review</td>
<td>1,095,928</td>
<td>354,263</td>
<td>1,450,191</td>
<td>20%</td>
</tr>
<tr>
<td>2. Total other services</td>
<td>1,159,728</td>
<td>401,482</td>
<td>1,561,210</td>
<td>22%</td>
</tr>
<tr>
<td></td>
<td>4,926,623</td>
<td>2,209,762</td>
<td>7,136,385</td>
<td>100%</td>
</tr>
</tbody>
</table>

Other information from KPMG

A description is presented below of the main services included in each category of services provided by KPMG, relative to 31 December 2009.
1. Audit Services

Accounts legal review services

Includes the fees charged by KPMG relative to the auditing and legal review of the consolidated accounts of the Group and its various companies on an individual basis, auditing of subsidiaries for consolidation purposes and other services associated to the legal review of the accounts relative to 31 December and the limited review relative to 30 June.

Other guarantee and reliability services

Includes the fees charged by KPMG relative to the provision of services that, in view of their characteristics, are associated to the auditing work and should, in many cases, be provided by statutory auditors, namely: issuance of comfort letters and opinions on specific subjects (internal control in accordance with the provisions in Notice number 5/2008 and services associated to securitisation operations and other accountancy services).

2. Other Services

Tax consultancy services

Includes the fees charged by KPMG relative to the support for tax purposes provided to the Group relative to the review of the tax obligations of the different companies in Portugal and abroad.

Services other than accounts legal review services

Includes the fees charged by KPMG relative to services other than legal review services, permitted in accordance with the defined rules of independence and subject to monitoring by the Audit Committee.

Approval of Services

Millennium bcp maintains a very strict policy of independence so as to avoid any conflicts of interest in the use of the services of the External Auditors. As auditor of the BCP Group, KPMG always complies with the rules on independence defined by the Group, including those established by the 8th Directive of the European Commission transposed into the Portuguese Legislation by Decree-Law nr. 224/2008 of 20 November in addition to the rules on independence defined by KPMG itself, by the International Standards on Auditing (ISA) issued by the International Federation of Accountants.

With the objective of safeguarding the independence of the Auditor, and taking into account the good practices and national and international standards, a series of regulatory principles was approved by Supervisory Board through the Audit Committee and by KPMG, as described below:

- KPMG and the companies or legal persons belonging to it (“Network”) cannot provide services to the Bank or Group, which are considered forbidden;
- the contracting of the rest of the non-forbidden services, on the part of any Organic Unit of the Bank or company in which the Bank has a stake, implies its prior approval by the Bank’s Audit Committee. The abovementioned approval is issued for a pre-defined set of services, for a renewable 12 month period. Specific approval by the Audit Committee is required for the rest of the services.

KPMG informed the Bank of the following internal rules applicable to its relation with the Bank and with the Group.
The KPMG Risk Management and Quality Control Process

Risk management

KPMG is responsible for ensuring that these services do not place in question its independence as auditor of the BCP Group. The requisites of the auditor's independence are determined based on a combination of the BCP Group's policies on the independence of the external auditors, on the national rules of each country, when they are more demanding, and on the internal rules of KPMG. Once a year, KPMG reports to the Executive Board of Directors and the Audit Committee on all the measures established to safeguard its independence as auditor of the BCP Group.

KPMG has implemented a system on its intranet, at an international level, called “Sentinel”, which conditions the provision of services by any office of the entire KPMG Network to the authorisation of the “Global Lead Partner” responsible for the customer. This procedure implies that the KPMG Units from which service is requested must obtain prior authorisation from the abovementioned Global Lead Partner. This request includes the presentation of justifications for the work requested, in particular, of the factors which enable evaluation of compliance with the applicable risk management rules and, consequently, of the independence of KPMG.

The Global Lead Partner is also responsible for verifying that the service proposals, presented through “Sentinel”, follow the service pre-approval rules and, when applicable, proceeding with the necessary diligences with the Audit Committee, in order to verify strict compliance with the applicable standards on independence.

All the employees of KPMG undertake to comply with the rules of independence defined in the Risk Management Manual of KPMG International, in addition to fully comply with the rules established by the Portuguese Institute of Statutory Auditors and, when applicable, of the Independence Standards Board and other regulatory entities.

Each KPMG professional is responsible for maintaining their independence, being obliged to review their financial interests, as well as their personal and professional relationships on a regular basis, so as to ensure strict compliance with the requisites of independence of KPMG and of the profession. It is forbidden for KPMG employees to collaborate with any other entities or organisations (customers or not), such as directors, executive members, independent professionals or employees.

In order to ensure its independence and that of its professionals, both in fact and substance, KPMG has developed an application – KPMG Independence Compliance System (KICS) – which includes information relative to the rules of independence, a search engine to access the list of restricted entities, in which its employees cannot own financial interests and a reporting system for the financial investments of its employees, where each professional records the name of the financial interests he/she owns. In this way, this application meets the requirements of AICPA on independence, without compromising privacy policies.

All KPMG professionals are required to issue an annual statement of independence, signed on the occasion of their recruitment and renewed on an annual basis, where they undertake not to acquire financial interests, directly or indirectly, in KPMG customers, keep all information they might have access to confidential and avoid any relationships with customer employees which might compromise the independence and objectiveness of KPMG.
Quality control

Quality control by internal teams of the national offices

With a view to guaranteeing the quality of its services provided to its customers, KPMG annually promotes the quality control of the activities performed, which essentially consists of the following aspects:

- review of each activity by the entire team involved, allowing identification of the areas requiring additional work on a particular component of the customer's financial statements, before the work in question is concluded;

- annual review, by a team of KPMG’s more experienced professionals, of a representative sample of its customers’ documents, with a view to ensuring that the planning of the work was carried out in the most effective manner, that the information collected during this phase allowed for the structuring and design of adequate and substantive internal control tests, and permitted ensuring the analysis of all risk areas identified in the work planning phases and, possibly, in latter stages.

Quality control by internal teams of the international offices

In addition to the quality control activities continuously carried out by the professionals at the offices in Portugal, KPMG also promotes, on an annual basis, quality audits of the general and risk evaluation procedures and of the quality of the work executed. The staff of the international offices of KPMG, who are suitably trained to carry out these control activities, performs these audits.

These control activities permit the sharing and harmonisation of KPMG knowledge at a world level, allowing for the identification of risk and use of specific risk analysis and mitigation tools that have been developed in other countries. The quality evaluation and control procedures performed by the staff at the offices in Portugal and abroad are supported by an information technology tool especially developed for this purpose.

III.18. Reference to the rotation period of the external auditor

Pursuant to the 8th Directive of the European Commission transposed into the Portuguese legislation by Decree-law nr. 224/2008 of 20 November, in article 54 (2) the maximum period for the exercise of audit functions by the Partner responsible for the orientation or direct execution of the legal certification of accounts is seven years, starting on the date of his/her appointment. This partner may be appointed again provided that a minimum period of two years has elapsed.
Annex I

Curricula Vitae of the Members of the Executive Board of Directors of Banco Comercial Português, S.A.

Carlos Jorge Ramalho dos Santos Ferreira

Personal data:
• Date of birth: 23 February 1949;
• Place of birth: Lisbon;
• Nationality: Portuguese;
• Position: Chairman of the Executive Board of Directors of Banco Comercial Português, S.A.;
• Beginning of functions: 16 January 2008;

Positions presently held in companies of the Group:

In Portugal:
• Chairman of the Board of Directors of Fundação Millennium bcp.

Abroad:
• Member of the Supervisory Board of Bank Millennium, S.A. (Poland).
• Member of the Board of Directors of Banco Sabadell, as representative of Banco Comercial Português S.A.;
• Chairman of the Board of Directors of Banco Millennium Angola, S.A.

Current positions outside the Group:
• Member of the Supervisory Board of EDP – Energias de Portugal, S.A.

Direct responsibilities within the Group’s organization:
• Audit Department;
• Shareholdings and Worth Measurement Department;
• Staff Management Support Department;
• “Fundação Millennium bcp”; 
• Office of the Chairman of the EBD;
• Millennium Angola;
• Optimisation & Performance Project;
• Company Secretary.
Academic education:

- 1971 – Licentiate Degree in Law from the Faculty of Law of Universidade Clássica de Lisboa;
- 1977 a 1988 – Lecturer in charge of overseeing the courses of Public Finances, Financial Law, International Economic Law and Currency and Credit in the Faculty of Law of the Universidade Clássica de Lisboa, in the Faculty of Law of the Universidade Católica Portuguesa and in the Faculty of Economics of the Universidade Nova.

Professional experience:

- 1976 to 1977 – Member of Parliament for the Socialist Party and Vice-Chairman of the Parliamentary Committee for Security and Health;
- 1977/1987 – Member of the Management Board of the state-owned company Aeroportos e Navegação Aérea – ANA;
- 1984/1988 – Member of the Tax Reform Commission;
- 1987/1989 – Chairman of the Board of Directors of Fundição de Oeiras;
- 1989/1991 – Chairman of the Board of Directors of Companhia do Aeroporto de Macau;
- 1992/1999 – In Group Champalimaud, Director and subsequently Chairman of the Board of Directors of the Insurance Company Mundial Confianza and Chairman of the Board of the General Meeting of Banco Pinto & Sotto Mayor;
- 1992/2001 – Vice-Chairman of the Board of the General Meeting of Estoril-Sol;
- 1999/2003 – In Group BCP, Director of ServiBanca – Empresa de Prestação de Serviços, ACE; Vice-Chairman and Member of the Board of Directors of Seguros & Pensões Gere, S.G.P.S., S.A.; Director and Chairman of the Board of Directors of Império Bonança, of Pensões Gere – Sociedade Gestora de Fundos de Pensões, S.A., of the insurance companies Ocidental and Ocidental Vida, Seguro Directo, ICI – Império Comércio Indústria, Companhia Portuguesa de Seguros de Saúde, Autogere – Companhia Portuguesa de Seguros, S.A.;
- 1999/2003 – Director of Eureko, BV;
- 2005 – Director of the Seng Heng Bank;
- 2005/2008 – Chairman of the Board of Directors of Caixa Geral de Depósitos, S.A.;
- 2005/2008 – Chairman of Banco Nacional Ultramarino, S.A. (Macau);
- 2005/2008 – Chairman of Caixa – Banco de Investimento, S.A.;
- Member of the Board of the Steering and Strategy Committee of Foment Invest, S.G.P.S., S. de Portugal, S.A.;
- February to December 2008 – Manager of BCP Participações Financeiras, S.G.P.S., Sociedade Unipessoal, Lda;
- February 2008/March 2009 – Manager of BCP Internacional II, Sociedade Unipessoal, SGPS, Lda;
- February 2008/March 2009 – Chairman of the Board of Directors of Millennium bcp – Prestação de Serviços, A.C.E.
Armando António Martins Vara  
(suspended from the position of Director and Vice-Chairman, at his own request, since 11 November 2009).

**Personal data:**  
- Date of birth: 27 March 1954;  
- Place of birth: Vinhais – Bragança;  
- Nationality: Portuguese;  
- Position: suspended at his own request, since 11 November 2009;  
- Beginning of functions: 16 January 2008;  

**Academic education:**  
- Licentiate Degree in International Relations UNI;  
- Post Graduate Degree in Business Administration by ISCTE.

**Professional experience:**  
- Member of the corporate bodies of Instituto Luso – Árabe de Cooperação (Portuguese – Arab Cooperation Institute);  
- Member of the Management of Instituto da Imprensa Democrática (Democratic Press Institute);  
- Councillor of the Municipality of Amadora;  
- 1992/1996 – Chairman of the Board of Directors of Fundação José Fontana;  
- 1987/1991 – Member of the Parliamentary Assembly of the Council of Europe;  
- 1989/1991 – Member of the Parliamentary Assembly of the Western European Union;  
- Vice-Chairman of the Social Equipment and Youth Parliamentary Commissions;  
- Member of Parliament during the IV, V, VI and VII Legislatures;
• 1995/1997 – Secretary of State of the Internal Administration of the XIII Constitutional Government;
• 1997/1999 – Deputy Secretary of State of the Internal Administration of the XIII Constitutional Government;
• October 1999/September 2000 – Deputy Minister to the Prime Minister of the XIV Constitutional Government;
• September 2000/December 2000 – Minister of Youth and Sport of the XIV Constitutional Government;
• 2001/2005 – Manager and Coordinator Manager at Caixa Geral de Depósitos, S.A.;
• 2005/2008 – Member of the Board of Directors of CAIXATEC – Tecnologias de Comunicação, S.A.,
• 2005/2008 – Member of the Board of Directors of Caixa Participações, S.G.P.S., S.A.;
• 2005/2008 – Chairman of the Board of Directors of SOGRUPO, IV – Gestão de Imóveis, S.A.;
• 2005/2008 – Chairman of the Board of Directors of IMOCAIXA, S.A.;
• 2005/2008 – Member of the Board of Directors of Caixa Geral de Depósitos, S.A.;
• 2006/2008 – Member of the Board of Directors of Portugal Telecom, S.G.P.S., S.A.,
• February to December 2008 – Manager of BCP Participações Financeiras, S.G.P.S., Sociedade Unipessoal, Lda.
Paulo José de Ribeiro Moita de Macedo

Personal data:
- Date of birth: 14 July 1963;
- Place of birth: Lisbon;
- Nationality: Portuguese;
- Grand Officer of the Portuguese Order of Infante D. Henrique (2006);
- Position: Vice-Chairman of the Executive Board of Directors;
- Beginning of functions: 16 January 2008;

Positions presently held in companies of the Group:

In Portugal:
- Vice-Chairman of the Board of Directors of Fundação Millennium bcp.

Abroad:
- Member of the Supervisory Board of Bank Millennium, S.A. (Poland);
- Member of the Board of Directors of BCP Holdings (USA), Inc. (United States of America).

Current positions outside the Group:
- Member of the Supervisory Board of Euronext, N.V.;
- Vice-Chairman of the Executive Committee of the Alumni Association of AESE – Associação de Estudos Superiores de Empresa;
- Member of the Board of the School of Economics and Management.

Functions within the organizational framework of the Group:
- Banking Services Coordination Committee.

Direct responsibilities:
- Compliance Office;
- Assets and Liabilities Management Department (ALM);
- Communications Department;
- Accounting and Consolidation Department;
- Management Information Department;
- Planning and Budget Control Department;
- Quality Department;
- Investor Relations Department;
Research Office;
Prevention and Safety Office;
Risk Office;
General Secretariat.

Academic education:

- 1986 – Licentiate Degree in Corporate Organization and Management at the School of Economics of Universidade Técnica de Lisboa;
- 2001 – Corporate Senior Management Programme – AESE;
- 1986/1991 – Trainee Lecturer at the Economics and Management Institute of Universidade Técnica de Lisboa;
- 1991/1999 – Invited Lecturer at the Economics and Management Institute of Universidade Técnica de Lisboa, Management Department;
- Teacher of the Post-Graduate Degree on Tax Matters at the Instituto de Estudos Superiores Financeiros e Fiscais (School of Tax and Financial Studies);
- Teacher of the Post-Graduate Degree on Tax Management at the School of Economics and Management of Universidade Técnica de Lisboa;
- Teacher of the Post-Graduate Degree on Management of Banks and Insurance Companies at the School of Economics and Management of Universidade Técnica de Lisboa;
- Teacher of the MBA of A.E.S.E.;
- Guest speaker in several seminars and conferences.

Professional experience:

- September 1986/September 1993 – Arthur Andersen (a company that, from August 2002 onwards merged its activities in Portugal with Deloitte, Portugal), Tax Advising Division, Senior Assistant and Manager;
- September 1993/1998 – Banco Comercial Português, S.A., having performed the following functions:
  - Manager – Strategic Marketing Unit;
  - Manager – Credit Cards Commercial Department;
  - Manager – Marketing - Trade and Entrepreneurs Network;
  - Head of the Euro Cabinet in the Corporate Centre;
- 1994/1996 – Member of the Tax Reform Commission;
- 1997 – Member of the Work Group for the Re-assessment of Tax Benefits;
- 1998/2000 – Member of the Board of Directors of Comercial Leasing, S.A;
- 2000/2001 – Member of the Board of Directors of Interbanco, S.A;
- 2001/2004 – Member of the Board of Directors of Companhia Portuguesa de Seguros de Saúde, S.A (Médis);
- 2003/2004 – Member of the Managing Commission of Seguros e Pensões, S.G.P.S., S.A;
- May 2004/July 2007 – Tax General Director and Chairman of the Tax Administration Board;
- August 2007/January 2008 – General Manager of Banco Comercial Português, S.A.
Vitor Manuel Lopes Fernandes

**Personal data:**
- Date of birth: 13 November 1963;
- Place of birth: Lisbon;
- Nationality: Portuguese;
- Position: Vice-Chairman of the Executive Board of Directors;
- Beginning of functions: 16 January 2008;

**Positions presently held in companies of the Group:**

**In Portugal:**
- Manager of BCP Internacional II, Sociedade Unipessoal, SGPS, Lda.;
- Member of the Board of Directors of Fundação Millennium bcp;
- Chairman of the Board of Directors of Millennium bcp – Prestação de Serviços, ACE.

**Abroad:**
- Member of the Board of Directors of Banca Millennium, S.A (Romania);
- Member of the Board of Directors of BCP Holdings (USA), Inc. (United States of America);
- Member of the Board of Directors of Millennium Bank, S.A. (Greece);
- Member of the Supervisory Board of Bank Millennium, S.A. (Poland).

**Current positions outside the Group:**
- Member of the Board of Directors of SIBS – Sociedade Interbancária de Serviços, S.A., as representative of Banco Comercial Português, S.A.

**Current positions outside the Group:**
- European Banking Coordination Committee;
- Banking Services Coordination Committee.

**Direct responsibilities:**
- Administrative and Logistics Department;
- Tax Advisory Department;
- Audit Department;
- Litigation Department;
• Credit Department;
• IT Department;
• Companies Marketing Department;
• Marketing Department;
• Operations Department;
• Rating Department;
• Staff Management Support Department;
• Legal Department.

Academic education:
• 1986 – Licentiate Degree in Business Management from the Faculty of Human Sciences of Universidade Católica Portuguesa (Portuguese Catholic University);
• Chartered Accountant since 1992, registered in the Ordem dos Revisores Oficiais de Contas (Portuguese Chartered Accountants Association).

Professional experience:
• 1986/1992- Arthur Andersen, SA., as Manager between 1990 and 1992;
• 1992/September 2002 – Insurance Company Mundial – Confiança:
  July to October 1992 – Advisor to the Board of Directors;
  October 1992/June 1993 – Audit Manager;
  June 1993/March 1995 – Technical General Manager;
  31 March 1995/17 June 1999 – Director;
  June 1999/June 2000 – Chairman;
  June 2000 – Vice-Chairman;
  April 2001/September 2002 – Chairman;
• April 2000/March 2001 – Director of the insurance company Fidelidade;
• April 2001/September 2002 – Chairman of the insurance company Fidelidade;
• June 2000/December 2007 – Director of Caixa Geral de Depósitos, S.A.;
• 2002/2007 – Chairman of the insurance company Fidelidade Mundial, S.A.;
• January 2005/December 2007 – Chairman of the insurance company Império Bonança – Companhia de Seguros, S.A.;
• February 2006/December 2007 – Chairman of SOGRUPO, S.G.P.S., S.A.;
• February to December 2008 – Manager of BCP Participações Financeiras, S.G.P.S., Sociedade Unipessoal, Lda;
• February 2008/March 2009 – Member of the Board of Directors of Millennium bcp – Prestação de Serviços, ACE;
• July to December 2009 – Member of the Board of Directors of Banco ActivoBank (Portugal), S.A., presently Banco ActivoBank, S.A.
José João Guilherme

Personal data:
- Date of birth: 16 June 1957;
- Place of birth: Coruche;
- Nationality: Portuguese;
- Position: Member of the Executive Board of Directors;
- Beginning of functions: 16 January 2008;

Positions presently held in companies of the Group:

In Portugal:
- Member of the Board of Directors of Fundação Millennium bcp.

Abroad:
- Member of the Board of Directors of BCP Holdings (USA), Inc. (United States of America);
- Vice-Chairman of the Board of Directors of BIM – Banco Internacional de Moçambique, S.A.

Current positions outside the Group:
- Member of Executive Board of the “ELO – Associação Portuguesa para o Desenvolvimento Económico e a Cooperação” (Portuguese Association for the Economical Development and Cooperation), representing Banco Comercial Português, S.A.;
- Member of the Board of Directors of the Fund PVCi-Portugal Venture Capital Initiative as representative of BCP Internacional II, Sociedade Unipessoal, S.G.P.S., Lda.

Functions within the organizational framework of the Group:
- Corporate and Investment Banking Coordination Committee;
- Retail and Companies Coordination Committee.

Direct responsibilities:
- Companies Banking (South);
- Retail Banking (Centre South);
- Retail Banking (South);
- Direct Banking Department;
- Shareholdings and Worth Measurement Department;
- Treasury and Markets Department;
- International Department;
- Millennium BIM (Mozambique).
Academic Education:


Professional Experience:

- 1981/1986 – Portuguese Finance Ministry (Institute for Conjuncture Analysis and Planning Research);
- 1986 – Joins BCP (Research and Planning Department);
- 1988/1989 – Launching of the Capital Markets Department (launching of the first commercial bonds);
- 1989/1990 – Companies Branch Manager in Guimarães;
- 1990/1991 – Private Branch Manager in Oporto;
- 1991/1995 – Manager of CISF (latter named Banco Millennium bcp Investimento, S.A.) – in charge of the Financial Services Area;
- 1995/1998 – Coordinating Manager of Nova Rede;
- 1998/2001 – Member of the Board of Directors of Big Bank Gdansk S.A.;
- 2000/2001 – Member of the Supervisory Board of the company Polcard (Poland), in the credit card business;
- 2001/2005 – Member of the Board of Directors of Ocidental – Companhia de Seguros, S.A.;
- 2001/2005 – Member of the Board of Directors of Ocidental Vida – Companhia de Seguros, S.A.;
- 2002/2005 – Member of the Board of Directors of Seguro Directo – Companhia de Seguros, S.A.;
- 2005/2006 – Manager in charge of the Credit Recovery Department;
- October 2007/March 2008 – Manager in charge of the Commercial Innovation and Disclosure Department, Chairman of the Board of Directors of Millennium bcp Teleserviços – Serviços de Comércio Electrónico, S.A. and Member of the Board of Directors of Millennium bcp Gestão de Fundos de Investimento, S.A.;
- February to December 2008 – Manager of BCP Participações Financeiras, S.G.P.S., Sociedade Unipessoal, Lda;
- February 2008/March 2009 – Manager of BCP Internacional II, Sociedade Unipessoal, S.G.P.S., Lda;
- February 2008/March 2009 – Member of the Board of Directors of Millennium bcp – Prestação de Serviços, A.C.E.;
- February 2008/March 2009 – Chairman of the Board of Directors of Banco Millennium bcp Investimento, S.A.;
- February 2008/December 2009 – Member of the Board of Directors of Banco ActivoBank (Portugal), S.A., presently Banco ActivoBank, S.A.
Nelson Ricardo Bessa Machado

Personal data:
- Date of birth: 15 September 1959;
- Place of birth: Oporto;
- Nationality: Portuguese;
- Position: Member of the Executive Board of Directors;
- Beginning of functions: 16 January 2008;

Positions presently held in companies of the Group:

In Portugal:
- Chairman of the Board of Directors of Banco de Investimento Imobiliário, S.A.;
- Manager of Bil Internacional, S.G.P.S., Lda;
- Vice-Chairman of the Board of Directors of Millennium bcp – Prestação de Serviços, A.C.E.;
- Member of the Board of Directors of Fundação Millennium bcp;
- Vice-Chairman of the Board of Directors of Millennium bcp Fortis Grupo Segurador, S.G.P.S., S.A.;
- Vice-Chairman of the Board of Directors of Médis – Companhia Portuguesa de Seguros de Saúde, S.A.;
- Vice-Chairman of the Board of Directors of Ocidental – Companhia Portuguesa de Seguros, S.A.;
- Vice-Chairman of the Board of Directors of Ocidental – Companhia Portuguesa de Seguros de Vida, S.A.;
- Vice-Chairman of the Board of Directors of Pensões Gere – Sociedade Gestora de Fundos de Pensões, S.A.

Abroad:
- Member of the Supervisory Board of Bank Millennium, S.A. (Poland);
- Vice-Chairman of the “Conseil de Surveillance” of Banque BCP, S.A.S (France);
- Member of the Board of Directors of Millennium Bank, S.A. (Greece);
- Member of the Board of Directors of BCP Holdings (USA), Inc (United States of America);
- Member of the Board of Directors of Banca Millennium, S.A. (Romania).

Functions within the organizational framework of the Group:
- European Banking Coordination Committee;
- Private Banking and Asset Management Coordination Committee;
- Retail and Companies Coordination Committee.

Direct responsibilities:
- Asset Management;
- Companies Banking (North);
- Retail Banking (Centre North);
• Retail Banking (North);
• Banque BCP (France);
• Network Support Department;
• Microcredit Department;
• Real Estate Promotion Department;
• Madeira Regional Department;
• Azores Regional Department;
• Insurances.

**Academic education:**

• 1982 – Licentiate Degree in Economics from the Faculty of Economics of Oporto;
• 1982/1987 – Associate Professor at the School of Economics of Universidade do Porto;
• 1987 – Guest lecturer in the Faculty of Engineering.

**Professional experience:**

• September 1982/June 1983 – Department for Economic and Marketing Studies of Banco Português do Atlântico;
• June 1984/February 1987 – Industrial Association of Oporto, in the Department for Economic Studies, between January and October 1986 as interim Deputy General Secretary;
• March 1987 – Returns to BPA to the Corporate Studies Department of DEMP;
• January 1988 – Commercial Manager of PRAEMIUM – Sociedade Gestora de Fundos de Pensões from the beginning, in charge of launching the Pension Funds;
• 1991 – Becomes Deputy Director of PRAEMIUM;
• 1991 – Member of the Board of Directors of BPAVIDA, SA,
• 1996 – Head of the Direct Banking Department of BPA;
• 1996 – Head of the Project “In Store Banking” leading to the opening of Banco Expresso Atlântico;
• November 1996 – Coordinating Manager of NovaRede – North;
• October 1997/October 2000 – Additionally Head of Project NRSECXXI;
• December 2000/February 2001 – Member of the Board of Directors of Crédibanco – Banco de Crédito Pessoal, S.A.;
• October 2001/February 2002 – Member of the Board of Directors of Leasefactor, S.G.P.S., S.A.;
• March 2002/June 2003 – Director of Interamerican Life Insurance Company – the largest life and health insurance company in Greece;
• July 2003/July 2006 – Director and General Manager of NovaBank (later MillenniumBank) in Greece;
• July 2003/July 2006 – Non-executive Director of Bank Europa (later MillenniumBank-Turkey);
• August 2006/January 2008 – General Manager of MillenniumBcp with the functions of Coordinating Manager of one of the retail coordination areas;
• February to December 2008 – Manager of BCP Participações Financeiras, S.G.P.S., Sociedade Unipessoal, Lda;
• February 2008/March 2009 – Manager of BCP Internacional II, Sociedade Unipessoal, S.G.P.S., Lda;
• February 2008/March 2009 – Member of the Board of Directors of Millennium bcp – Prestação de Serviços, A.C.E.
Luís Maria França de Castro Pereira Coutinho

Personal data:
- Date of birth: 2 March 1962;
- Place of birth: Lisbon;
- Nationality: Portuguese;
- Position: Member of the Executive Board of Directors;
- Beginning of functions: 16 January 2008;

Positions presently held in companies of the Group:

In Portugal:
- Member of the Board of Directors of Fundação Millennium bcp.

Abroad:
- Chairman of the Board of Directors of Banque Privée BCP (Suisse), S.A. (Switzerland);
- Vice-Chairman of the Board of Directors of Millennium Bank, S.A. (Greece);
- Chairman of the Board of Directors of BCP Holdings (USA), Inc. (United States of America);
- Member of the Supervisory Board of Bank Millennium, S.A. (Poland);
- Chairman of the Board of Directors of Banca Millennium, S.A. (Romania).

Functions within the organizational framework of the Group:
- European Banking Coordination Committee;
- Private Banking and Asset Management Coordination Committee.

Direct responsibilities:
- Banca Millennium (Romania);
- Bank Millennium (Poland);
- Banque Privée BCP (Switzerland);
- Millennium Bank (Greece);
- Millennium Bank (Turkey);
- Millennium bcpbank (United States of America);
- Private Banking;
- Millennium bcp Bank & Trust (Cayman Islands).
Academic education:

• 1984 – Licenciate degree in Economics from Universidade Católica Portuguesa.

Professional experience:

• 1985/1988 – Responsible for the Dealing-Room of Credit Lyonnaise (Portugal);
• 1991/1993 – Member of the Board of Directors of Geofinança – Sociedade de Investimentos, S.A.;
• 1993/1998 – Member of the Executive Committee and of the Board of Directors of Banco Mello, S.A.;
• 1998/2000 – Vice-Chairman of the Executive Committee and Member of the Board of Directors of Banco Mello, S.A.;
• 2000/2001 – General Manager of Banco Comercial Português, S.A.;
• 2001/2003 – Head of the Office of the Chairman of the Board of Directors of Banco Comercial Português, S.A.;
• 2003/February 2009 – Vice Chairman of the Executive Board of Directors of Bank Millennium (Poland);
• May 2003/March 2009 – Member of the Supervisory Board of Millennium Leasing Sp. Z.o.o. (Poland);
• May 2003/March 2009 – Member of the Supervisory Board of Millennium Dom Maklerski S.A. (Poland);
• May 2003/March 2009 – Member of the Supervisory Board of Millennium Lease Sp. Z.o.o. (Poland);
• February to December 2008 – Manager of BCP Participações Financeiras, SGPS, Sociedade Unipessoal, Lda;
• February 2008/March 2009 – Manager of BCP Internacional II, Sociedade Unipessoal, S.G.P.S., Lda;
• February 2008/March 2009 – Member of the Board of Directors of Millennium bcp – Prestação de Serviços, A.C.E;
• February 2008/December 2009 – Chairman of the Board of Directors of Banco Activobank (Portugal), S.A., presently Banco ActivoBank, S.A.
Miguel Maya Dias Pinheiro

Personal data:
- Date of birth: 16 June 1964;
- Place of birth: Lisbon;
- Nationality: Portuguese;
- Position: Member of the Executive Board of Directors;
- Appointment: 11 November 2009;

Positions presently held in companies of the Group:

In Portugal:
- Member of the Board of Directors of Fundação Millennium bcp;
- Manager of VSC – Aluguer de Viaturas sem Condutor, Lda;
- Chairman of the Board of Directors of Banco ActivoBank (Portugal), S.A. presently Banco ActivoBank, S.A.

Abroad:
- Member of the Board of Directors of Banco Millennium Angola (Angola);
- Member of the Board of Directors of BIM – Banco Internacional de Moçambique, S.A. (Mozambique).

Functions within the organizational framework of the Group:
- Retail and Companies Coordination Committee;
- Corporate and Investment Banking Coordination Committee.

Direct responsibilities:
- Banco ActivoBank (Portugal)/Project Blue;
- Investment Banking Department;
- Corporate I Department;
- Corporate II Department;
- Specialised Credit Department;
- Credit Recovery Department.

Academic education:
- Licentiate Degree in Corporate Organization and Management at Instituto Superior das Ciências do Trabalho e da Empresa (ISCETE);
- Corporate Senior Management Programme – AESE;
- Advanced Management Programme – INSEAD.
Professional experience:

- 1987/1990 – Commercial and Financial functions in an industry sector SME;
- 1990/1995 – Employee of Banco Português de Atlântico, with functions in the commercial and companies areas, in charge of coordinating the Economic and Financial Research Office. During this period of time, he was guest lecturer at IFB;
- Since 1996 – Employee of Grupo Banco Comercial Português, part of the teams that incorporated BPA into BCP, taking over the coordination of the integration project and the definition of the value proposal for the companies segment;
- 1997/1999 – Banco Comercial Português, S.A. – Head of the Companies Marketing Department; Cooperation with Directive Committees of Banco de Portugal;
- 1999/2000 – Banco Comercial Português – Coordinating Manager of NovaRede (Retail South). Cooperation with Directive Committees of Banco de Portugal;
- 2001/2003 – Sent to Barcelona, Spain, undertaking the functions of C.E.O. of Managerland, S.A. (Internet banking operations for Group BCP and Sabadell);
- Director of ActivoBank and ActivoBank7;
- 2003/2005 – Banco Comercial Português/Servibanca – General Manager, in charge of the Contact Centre (Internet, Phone Banking and Customer Centre operations);
- Director of Millenniumbcp Teleserviços, Serviços de Comercio Electrónico, S.A.;
- 2005/September 2007 – General Manager of Banco Comercial Português, S.A., member of the Retail Executive Committee;
- Head of the Commercial Innovation and Disclosure Department of BCP;
- Director of Millenniumbcp Gestão de Fundos de Investimentos, S.A.;
- Chairman of Millenniumbcp Teleserviços, Serviços de Comercio Electrónico, S.A.;
- Manager of AF Internacional, S.G.P.S. Sociedade Unipessoal, Lda.;
- Member of the Executive Commission of CISP;
- Since September 2007 – Head of the Office of the Chairman of the Executive Board of Directors of Banco Comercial Português, S.A.;
- Since 25 February 2009 – Member of the Board of Directors of Banco Millennium Angola.
Annex II

Curricula Vitae of the Members of the Supervisory Board of Banco Comercial Português, S.A.

Luís de Melo Champalimaud

Age: 58.

Academic qualifications: attended the course in Economics at Instituto Superior de Economia e Sociologia de Evora.

Current positions in the Group: Chairman of the Supervisory Board, Chairman of the Sustainability and Corporate Governance Committee and Member of the Remunerations and Welfare Board of Banco Comercial Português, S.A.

Current positions outside the Group: Chairman of the Board of Directors of Confiança Participações, S.G.P.S., S.A., Chairman of the Supervisory Board of Tracção, S.A. (Brazil), and Chairman of the Supervisory Board of the Empresa de Cimentos Liz, S.A. (Brazil) and Chairman of the Advisory Board of Empresa de Cimentos Liz, S.A.

Professional experience:

• 1975/1982 – Sales Manager of Empresa de Cimentos Liz, S.A. (former Soeicom, S.A.);
• 1993/1995 – Chairman of Banco Pinto & Sotto Mayor;
• 1996/2000 – Chairman of Banco Chemical;
• 1997/2000 – Chairman of Banco Totta & Açores;
• 1997/2000 – Chairman of Crédito Predial Português;
• 2004/2006 – Non-Executive Director of Portugal Telecom, S.G.P.S., S.A.;
• 2006/2009 – Member of the Supervisory Board of Banco Comercial Português, S.A.

Manuel Domingos Vicente

Age: 53.

Academic qualifications: degree in Electronic Engineering specialised in power systems, from Universidade Agostinho Neto.

Current positions in the Group: Vice-Chairman of the Supervisory Board of Banco Comercial Português, S.A.

Current positions outside the Group: Chairman of the Board of Directors of Sonangol, E.P., Chairman of the General Meeting of UNITEL, Consultant of GAMEK, Chairman of the Management Committee of Base de Luanda, Vice-Chairman of Fundação Eduardo dos Santos (FESA).
Pedro Maria Calainho Teixeira Duarte

**Age:** 55.

**Academic qualifications:** Licentiate degree in Business Administration from the Universidade Católica Portuguesa (Portuguese Catholic University) in 1977.

**Current positions in the Group:** Vice-Chairman of the Supervisory Board of Banco Comercial Português, S.A.

**Current positions outside the Group:** Chairman of the Board of Directors of Teixeira Duarte – Engenharia e Construções, S.A., Director of CIMPOR – Cimentos de Portugal, SGPS, S.A., Chairman of the Board of Directors of PASIM – Sociedade Imobiliária, S.A., Chairman of the Board of Directors of PACIM – S.G.P.S., S.A. and Chairman of the Board of Directors of Teixeira Duarte, S.A.

**Professional experience:**
- 1981/1987 – Chief Engineer, Head of the SONEFE Projects Department;
- 1987/1991 – Head of the Energy Development Technical Department of the Ministry for Energy and Oil;
- 1987/1991 – College Professor;
- January 2008/March 2009 – Member of the Supervisory Board of Banco Comercial Português S.A.

Josep Oliu Creus

**Age:** 60.

**Academic qualifications:** PhD in Economics from the University of Minnesota, in 1978.

**Current positions in the Group:** Member of the Supervisory Board and of the Sustainability and Corporate Governance Committee of Banco Comercial Português, S.A.

**Current positions outside the Group:** Chairman of the Board of Directors of BancSabadell-Holding S.L. Unipers, Member of the Management Committee of the Spanish “Fondo de Garantía de Depósitos” (Deposits Guarantee Fund), Vice-Chairman of Spanish Section of the ELEC (European League for Economic Cooperation),

**Professional experience:**
- 1981/1987 – Chief Engineer, Head of the SONEFE Projects Department;
- 1987/1991 – Head of the Energy Development Technical Department of the Ministry for Energy and Oil;
- 1987/1991 – College Professor;
- January 2008/March 2009 – Member of the Supervisory Board of Banco Comercial Português S.A.
António Luís Guerra Nunes Mexia

Age: 52.

Academic qualifications: licentiate degree in Economics from the University of Geneva in 1979.

Current positions in the Group: Member of the Supervisory Board and of the Sustainability and Corporate Governance Committee of Banco Comercial Português, S.A.

Current positions outside the Group: Chairman of the Executive Board of Directors of EDP – Energias de Portugal, EDP – Energias do Brasil, EDP – Estudos e Consultadoria, and non-executive Director of Aquapura – Hotels Resort & SPA.

Professional experience:

• 1978/1982 – Associate Professor of Economics and Econometrics at Universidad Autónoma, Barcelona;
• 1982/1984 – Professor at the Universidad of Oviedo;
• 1983 – Director of Strategy Studies at the Spanish Institute of Industry;
• 1984/1986 – Planning General Director, Chief Executive of Financial Companies for Regional Development and advisor to the Spanish Institute of Industry;
• 1986 – Joins Banco Sabadell;
• 2000/2008 – Member of the Senior Board of Banco Comercial Português, S.A.;
• 2002 – Appointed Member of the Governors Council of Fundación Príncipe de Asturias.

António Luís Guerra Nunes Mexia

Age: 52.

Academic qualifications: licentiate degree in Economics from the University of Geneva in 1979.

Current positions in the Group: Member of the Supervisory Board and of the Sustainability and Corporate Governance Committee of Banco Comercial Português, S.A.

Current positions outside the Group: Chairman of the Executive Board of Directors of EDP – Energias de Portugal, EDP – Energias do Brasil, EDP – Estudos e Consultadoria, and non-executive Director of Aquapura – Hotels Resort & SPA.

Professional experience:

• 1978/1982 – Associate Professor of Economics and Econometrics at Universidad Autónoma, Barcelona;
• 1982/1984 – Professor at the Universidad of Oviedo;
• 1983 – Director of Strategy Studies at the Spanish Institute of Industry;
• 1984/1986 – Planning General Director, Chief Executive of Financial Companies for Regional Development and advisor to the Spanish Institute of Industry;
• 1986 – Joins Banco Sabadell;
• 2000/2008 – Member of the Senior Board of Banco Comercial Português, S.A.;
• 2002 – Appointed Member of the Governors Council of Fundación Príncipe de Asturias.
Patrick Wing Ming Huen

**Age:** 68.

**Current positions in the Group:** Member of the Supervisory Board of Banco Comercial Português, S.A., representing Sociedade de Turismo e Diversões de Macau, S.A.

**Current positions outside the Group:** Director of Estoril Sol, S.G.P.S., S.A., Director of Estoril Finansol, S.G.P.S., S.A., Chairman of the Board of Directors of Varzim Sol, S.A., Vice-Chairman of the Board of Directors of Estoril Sol (III), S.A., member of the UK Chartered Institute of Bankers, the Hong Kong Securities, the Economic Council of the Macau SAR Government and Honorary Chairman of Macau Association of Medical Practitioners.

**Professional experience:**
- Until 1979 – Worked for 20 years in commercial banking, at HSBC and BNP;
- 1979 – Joins the Shun Tak – STDM Group, undertaking various management positions;
- 1991/2000 – Executive Director of the Seng Heng Bank Limited;
- 1991/2009 – Executive Director of Shun Tak Holdings Limited;
- Director of STDM Investimentos, S.G.P.S., S.A.;
- Director of Credicapital, S.G.P.S., S.A.;
- Director of Imapex, S.A.;
- Director of Imo-Oito, S.A.;
- Director of Brightask, S.A.;
- Director of Imo-Doze, S.A.;
- Manager of STDM – Gestão de Investimentos, Lda.;
- Manager of Guinchotel, Lda.;
- Member of the Audit Board of STDM, Investimentos Imobiliários, S.A.

2001/2004 – Chairman of the Boards of Directors of Petrogal – Petróleos de Portugal, S.A.;
2001/2004 – Chairman of the Board of Directors of Trangás;
2001/2004 – Chairman of the Board of Directors of Trangás-Atlântico;

António Vitor Martins Monteiro

**Age:** 66.

**Academic qualifications:** licentiate Degree in Law from the Law School of the University of Lisbon.

**Current positions in the Group:** Member of the Supervisory Board of Banco Comercial Português, S.A.
Current positions outside the Group: Member of the Board of Directors of SOCO International plc, Member of the General Board of the School of Humanities and Social Sciences of Universidade Nova de Lisboa, and Member of the Nominations Commission, Member of the Board of Directors of Banco Privado do Atlântico – Angola and Chairman of the Board of Curators of Fundação Luso-Brasileira

Professional experience:

- 1968 – Joins the Ministry of Foreign Affairs;
- 1984 – Deputy Permanent Representative for the Permanent Mission of Portugal to the United Nations;
- 1987/1991 – Head of the Office of the Secretary of State for Foreign Affairs and Cooperation;
- 1990/1991 – Member of the Portuguese Delegation that mediated the negotiations for the Peace Treaties in Angola, signed in Lisbon;
- 1991 – Head of the Temporary Mission of Portugal to the Peace Process Structures in Angola and representative to the Political-Military Joint Committee, in Luanda;
- 1994 – Director-General for Foreign Policy of the Ministry of Foreign Affairs;
- 1994/1996 – Coordinator of the Permanent Steering Committee of the Community of Portuguese-Speaking Countries;
- 1997 – Portuguese Permanent Representative to the United Nations;
- 1997/1998 – Chairman of the Committee created by the Security Council to deal with the situation caused by the conflict between Iraq and Kuwait;
- 2000 – Portuguese Representative to the Economic and Social Council of the UN (ECOSOC);
- 2001 – Vice-Chairman of the ECOSOC;
- 2001 – Ambassador of Portugal in France;
- 2001/2004 – Portugal’s Representative to in the European Space Agency (ESA);
- 2002/2009 – Member of the Ambassadors Forum – Agência Portuguesa para o Investimento;
- 2003 – Member of the Advisory Board of the Oceans Strategic Committee;
- 2004/2005 – Minister of Foreign Affairs and of the Portuguese Communities;
- 2005/2006 – High Commissioner of the UN for the Elections in the Ivory Coast;
- 2006/2009 – Portugal’s Representative to in the European Space Agency (ESA);
- 2006/2009 – Ambassador of Portugal in France.

João Manuel de Matos Loureiro

Age: 50.

Academic qualifications: licentiate Degree in Economics from the School of Economics of the University of Oporto. PhD in Economics (majoring in International Macroeconomics and Finance) from the University of Gothenburg, Sweden.

Current positions in the Group: Member of the Supervisory Board and Chairman of the Audit Committee of Banco Comercial Português, S.A., and Chairman of the Audit Board of Banco ActivoBank, S.A.
Current positions outside the Group: Associate Professor at the School of Economics of Universidade do Porto. Lecturer in the disciplines of Licentiate, Masters, PHD and other post-graduate degrees in the respective specialization areas: Macroeconomics, Economic Politics, International Monetary Economics and International Financial Management.

Professional experience:

- 1984 – Economist of the Planning Department of União de Bancos Portugueses;
- 1984/1992 – Associate Professor at the School of Economics of Universidade do Porto;
- 1986/1987 – Economist for the Economic Studies Department of Banco Português do Atlântico;
- 1987/1992 – Research scholarship from the University of Gothenburg and from Junta Nacional de Investigação Científica e Tecnológica (Portuguese Scientific and Technological Research Institute);
- 1993 – Professor at the School of Economics of Universidade do Porto;
- 1996/2001 – Member of the Board of the School of Economics of Universidade do Porto;
- 2000/2008 – Responsible for the MBA in Finances of the School of Economics of Universidade do Porto;
- 2002/2008 – Chairman of the Pedagogic Council of the School of Economics of Universidade do Porto;
- 2007/2008 – Coordinator of the Budgeting per Programs Committee, Ministry of Finance;
- Since 2008 – Member of the General Board of UPBS (University of Porto Business School);
- Since 2008 – Head of the Post Graduate Degree in Company Management of EGP – UPBS;
- 2008 – Economic consultant for the assessment of the foreign exchange regime in Cape Verde.

José Guilherme Xavier de Basto

Age: 71.

Academic qualifications: Licentiate Degree in Law from the Law School of Universidade de Coimbra and the Additional Course of Political-Economic Sciences.

Current positions in the Group: Member of the Supervisory Board and of the Audit Committee of Banco Comercial Português, S.A.

Current positions outside the Group: Non-Executive Director of Portugal Telecom, S.G.P.S., S.A., Member of the Audit Board of Portugal Telecom, S.G.P.S., S.A. and Member of the Studies Centre of the Chartered Accountants Association (CTOC).

Professional experience:

- 1994 – Member of the Tax Reform Development Committee;
- 1995/2000 – Lecturer at the Law School of the University of Coimbra.
José Vieira dos Reis

Age: 62.

Academic qualifications: Licentiate Degree in Economy by Instituto Superior de Economia de Lisboa; Licentiate Degree in Law from the Lisbon Law School; BSc in Accounting by Instituto Comercial de Lisboa; Statutory Auditor and Statutory Technician.

Current positions in the Group: Member of the Supervisory Board and of the Audit Committee of Banco Comercial Português, S.A.

Current positions outside the Group: Chairman of the Audit Board of AEA – Auto-estradas do Atlântico, S.A.; Member of the Audit Board of Portugália, S.A.; Founding partner of Oliveira Reis & Associados, S.R.O.C. Lda. and Consultant.

Professional experience:
- Finance Inspector;
- Tax Receiver;
- 1998/1999 – Chairman of the Chamber of Statutory Auditors;
- 2000 – Member of the Committee for the Income Tax Reform;
- 2000/2005 – Chairman of the Statutory Auditors Association;
- 2006/2009 – Chairman of the Work Group on the Tax Impact of the Adoption of International Accounting Standards;
- Lecturer at Instituto Superior de Contabilidade e Administração de Lisboa, teaching the discipline of Financial General Accounting II.

Manuel Alfredo da Cunha José de Mello

Age: 61.

Academic qualifications: Licentiate Degree in Finance by Instituto Superior de Economia de Lisboa in 1972.

Current positions in the Group: Member of the Supervisory Board and Chairman of the Nominations Committee of Banco Comercial Português, S.A.

Current positions outside the Group: Chairman of the Board of Directors of Group NUTRINVESTE, S.G.P.S., S.A.

Professional experience:
- Until March 2009 – Member of the Senior Board of Banco Comercial Português, S.A.

Thomaz de Mello Paes de Vasconcelos

Age: 52.

Academic qualifications: Licentiate degree in Business Management from the Universidade Católica.
**Current positions in the Group:** Member of the Supervisory Board and of the Audit Committee of Banco Comercial Português, S.A.

**Current positions outside the Group:** Consultant of TPV, Lda., Chairman of Serfingest, S.G.P.S., S.A. and Statutory Auditor.

**Professional experience:**
- Senior Manager at Arthur Andersen & Co.;
- Director of Group Santogal;
- Consultant in the Health, Teaching, Insurance and Financial sectors;
- Non-Executive Director of Portugal Telecom, S.G.P.S., S.A.

**Vasco Esteves Fraga**

**Age:** 60.

**Academic qualifications:** Licentiate Degree in Finance by Instituto Superior de Economia de Lisboa and Training Programs and Seminars at the London Business School, INSEAD, Universidade Nova and Universidade Católica.

**Current positions in the Group:** Member of the Supervisory Board and Member of the Nominations Committee of Banco Comercial Português, S.A.

**Current positions outside the Group:** Director of Estoril Sol, S.G.P.S., S.A., Varzim Sol – Turismo Jogo e Animação, S.A. and Estoril Sol (III), S.A.

**Professional experience:**
- 1999/2007 – Director of Sociedade de Empreendimentos Imobiliários Santa Susana, S.A.;
- 1999/2007 – Director of Estoril Sol Hoteis II – Actividades Hoteleiras;
- 2002/2009 – Director of Estoril Sol (V);
Annex III

Curricula Vitae of the Members of the Remuneration and Welfare Board of Banco Comercial Português, S.A.

José Manuel Rodrigues Berardo

Age: 65.

Current positions in the Group: Chairman of the Remuneration and Welfare Board.

Luís de Melo Champalimaud

Please see Annex II.

Manuel Pinto Barbosa

Age: 65.

Current position in the Group: Member of the Remunerations and Welfare Board.

Academic qualifications: licentiate degree in Finance by Instituto Superior de Ciências Economias e Financeiras of Universidade Técnica de Lisboa, MSc by Yale University, PhD by Yale University and Professorship by Universidade Nova de Lisboa.

Millennium bcp earnings release as at 31 December 2009

- Consolidated net income of Euro 225 million in 2009
- Reinforcement of Core Tier 1 pro forma to 7.1% in accordance with IRB approach \(^a\)

- Consolidated net income of Euro 225 million in 2009, up by 12% from 2008;
- In accordance with IRB approach \(^a\), the pro forma ratios Tier I and Core Tier I reached 9.2% and 7.1%, respectively, and the pro forma solvency ratio stood at 10.5%. In accordance with the standard approach Tier I increased to 9.3% and Core Tier I improved to 6.4% and total solvency ratio to 11.5%;
- Stabilisation of the commercial gap from the end of 2008, with improvement in the fourth quarter of 2009, and reinforcement of assets eligible as collateral in potential refinancing operations with Central Banks;
- Medium- and long-term debt issued in 2009 exceeded the amount to be refinanced, thus partially anticipating the medium- and long-term financing needs for 2010, which were lower than the issues matured in 2009;
- Customer deposits increased 3.9%, growing 4.1% in Portugal and 3.5% in the international activity;
- Off-balance sheet customer funds up by 10.7%;
- Loans to customers grew 1.5% to Euro 77,348 million, with mortgage increasing by 2.7%, from 31 December 2008;
- Net interest income and net commissions with growths of 4.1% and 5.8%, respectively, in the 4th quarter from the previous quarter;
- Bank Millennium in Poland showed increases in net interest income and in net commissions, from the previous quarter, of 8.9% and 14.1%, respectively, improving the results of the quarter;
- Operating costs fell 7.8%. Operating costs decreased 5.1% in Portugal and 12.2% in the international activity. Other administrative costs fell 11.3%, decreasing 15.5% in Portugal;
- Overdue loans by more than 90 days stood at 2.3% of total loans, coverage ratio stood at 119.0%;
- Proposed dividend of Euro 0.019 per share, representing an increase of 12% from the previous year and a payout ratio of 40%.

\(^a\) Considering the evolution of the revision process, by the Bank of Portugal, of the submission of the proposal to adopt the IRB approach, including estimates for the probability of default and loss given default (LGD) advanced for the retail portfolio collateralized by commercial and residential real estate, and estimates of the probability of default (PD) advanced for the corporate portfolio, in Portugal, determined on a pro forma basis.
Press-Release

Lisbon, 10 February 2010

SUMMARY

ECONOMIC ENVIRONMENT

The world economy continued to expand over the fourth quarter though with distinctively differing performances across the various economic areas. Indeed, while in the U.S. and China the economic performance strengthened, in Japan and in Europe it tended to weaken somewhat. The world economy still faces many risks going forward but there is a growing consensus that the recessionary environment of the past two years has ended. This positive expectation lies at the heart of the recurrent positive revisions of the growth scenarios for 2010 presented by the main supranational institutions.

This transition phase in the economic cycle might end up being a challenging situation for authorities. They will have to judge carefully the economic environment in order to assess whether it is appropriate to remove the supportive measures for economic activity and financial systems that were put in place during 2008 and 2009. In this sense, there is an appreciable risk of some turbulence returning to financial markets and harming the business climate, as central banks review their monetary policies and Governments withdraw part of the stimulus measures. In the euro area, the European Central Bank announced changes to the lending procedures that will eventually be reflected in short term interest rates moving higher and closer to the main refinancing rate of the ECB. That means slightly tighter financial conditions ahead.

At the same time, public finances have weakened due to the efforts committed to steering the economic activity and to rein in unemployment. Assessing the sustainability of public finances over the long run, plus an evaluation of the underlying competitiveness framework and the available financial slack of each country, have become a key issue for financial markets, pushing the initial concerns with private sector credit risks up to the sovereign level. In fact, while over the past months risk premiums charged on
private sector debt have been declining, the opposite has happened to some sovereign issuers, particularly those countries where the indebtedness levels were higher, restraining the margin of manoeuvre for further accommodative fiscal measures.

Economic activity in Portugal has also improved over the second half of 2009, as it has with other EMU countries. For the whole year, real GDP is estimated to have decreased slightly less than 3%. For 2010, it is expected that GDP will post a modest gain of 0.5% to 1% in real terms. Poland seems to have been the sole EU country to record positive GDP growth in 2009, and prospects for 2010 continue to improve. This positive environment has been highly favourable for the zloty while ending the monetary easing cycle of the National Bank of Poland. In Greece, the comprehensive fiscal consolidation path endorsed in the stability and growth plan and the more stringent financing conditions in the global market will probably weigh on the country’s growth potential over the medium term. In Angola and Mozambique, the improvement of world trade and the vigour of the main importers of basic raw materials are supportive of a better outlook for 2010.

RESULTS

In a complex and difficult environment for the financial and banking sector, Millennium bcp in 2009 was able to adapt and respond to the challenges, and was flexible enough to take advantage of market opportunities, aiming to strengthen the business portfolio and to achieve adequate levels of profitability. Consolidated net income in 2009 was favourably influenced by the resilience of the franchise in Portugal, offsetting the lower level of the contribution from the international activity. Volumes also showed a positive evolution, benefiting from both customer deposits and loans to customers, notwithstanding the slowdown in the growth of loans granted from the previous year. Despite the adverse environment, the focus of the Group on strict capital and liquidity management aimed at achieving adequate levels of liquidity and reinforcing capital ratios, led the consolidated solvency ratio to increase to 11.5%, the Tier 1 to improve to 9.3% and Core Tier 1 to 6.4%, as at 31 December 2009. In accordance with the IRB approach Tier 1 pro forma and Core Tier 1 pro forma reached, respectively, 9.2% and 7.1%.
Millennium bcp’s consolidated net income up by 11.9% to Euro 225.2 million in 2009, compared to Euro 201.2 million in 2008.

The evolution of net income was positively influenced by the reduction in operating costs and by the rise in equity accounted earnings, despite the drop in net interest income, reflecting the increase in the cost of funding and the more narrow spreads on customer deposits, and the evolution in loan impairment charges (net of recoveries), as a result of the coverage of impairment indicators in the loan portfolio, as well as other provisions.

The reduction in operating costs benefited from the decrease in most items, namely in other administrative costs and in staff costs, due to the initiatives implemented to streamline and optimize the Bank’s operations, in particular in Bank Millennium in Poland and in the activity in Portugal.

**BALANCE SHEET**

Total assets reached Euro 95,550 million as at 31 December 2009, compared to Euro 94,424 million booked on the same date in 2008.

Total customer funds increased to Euro 67,002 million as at 31 December 2009, compared to Euro 65,803 million on the same date in 2008, on a comparable basis, sustained by the growth of 3.9% in customer deposits, highlighting the growth of 4.1% in deposits in Portugal, and the increase of 10.7% in off-balance sheet customer funds.

Loans to customers totalled Euro 77,348 million as at 31 December 2009, showing an increase of 1.5% from Euro 76,233 million, on a comparable basis, posted on 31 December 2008, sustained by the growth of 3.1% in loans to individuals, in particular mortgage (up by 2.7%), and by more moderate growth in loans to companies, restrained by the adverse economic environment and by the drop in private investment, reflecting the slowdown in loans granted in Portugal.
### Financial Highlights

<table>
<thead>
<tr>
<th></th>
<th>31 Dec. 09</th>
<th>31 Dec. 08</th>
<th>Change 09/08</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance sheet</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total assets</td>
<td>95,550</td>
<td>94,424</td>
<td>1.2%</td>
</tr>
<tr>
<td>Loans to customers (1)</td>
<td>77,348</td>
<td>76,233</td>
<td>1.3%</td>
</tr>
<tr>
<td>Loans to customers (net) (3)</td>
<td>75,191</td>
<td>74,756</td>
<td>0.6%</td>
</tr>
<tr>
<td>Total customer funds (1)(2)</td>
<td>67,002</td>
<td>65,803</td>
<td>1.8%</td>
</tr>
<tr>
<td>Balance sheet customer funds (2)</td>
<td>50,993</td>
<td>51,336</td>
<td>-0.7%</td>
</tr>
<tr>
<td>Customer deposits (7)</td>
<td>46,107</td>
<td>46,461</td>
<td>3.9%</td>
</tr>
<tr>
<td><strong>Results</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net interest income</td>
<td>1,334.2</td>
<td>1,721.0</td>
<td>-22.3%</td>
</tr>
<tr>
<td>Net operating revenues (6)</td>
<td>2,493.2</td>
<td>2,602.0</td>
<td>-3.6%</td>
</tr>
<tr>
<td>Operating costs (4)</td>
<td>1,940.3</td>
<td>1,670.8</td>
<td>-16.3%</td>
</tr>
<tr>
<td>Loan impairment charges (net of recoveries)</td>
<td>560.0</td>
<td>544.7</td>
<td>2.8%</td>
</tr>
<tr>
<td>Income taxes</td>
<td>46.2</td>
<td>46.0</td>
<td>-0.4%</td>
</tr>
<tr>
<td>Minority interests</td>
<td>24.1</td>
<td>56.8</td>
<td>-57.6%</td>
</tr>
<tr>
<td>Net Income</td>
<td>225.2</td>
<td>201.2</td>
<td>11.9%</td>
</tr>
<tr>
<td><strong>Profitability</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net operating revenues / Average net assets (2)</td>
<td>2.6%</td>
<td>2.8%</td>
<td></td>
</tr>
<tr>
<td>Return on average assets (ROA)</td>
<td>0.2%</td>
<td>0.2%</td>
<td></td>
</tr>
<tr>
<td>Income before taxes and minority interests / Average net assets (3)</td>
<td>0.3%</td>
<td>0.4%</td>
<td></td>
</tr>
<tr>
<td>Return on average equity (ROE)</td>
<td>4.6%</td>
<td>4.5%</td>
<td></td>
</tr>
<tr>
<td>Income before taxes and minority interests / Average equity (6)</td>
<td>6.1%</td>
<td>7.6%</td>
<td></td>
</tr>
<tr>
<td><strong>Credit Quality</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overdue loans according to Bank of Portugal / Total loans (9)</td>
<td>3.4%</td>
<td>1.3%</td>
<td></td>
</tr>
<tr>
<td>Overdue loans according to Bank of Portugal, net / Total loans, net (9)</td>
<td>0.6%</td>
<td>0.6%</td>
<td></td>
</tr>
<tr>
<td>Impairment for loan losses / Overdue loans by more than 90 days</td>
<td>119.0%</td>
<td>211.6%</td>
<td></td>
</tr>
<tr>
<td>Impairment for loan losses / Overdue loans</td>
<td>106.1%</td>
<td>173.9%</td>
<td></td>
</tr>
<tr>
<td><strong>Efficiency ratios</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating costs / Net operating revenues (1)(8)</td>
<td>63.6%</td>
<td>58.6%</td>
<td></td>
</tr>
<tr>
<td>Operating costs / Net operating revenues (Portugal) (1)(8)</td>
<td>60.2%</td>
<td>54.0%</td>
<td></td>
</tr>
<tr>
<td>Staff costs / Net operating revenues (6)(8)</td>
<td>35.7%</td>
<td>32.2%</td>
<td></td>
</tr>
<tr>
<td><strong>Capital</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total regulatory capital</td>
<td>7,541</td>
<td>7,057</td>
<td>6.9%</td>
</tr>
<tr>
<td>Risk weighted assets</td>
<td>65,769</td>
<td>67,426</td>
<td>-1.0%</td>
</tr>
<tr>
<td>Tier I solvency ratio (5)</td>
<td>9.3%</td>
<td>7.1%</td>
<td></td>
</tr>
<tr>
<td>Total solvency ratio (5)</td>
<td>11.5%</td>
<td>10.5%</td>
<td></td>
</tr>
<tr>
<td><strong>Branches</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portugal activity</td>
<td>911</td>
<td>918</td>
<td>-0.8%</td>
</tr>
<tr>
<td>Foreign activity (7)</td>
<td>880</td>
<td>868</td>
<td>1.4%</td>
</tr>
<tr>
<td><strong>Employees</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portugal activity</td>
<td>10,298</td>
<td>10,983</td>
<td>-7.0%</td>
</tr>
<tr>
<td>Foreign activity (7)</td>
<td>11,195</td>
<td>11,686</td>
<td>-4.2%</td>
</tr>
</tbody>
</table>

1) Adjusted for the consolidation of Millennium Bank Turkey.
2) Net interest income, dividends from equity instruments, net commissions, net trading income, equity accounted earnings, other net operating income according to rule 14(2004) from the Bank of Portugal.
3) After adjustment for net interest income, dividends from equity instruments.
4) Staff costs, other administrative costs and depreciation.
5) According to rule 14/2004 from the Bank of Portugal.
6) Excludes the impact of specific items.
7) Excludes the impact of specific items.
Press-Release

At the 2009 earnings presentation, the Chairman of the Executive Board of Directors of Millennium bcp, Carlos Santos Ferreira, commented on the economic and financial environment in which the Portuguese banks operate and stressed that, despite the continuing turbulence, a significant group of economists suggests that the recovery has already begun and that 2010 will see a moderate recovery.

Commenting on the earnings, the Chairman said that:

"In 2009, consolidated net income totalled Euro 225 million, an increase of 12% compared with the results of 2008."

In addition, the Chairman highlighted a number of aspects of 2009 that deserved particular attention:

i) Loans to customers increased 1.5%, reaching Euro 77,348 million, with mortgage loans showing a positive growth of 2.7% when compared to 31 December 2008;

ii) Customer funds rose 1.8% with customer deposits growing 3.9%. In Portugal, deposits improved 4.1% when compared with 31 December 2008;

iii) Operating costs fell 7.8% overall, decreasing 5.1% in Portugal and 12.2% in international operations;

iv) Net interest income reversed its trend, starting on an upward path in the third quarter of 2009;

v) Commissions showed a recovery during the year, mainly in domestic activity, showing an increase of 2.0% compared with 2008;

vi) The capital ratios pro forma were further reinforced, with Core Tier I rising to 7.1% and Tier I to 9.2%, taking into consideration the evolution of the revision process, by the Bank of Portugal, of the submission of the proposal to adopt IRB approach for credit and counterparty risks. In accordance with the standard approach Tier I increased to 9.3% and Core Tier I improved to 6.4%, respectively;

vii) The Bank successfully placed Euro 1,000 million of perpetual subordinated debt securities and anticipated the funding plan for 2010, with Euro 5,600 million in medium- and long-term debt issued in 2009;

viii) The Bank achieved the highest index in customer satisfaction (80.3 index points) since the launch of the single Millennium brand (78.6 index points in the 4th quarter of 2004), well above the lowest value, registered at the end of 2007 (77.2 index points);

ix) The turn-around of the Polish operation, which reduced operating costs by 14.2% compared with the previous period and culminated with a successful capital increase, concluded in February 2010, of approximately Euro 258 million through a rights issue. The shares available to minority shareholders were almost four times oversubscribed;

x) The maintenance of expansion plans in Angola and Mozambique. Millennium Angola has by now 23 branches (an increase of 7 since December 2008) and Millennium bim has 116 branches (an increase of 16 since December 2008). Jointly these operations presented Euro 66.6 million of net income in 2009 (up 19.3% year-on-year)."

As for Millennium bcp’s strategy for the medium term, the Chairman underlined that: “We will continue to focus on European markets that sustain a competitive presence and on affinity markets, while promoting transformation in Portugal, with initiatives to enhance our leadership in Retail banking.”

The Chairman also announced that the Bank signed an agreement to sell 95% of Millennium Bank in Turkey, which fits the bank’s strategy established to focus on priority markets.

Concluding the presentation, the Chairman stressed the purpose of distributing dividends every year, even in difficult environments and highlighted the proposed dividend of Euro 0.019 per share, which the Executive Board will submit to the Annual General Shareholders Meeting. This represents an increase of 12% compared with the dividend distributed in the previous year.
In accordance with the agreement established to the sale of 95% of Millennium Bank A.S in Turkey and in accordance with IFRS 5, as at 31 December 2009, the total assets and liabilities of this subsidiary company will be presented, respectively, in the item of "Non current assets held for sale" and "Non current liabilities held for sale" in the Consolidated Balance sheet, while the total expenses and income for the year will be represented line by line in the consolidated income statement. Until the date of sale, the Group continues to consolidate, in reserves and income, any changes occurred in the net assets of Millennium Bank Turkey.

In accordance with the business area restructuring in 2009, the subsidiary companies Millennium Banque Privée Switzerland and Millennium bcp Bank & Trust Cayman are no longer considered as complementary commercial networks of the activity in Portugal and will be included in the foreign business activity. To ensure comparability, the breakdown of the consolidated information, between activity in Portugal and international activity, was recalculated for the 2008 figures.

RESULTS

Millennium bcp’s consolidated net income stood at Euro 225.2 million in 2009, compared to Euro 201.2 million in 2008. Net income in 2009 includes the gain accounted from the entry of new shareholders in Banco Millennium Angola’s share capital, amounting to Euro 21.2 million, the gain related with the sale of assets, in the amount of Euro 57.2 million, and the accounting of costs related with early retirement of employees, in the sum of Euro 2.9 million (net of tax). Net income in 2008 includes the impacts related to the impairment losses determined by the devaluation of the shareholding in Banco BPM S.A., in the amount of Euro 232.6 million (net of tax), the reduction of the variable remuneration already accrued in 2007, in the amount of Euro 13.2 million (net of tax), and the restructuring costs related with the early retirement of employees, in the sum of Euro 5.7 million (net of tax).

The evolution of net income, excluding the impacts previously mentioned, was positively influenced by the reduction in operating costs and by the rise in equity accounted earnings, despite the drop in net interest income, reflecting the increase in the cost of funding and the more narrow spreads on customer deposits, and by the evolution in loan impairment charges (net of recoveries), as a result of the coverage of impairment indicators in the loan portfolio, as well as other provisions. The reduction in operating costs benefited from the decrease in most items, namely in other administrative costs and in staff costs, due to the initiatives implemented to streamline and optimize the Bank’s operations.

Net income in Portugal reached Euro 213.8 million in 2009 compared to Euro 116.7 million in 2008. This evolution reflects the growth of net operating revenues, led by higher net trading income - which includes in 2008 the impairment losses determined by the devaluation of Banco BPM S.A. shares, which have since been sold. The growth of net income also benefited from the savings in operating costs, in particular the 15.5% reduction in other administrative costs, driven by the improvement in operating efficiency.

Net income from the international activity was determined by the evolution in net operating revenues and in the loan impairment charges in most international operations, led by the additional volume of loans to customers and by the need for coverage of impairment indicators in the loans portfolio. Net income from the international activity was favourably influenced by savings in operating costs, benefiting from the effort to streamline the organisational structure, highlighting the activity in Poland, which more than offset the increase in operating costs at Banco Millennium Angola and Millennium bim in Mozambique, related with the organic growth strategy in these markets.

Net interest income totalled Euro 1,334.2 million in 2009, compared to Euro 1,721.0 million in 2008. The evolution in net interest income was mainly determined by the decrease in customers’ interest rates, in line with the reduction of reference market interest rates, causing an unfavourable impact from a higher reduction in average interest earning asset rates than in average interest bearing liabilities rates. Net interest margin stood at 5.57% in 2009 compared to 2.06% in 2008. This performance reflects the increase in the cost of funding, as a result of the instability and uncertainty in the financial markets, and also...
decline in spreads from customer deposits, reflecting the strong competition in capturing customer funds. However, this was partially offset by the repricing of loans to customers, reflecting the adjustment in the implicit cost of risk of loans granted, which has been progressively implemented in the business areas, determining an improvement of net interest income in the third and fourth quarter of 2009 compared with previous quarters.

In addition, net interest income was boosted by the positive volume effect, supported by the increase in business volumes, in particular in customer deposits and in loans to individuals and to companies. The performance of net interest income in Portugal benefited from the repricing of loans granted, despite the mere narrow spreads in customer deposits. In the international business, particularly the operation in Poland, the evolution of net interest income was determined by the unfavourable interest rate effect, driven by narrower spreads in term deposits, notwithstanding the fast repricing carried out as a result of the decline in market interest rates. Even so, net interest income benefited from the positive volume effect in most foreign subsidiaries, both in customer deposits, in particular at Millennium bank in Greece, and in loans to customers.

<table>
<thead>
<tr>
<th>AVERAGE BALANCES</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Value</td>
<td>Yield %</td>
</tr>
<tr>
<td>Deposits in banks</td>
<td>3,733</td>
<td>1.97</td>
</tr>
<tr>
<td>Financial assets</td>
<td>5,012</td>
<td>4.82</td>
</tr>
<tr>
<td>Loans and advances to customers</td>
<td>75,325</td>
<td>4.15</td>
</tr>
<tr>
<td>Interest earning assets</td>
<td>84,070</td>
<td>4.09</td>
</tr>
<tr>
<td>Non interest earning assets</td>
<td>10,043</td>
<td>9,635</td>
</tr>
<tr>
<td>Total</td>
<td>94,153</td>
<td>91,941</td>
</tr>
</tbody>
</table>

Amounts owed to credit institutions | 8,671 | 2.65 | 9,875 | 6.33 |
Amounts owed to customers | 44,334 | 3.52 | 41,769 | 3.07 |
Issued debt and financial liabilities | 30,051 | 2.27 | 29,042 | 4.72 |
Subordinated debt | 2,353 | 3.73 | 2,954 | 5.77 |
Interest bearing liabilities | 65,609 | 2.48 | 83,640 | 4.12 |
Non interest bearing liabilities | 2,000 | 2,557 |
Shareholders’ equity and minority interests | 6,344 | 5,744 |
Net interest margin (%) | 1.57 | 2.06 |

Note: Interest related to hedge derivatives were allocated, in 2009 and in 2008, to the respective balance items.

Net commissions amounted to Euro 731.7 million in 2009, compared to Euro 740.4 million in 2008. The increase in net commissions more directly associated with the banking business partially offset the evolution in net commissions related with financial markets, in particular asset management and securities operations commissions. The evolution in net commissions includes the growth showed by the activity in Portugal (+2.0%) and the lower contribution of net commissions from international activity, mostly influenced by Bank Millennium in Poland, which were hindered by the impact of the foreign exchange devaluation of the Polish zloty against the Euro, despite the favourable evolution in the subsidiary companies in Angola, Mozambique, Romania and Greece, benefiting from the growth in business volumes and services provided.
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Net trading income, which includes net gains arising from trading and hedging activities and net gains arising from available for sale financial assets, amounted to Euro 225.4 million in 2009, a favourable evolution from Euro 18.1 million in 2008, determined by the activity in Portugal. In 2008, net trading income included the impact of the accounting of impairment losses, in the amount of Euro 268.1 million, related to the shareholding in Banco BPI, S.A., which has since been sold. In the fourth quarter of 2008, net trading income includes the income related to the Bank’s decision to interrupt the hedging strategy for the interest rate risk associated with a fixed-rate issue undertaken by the Bank through an interest rate swap, in accordance with IAS 39. In 2009 net trading income includes the negative impact of Euro 106.1 million, of which Euro 91.6 million booked in the second half of 2009, related to the improvement of Millennium bcp’s own credit risk, as a result of the valuation of instruments recorded at fair value option.

Other net operating income, which includes other operating income, other net income from non banking activities and gains from the sale of subsidiaries and other assets, amounted to Euro 132.3 million in 2009, when compared to Euro 68.6 million in 2008. Other net operating income was driven both by the increase in income and by reduction in costs, reflecting the improvement in other net operating income in the business in Portugal, which includes, in 2009, the amount of Euro 21.2 million related to the gain with the disposal of 49.9% of Banco Millennium Angola’s share capital and the amount of Euro 37.2 million, related to the gains from the sale of assets.

Dividends from equity instruments, which include dividends received on investments in the available for sale portfolio, totalled Euro 3.3 million in 2009, compared to Euro 36.8 million in 2008. Income accounted in this item includes dividends from shares and investment funds units. The sale of the stake of in Banco BPI, S.A. in the beginning of 2009 and the non-payment of dividends by Eureko determined the evolution of this item compared to 2008.

Equity accounted earnings include the results appropriated by the Group related to consolidation of companies over which the Group has significant influence, though without exercising control over their financial and operational policies. This item totalled Euro 68.3 million in 2009, compared to Euro 19.1 million booked in 2008. Equity accounted earnings essentially include the appropriation of earnings from the 49% shareholding in Millennium bcp Fortis, a joint-venture between Millennium bcp and the Fortis Group that focuses on the bancassurance business, which reported an increase in net income in 2009 compared to the previous year, benefiting from the growth in insurance premiums both in the life and non-life business, comparing favourably with the overall Portuguese market.
OPERATING COSTS, which include staff costs, other administrative costs and depreciation, fell by 7.8% to Euro 1,540.3 million in 2009 from Euro 1,670.8 million in 2008. This favourable performance resulted from the savings achieved in most items, in particular the other administrative costs and staff costs lines. Operating costs include, in 2009, the amount of Euro 3.9 million related with early retirement of employees and, in 2008, the Euro 18.0 million reduction in variable remuneration accrued in 2007 and restructured costs amounting to Euro 7.8 million. Excluding these impacts, operating costs dropped 8.6%. The operating costs reduction was driven by the favourable performances achieved both in the activity in Portugal and the international activity.

In the activity in Portugal, operating costs dropped by 5.1%, reflecting lower administrative costs and depreciation, supported by the implementation of initiatives to simplify and streamline the organisational structure, focused in achieving superior levels of efficiency. Excluding the impacts previously mentioned operating costs in Portugal decreased 6.4% in 2009. In the international activity, operating costs dropped 12.2%, mainly influenced by the performance of Bank Millennium in Poland, which reflects the impact of the foreign exchange devaluation of the Polish zloty and, above all, the efforts to streamline the organisational structure and processes at this operation, with a reduction of 11.4% in the number of employees in this operation. The decrease of operating costs in Bank Millennium in Poland more than offset the evolution in operating costs in Banco Millennium Angola and in Millennium Bim in Mozambique, as a result of the organic growth strategy in place in these markets.

In 2009, the consolidated cost-to-income ratio, on a comparable basis, stood at 63.6%, compared with 58.6% in 2008. In the activity in Portugal, the cost-to-income ratio stood at 60.2%, compared to 54.0% in 2008.

Staff costs totalled Euro 865.3 million in 2009, showing a reduction of 5.5% from Euro 915.3 million in 2008. Staff costs include, in 2009, the amount of Euro 3.9 million related with early retirements, and in 2008, the
Euro 18.0 million reduction in variable remuneration accrued in 2007 and Euro 7.8 million of restructuring costs. Excluding these impacts, staff costs decreased by 6.9%. The evolution of staff costs reflects the decrease in costs in most items, in particular remuneration of staff and of the corporate boards, despite the increase in pension costs, supported by cost control achieved in Portugal and above all by lower costs posted in the International activity. In Portugal, staff costs were influenced by lower remunerations, offsetting the evolution in pension costs, and globally dropped by 0.4% on a comparable basis. Staff costs in the International activity decreased by 19.1% mainly determined by Bank Millennium in Poland, supported by the reduction in the number of employees, and, to a lesser extent, by Millennium bank in Greece and by Millennium bcpbank in the United States of America, while the evolution in staff costs in the subsidiaries in Angola and Mozambique resulted from the expansion plans in these operations and the consequent increase in the number of employees.

Other administrative costs fell 11.3%, to Euro 570.2 million in 2009, compared to Euro 642.6 million in 2008. The reduction in other administrative costs benefited from savings in most items, in particular specialised services, advertising, consumables, maintenance, travel and independent labour. The decrease in other administrative costs was favourably influenced both by the activity in Portugal and by the International activity. In the activity in Portugal, other administrative costs dropped 15.5%, as a result of savings achieved in most items. Other administrative costs in the International activity were driven by the performance of Bank Millennium in Poland, favourably influenced by the review of the expansion plan and consequent adjustment of the cost structure to activity levels and by the currency effects of the Polish zloty against the euro, which more than offset the growth in Angola, Mozambique and Romania, in line with the strategy of organic growth carried out in these international operations.

Depreciation costs stood at Euro 104.8 million in 2009, a reduction of 7.2% from Euro 112.9 million in 2008, mainly determined by the activity in Portugal, but also by the International activity, notwithstanding the expansion plans in place, namely in Angola and in Mozambique, and by the devaluation against the euro posted by some foreign operations. Depreciation costs in Portugal fell 9.9%, supported by lower depreciation in most items, reflecting the gradual end of the period of depreciation of investments as well as the sale of assets.

### Operating Costs

<table>
<thead>
<tr>
<th>Description</th>
<th>Dec. 09</th>
<th>Dec. 08</th>
<th>Change 09/08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff costs (1)</td>
<td>865.3</td>
<td>915.3</td>
<td>-5.5%</td>
</tr>
<tr>
<td>Other administrative costs</td>
<td>570.2</td>
<td>642.6</td>
<td>-11.3%</td>
</tr>
<tr>
<td>Depreciation</td>
<td>104.8</td>
<td>112.9</td>
<td>-7.2%</td>
</tr>
<tr>
<td></td>
<td>1,540.3</td>
<td>1,670.8</td>
<td>-7.6%</td>
</tr>
<tr>
<td>Of which:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portugal activity</td>
<td>978.7</td>
<td>1,031.1</td>
<td>-5.1%</td>
</tr>
<tr>
<td>Foreign activity</td>
<td>561.6</td>
<td>639.7</td>
<td>-12.2%</td>
</tr>
<tr>
<td>Operating costs / Net operating revenues (2) (3)</td>
<td>60.2%</td>
<td>54.0%</td>
<td></td>
</tr>
</tbody>
</table>

(1) Includes in 2009 Euro 3.9 million of costs with early retirements in Portugal. Includes in 2008 the Euro 18.0 million reduction in the variable remuneration already accrued in 2007 and Euro 7.8 million of restructuring costs in Portugal.

(2) Activity in Portugal, calculated according to rule 14.2004 from the Bank of Portugal.

(3) Excludes the impact of specific items.

Impairment for loan losses (net of recoveries) totalled Euro 560.0 million in 2009, compared with Euro 544.7 million in 2008, despite the performance in the activity in Portugal, but still reflecting the difficulties of the economic cycle, and by the efforts undertaken in the prevention and management of risk. In most international operations, namely in Bank Millennium in Poland, impairment charges for bans to companies...
and consumer loans showed an increase, reflecting, on one hand, the deterioration of the financial situation in some companies and the decrease in the value of collateral in consumer loans, and on the other hand, the simultaneous review of the loan portfolio, including restructured cases due to foreign derivatives transactions, which triggered additional impairment charges (net of recoveries) aimed at covering further potential deterioration. The cost of risk, measured by the ratio of impairment charges (net of recoveries) in the loan portfolio, excluding loans represented by securities, stood at 76 b.p. in 2009, compared with 74 b.p. in 2008.

Other provisions, which comprise other asset impairment and other provisions, in particular provision charges related to assets received as payment in kind not fully covered by collateral, and provisions charged for several risks and contingencies. Other provisions amounted to Euro 97.4 million in 2009, compared to Euro 44.5 million in 2008, mostly reflecting the higher level of charges booked in Portugal, In particular, the charges related to impairment losses associated with real estate, resulting from the termination of loan contracts with customers, which subsequent to a regular process of revaluation, posted reductions from market valuations, and also includes the provisions charged for several contingencies.

**BALANCE SHEET**

Total assets reached Euro 95,550 million as at 31 December 2009, compared to Euro 94,424 million booked on the same date in 2008.

**Loans to customers** totalled Euro 77,348 million as at 31 December 2009, showing an increase of 1.5% from Euro 76,233 million (on a comparable basis) posted on 31 December 2008, benefitting from the performances in Portugal (+0.8%) and, most of all, from the International activity (+4.1%), in particular, from subsidiary companies in Greece, in Mozambique and in Poland.

The performance of mortgage loans benefited mostly from the activity in Portugal, which increased 3.0%, between 31 December 2008 and 31 December 2009, sustained by historically low market interest rates, despite the slowdown in mortgage loan demand. The international activity increased 2.0% in mortgage loans from 31 December 2008, highlighting the activity at Millennium bank in Greece. Consumer loans grew 5.3% to Euro 5,089 million as at 31 December 2009, sustained by the activity in Portugal, which rose 4.7%, and by the International activity, which increased 6.4%, benefiting from the performances at Bank Millennium in Poland and at Millennium bim in Mozambique. Loans to companies, the main component of the loans portfolio, stood at Euro 43,191 million, from Euro 43,105 million as at the end of 2008, which were restrained by the adverse economic framework and by the reduction in private investment. The performance in loans to companies was favourable influenced by the international activity, which registered a rise of 5.7%, highlighting the Millennium bank in Greece and Millennium bim in Mozambique. Loans to companies in Portugal remained at the same level, reflecting the lower exposure to Corporate companies and, simultaneously, the reinforcement in financing Small and Medium Enterprises (PME), through the growing support to entrepreneurship, in particular by the credit lines "PME Investe" available in commercial networks.

The structure of the loan portfolio remained stable and well balanced, between 31 December 2008 and 31 December 2009, with loans to companies representing the main component of loans to customers' portfolio (55.8% of total loans), while loans to individuals represented 44.2% of total loans to customers.
Credit quality, measured by the non-performing loan indicators, in particular the overdue loans by more than 90 days as a percentage of total loans, stood within the range expected given the current economic and financial environment at 2.3%, as at 31 December 2009 (0.9% on the same date of 2008). The credit quality indicator reflects the effect of the change in the accounting procedures of the Group, in which fully provisioned overdue loans were written off from assets when impairment losses achieved 100%. But subsequent to the Circular Letter 15/2009 from the Bank of Portugal, the Bank started to write off from assets only fully provisioned overdue loans that after an economic analysis are considered uncollectible and without possibility of recovery. The adoption of this new requirement had an impact of Euro 241.1 million in the amount of overdue loans accounted in the Balance sheet. The coverage rate of overdue loans by more than 90 days stood at 119.0% as at 31 December 2009, compared to 211.6% on the same date in 2008.
Press-Release

OVERDUE LOANS BY MORE THAN 90 DAYS AND IMPAIRMENTS AT 31 DECEMBER 2009

<table>
<thead>
<tr>
<th></th>
<th>Overdue loans by more than 90 days</th>
<th>Impairment for loan losses</th>
<th>Overdue loans more than 90 days / Total loans</th>
<th>Coverage ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Individuals</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mortgage loans</td>
<td>139</td>
<td>160</td>
<td>0.5%</td>
<td>114.8%</td>
</tr>
<tr>
<td>Consumer loans</td>
<td>330</td>
<td>317</td>
<td>6.5%</td>
<td>96.3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>469</td>
<td>477</td>
<td>1.4%</td>
<td>101.8%</td>
</tr>
<tr>
<td><strong>Companies</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>423</td>
<td>454</td>
<td>2.6%</td>
<td>107.3%</td>
</tr>
<tr>
<td>Commerce</td>
<td>311</td>
<td>357</td>
<td>5.9%</td>
<td>115.0%</td>
</tr>
<tr>
<td>Other</td>
<td>610</td>
<td>869</td>
<td>2.9%</td>
<td>142.3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,344</td>
<td>1,680</td>
<td>3.1%</td>
<td>125.0%</td>
</tr>
</tbody>
</table>

Total customer funds increased 1.8% to Euro 67,002 million as at 31 December 2009, compared to Euro 65,803 million on the same date in 2008, on a comparable basis. This evolution was influenced by the growth of 3.9% in customer deposits and of 15.2% in capitalisation insurance, partially offset by the decrease of 30.8% in debt securities. Total customer funds benefited from the performance in off-balance sheet customer funds, which increased 10.7%, boosted by the 15.2% rise in capitalisation insurance. Additionally, assets under management showed an inversion of the decreasing trend registered in the previous years, increasing 6.6%, reflecting the signs of recovery in investor confidence and growing dynamism in capital markets. Balance sheet customer funds totalled Euro 50,993 million (Euro 51,336 million at the end of 2008), due to the reduction in debt securities, despite the increase in customer deposits, reflecting the customer preference for financial solutions with lower risk, in particular for traditional term deposits. In the activity in Portugal, total customer funds showed a rise of 0.6% to Euro 50,803 million, mainly supported by the growth in the Corporate & Investment Banking and Retail Banking & Companies segments. In the international activity, total customer funds increased 5.9% to Euro 16,199 million at the end of 2009, highlighting the performance achieved by Bank Millennium in Poland and by Millennium Bank in Greece.
LIQUIDITY MANAGEMENT

The liquidity management of Millennium bcp, in 2009, continued to be centred on prudent criteria and on flexibility of action, in order to adapt the Bank to the capital and credit markets constraints, ensuring it could (i) take advantage of access to alternative sources of funding, (ii) optimise the cost of funding in the wholesale funding market, focused on medium- and long-term instruments with relatively favourable pricing conditions, (iii) diversify the sources and maturities of funding, suited to the balance sheet structure and (iv) reinforce the effort to retain and further increase balance sheet customer funds. The growth in customer deposits was particularly important as a funding instrument and also to support the loan granting business, simultaneously with the global execution of the Group’s financing plan, established for 2009 for wholesale funding. This was established to maintain adequate liquidity levels and also to provide the sustainability in the future, as well as to support the development of the intermediation activity and, therefore, to broadly satisfy the financial needs of the customer base.

In 2009, the Group successfully placed a 3-year fixed-rate debt issue (Euro Fixed Rate Notes), guaranteed by the Portuguese Republic, in the amount of Euro 1.5 billion. Additionally, under the Euro Medium Term Notes (EMTN) the Bank successfully placed a 5-year and a 2-year fixed-rate debt issue, without the State guarantee, in April and in June 2009, respectively, in the total amount of Euro 2.0 billion, and three floating rate debt issues (3-year; 1-year and; 3-year and 3-months), without the State guarantee, in August, September and December, respectively, in the global amount of Euro 1.1 billion. In October 2009 the bank placed a Covered Bond issue, in the total amount of Euro 1.0 billion, with a 7-year maturity. In March 2009 Millennium bcp carried out an asset securitisation operation in Portugal, associated with the mortgage portfolio, in the sum of Euro 3.6 billion. The bank also issued a financial instrument, the “Perpetual Subordinated Debt Securities with Conditional Coupons”, in the global amount of Euro 1.0 billion, under the Bank’s “Debt Securities Programme”, of which Euro 300 million were issued in June 2009, Euro 600 million were issued in August 2009 and Euro 100 million were issued in December 2009.
In addition, part of the funds obtained by the Group were mobilised to acquire securities to reinforce the pool of assets eligible as collateral in potential refinancing operations with Central Banks, which amounted to Euro 10.6 billion, as at 31 December 2009, compared with Euro 7.3 billion as at 31 December 2008.

CAPITAL

The capital ratios of the Group as at 31 December 2009 were determined in accordance with the Basel II guidelines, with the calculation of capital requirements following the standard approach in respect to credit risk. In 2009, subsequent to the authorization from the Bank of Portugal, the Group applied the standard approach for operational risk and the internal models approach for generic market and foreign exchange risk, in the perimeter centrally managed by Portugal.

The consolidated solvency ratio reached 11.5% as at 31 December 2009, with Tier I reaching 9.3%, well above the minimum limit recommended by the Bank of Portugal. The Core Tier I also improved to 6.4% compared with 5.8% at the end of 2008.

Concerning the application of Basel II methodology for the calculation of capital requirements, adopted by the European Union through the EU directives, and transposed to Portuguese national law in 2007, the BCP Group requested a formal authorisation from the Bank of Portugal to implement the IRB approach for credit and counterparty risk.

Regarding the process under review by the Bank of Portugal concerning the use of the IRB approach, Millennium bcp calculated pro forma capital ratios according to the mentioned IRB approach. According to this approach the estimated Core Tier I stood at 7.1% and Tier I and total solvency ratio at 9.2% and 10.5%, respectively, on 31 December 2009.

The improvement in solvency ratios in 2009 reflects the positive impact related to the performance of the pension fund, with the issue of perpetual subordinated debt securities with conditional coupons, with the sale of assets and with the organic generation of capital, notwithstanding the negative impacts in Core Tier I mainly related with the deferred adjustments related to the transition to IFRS authorised by the Bank of Portugal, with the devaluation of the investment in Eureko and with the deduction of the gap recorded between regulatory provisions and impairments.

The pension fund had a positive impact on capital ratios, due to actuarial gains booked, including the change in the corridor, and to the change in actuarial assumptions compared to 31 December 2008, in particular the change in the discount rate (from 5.75% to 5.50%) and the wage (from 3.25% to 2.50%) and pensions (from 2.75% to 1.65%) increase rates.

Tier I benefitted from the issue of Euro 1.0 billion of perpetual subordinated debt securities with conditional coupons, approved by the Bank of Portugal to be included in Tier I up to 35% of the respective amount (+ 148 b.p. in Tier I and Total solvency ratio, but with no Impact on the Core Tier I ratio).

Moreover, risk weighted assets also contributed to the favourable performance of capital ratios, showing a reduction in the amount of Euro 1,657 million in 2009, reflecting reinforced control over risk and efficient management of business expansion, in particular regarding loans collaterals, and the adoption of standardised approach for operational risk.
## SOLVENCY

<table>
<thead>
<tr>
<th></th>
<th>Standardised</th>
<th>Pro forma IRB (1)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31 Dec. 09 (1)</td>
<td>31 Dec. 08</td>
</tr>
<tr>
<td><strong>Own Funds</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tier I Capital</td>
<td></td>
<td></td>
</tr>
<tr>
<td>of which: Preference shares and Perpetual Subordinated Debt Securities with Conditioned Coupons</td>
<td>6,102</td>
<td>4,780</td>
</tr>
<tr>
<td>Other deduction (3)</td>
<td>(19)</td>
<td>(60)</td>
</tr>
<tr>
<td>Tier II Capital</td>
<td>1,566</td>
<td>2,358</td>
</tr>
<tr>
<td>Deductions to Total Regulatory Capital</td>
<td>(127)</td>
<td>(81)</td>
</tr>
<tr>
<td><strong>Total Regulatory Capital</strong></td>
<td>7,541</td>
<td>7,057</td>
</tr>
<tr>
<td><strong>Risk Weighted Assets</strong></td>
<td>65,769</td>
<td>67,426</td>
</tr>
</tbody>
</table>

### Solvency Ratios

- **Core Tier I**: 6.4% 5.8% 7.1%
- **Tier I**: 9.3% 7.1% 9.2%
- **Tier II**: 2.2% 3.4% 1.3%
- **Total**: 11.5% 10.5% 10.5%

(1) The presented pro forma ratios were calculated in accordance with the IRB method, taking into consideration the review process, by the Bank of Portugal (BoP), of the submission of the proposal to adopt these methods. They were considered estimates of the probability of default and the loss given default (LGD Averages) for the retail portfolio collateralized by commercial and residential real estate, and estimates of the probability of default (IRB Foundation) for corporate portfolios in Portugal. At the 1st semester of 2009, the Bank received authorization from BoP to adopt the advance methods (internal model) to the general market risk and the adoption of standard method for the operational risk.

(2) The amounts and the ratios presented do not include the impact from the sale of 8.5% of Millennium Bank AS in Turkey and the capital increase to Bank Millennium in Poland, which have a global impact in Core Tier I of around 20 b.p.:

(3) Includes, in particular, the deductions related to the shareholdings in Millennium Bank and Banque BCP (France and Luxembourg).
SEGMENTAL REPORTING

Millennium bcp offers a wide range of banking activities and financial services in Portugal and abroad, with a special focus on Retail Banking and Companies, Corporate and Investment Banking and Private Banking and Asset Management.

Segment descriptions

The Retail Banking and Companies segment, in Portugal, has two parts: (i) the Retail Bank, for which the strategic approach is to target “Mass Market” customers, those who appreciate a value proposition based on innovation and speed, as well as Prestige and Small business customers, whose specific characteristics, financial assets or income imply a value proposition based on innovation and personalisation, requiring a dedicated Account Manager; and (ii) the Companies network in Portugal, which covers the financial needs of companies with an annual turnover between Euro 7.5 million and Euro 100 million, focused on innovation and offering a wide range of traditional banking products complemented by specialised financing. Within the scope of the cross-selling strategy, Retail Banking and Companies also acts as a distribution channel for financial products and services of the Millennium bcp business areas as a whole.

The Corporate and Investment Banking segment includes: (i) the Corporate network in Portugal, targeting corporate and institutional customers with an annual turnover in excess of Euro 100 million, providing a complete range of value-added products and services; (ii) the Investment Banking unit specialised in capital markets, providing strategic and financial advisory, specialised financial services – Project Finance, Corporate Finance, Securities brokerage and Equity Research – as well as structuring risk-hedging derivatives products; and (iii) the activity of the Bank’s International Division.

The Private Banking and Asset Management segment comprises the Private Banking network in Portugal, and subsidiary companies specialised in the asset management business.

The Foreign Business segment comprises the operations outside Portugal, in particular Bank Millennium in Poland, Millennium bank in Greece, Banque Privée BCP in Switzerland, the Banca Millennium in Romania, Millennium bank in Turkey, Millennium bim in Mozambique, Banco Millennium Angola in Angola, Millennium bcp Bank & Trust in the Cayman Islands and Millennium bcpbank in the United States of America.

In Poland the Group is represented by a universal bank offering a wide range of financial products and services to individuals and companies nationwide, in Greece by an operation based on innovative products and services and in Switzerland by Banque Privée BCP, a platform of Private Banking under Swiss law, while the activity developed in Turkey is performed through an operation focused on the upper market, Affluent and Business customers, and in Romania with an operation focused on individuals and small and medium-sized companies. Additionally, the Group is represented in Mozambique by a universal bank targeting both companies and individual customers, in Angola by a bank focused on private customers and companies and public and private institutions, in Cayman Islands by Millennium bcp Bank & Trust, a bank designed for international services in the area of Private Banking clients with high net worth (Affluent segment), and in the United States of America by a global bank that serves the local population and, in particular the Portuguese-speaking community.
BUSINESS SEGMENT ACTIVITY

The figures reported for each business segment result from aggregating the subsidiaries and business units integrated in each segment, including the impact from capital allocation and balancing process of each entity, both at balance sheet and income statement, based on average figures. Balance sheet headings for each subsidiary and business unit are re-calculated, given the replacement of their original own funds by the outcome of the capital allocation process, according to regulatory solvency criteria.

As the process of capital allocation follows the regulatory criteria of solvency in place, the risk weighted assets and, consequently, the business segments’ capital allocation, were determined in accordance with the Basel II framework, applying the standard approach for calculating capital requirements for credit risks. In 2009, subsequent to the authorisation from the Bank of Portugal, the Bank adopted the standard approach for operational risk and the internal models approach for general market risk and foreign exchange risk, for the perimeter managed centrally from Portugal. Each operation is balanced through internal transfers of funds, with no impact on consolidated accounts.

To ensure comparability for this information the structural changes that occurred in 2009 in the organisation of the segments were reflected in the 2008 figures. Companies was Incorporated in the Retail Banking and Companies segment, while Corporate became part of the Corporate and Investment Banking segment. Also, ActivoBank7 was transferred from Retail Banking to Private Banking and Asset Management and Banque Privee BCP and Millennium bcp Bank Trust have been incorporated into Foreign Business, having previously been a part of Private Banking and Asset Management segment.

Each segment’s net contribution reflects the individual results achieved by its business units, independent of the percentage held by the Group. The following information is based on financial statements prepared according to IFRS and on the organisational model in place for the Group, as at 31 December 2009.
Retail Banking and Companies

The net contribution of Retail Banking and Companies totalled Euro 185.2 million in 2009, compared with Euro 361.7 million in the same period of 2008, reflecting the reduction in net operating income, as a result of the decrease in net interest income from customer funds, following narrower spreads, and the reinforcement in impairment charges, due to the coverage of impairment indicators in the loan portfolio.

Simultaneously, the margin from loans showed a favourable evolution, benefiting from the growth in average spread, following the repricing implemented.

Net commissions registered a favourable evolution in 2009, compared with 2008, highlighting commissions associated with deposits repayable on demand, with cards, with guarantees and with risk insurance. Operating costs showed a decrease from 2008, as a result of the impact of initiatives implemented aimed at simplifying the organisation and improving procedures, which led to a reduction in the number of employees.

The strategy designed to further increase customer funds led to a growth of customer deposits by 10.3%, which mostly offset the decrease in assets under management, and determined an increase in total customer funds, from Euro 35,567 million as at 31 December 2008 to Euro 37,697 million as at 31 December 2009.

Loans to customers eased 0.7%, to Euro 45,369 million as at 31 December 2009 from Euro 45,710 million on the same date in 2008, influenced by the decrease of 1.8% in loans to companies.

The customer satisfaction index increased, compared to 2008, to 1.31 b.p., and it is worth noting the increase occurred in the Cross-Selling Index from 4.07 to 4.12 during the same period.

<table>
<thead>
<tr>
<th></th>
<th>Euro million</th>
<th>31 Dec.09</th>
<th>31 Dec.08</th>
<th>Change 09 / 08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit and loss account</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net interest income</td>
<td>814.5</td>
<td>1,094.0</td>
<td>-25.5%</td>
<td></td>
</tr>
<tr>
<td>Other net income</td>
<td>485.3</td>
<td>465.7</td>
<td>4.2%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,299.8</td>
<td>1,559.7</td>
<td>-16.7%</td>
<td></td>
</tr>
<tr>
<td>Operating costs</td>
<td>774.9</td>
<td>800.7</td>
<td>-3.3%</td>
<td></td>
</tr>
<tr>
<td>Impairment</td>
<td>272.9</td>
<td>266.9</td>
<td>2.3%</td>
<td></td>
</tr>
<tr>
<td>Contribution before income taxes</td>
<td>252.0</td>
<td>492.1</td>
<td>-48.8%</td>
<td></td>
</tr>
<tr>
<td>Income taxes</td>
<td>66.8</td>
<td>130.4</td>
<td>-48.8%</td>
<td></td>
</tr>
<tr>
<td>Net contribution</td>
<td>185.2</td>
<td>361.7</td>
<td>-48.6%</td>
<td></td>
</tr>
</tbody>
</table>

Summary of Indicators

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Allocated capital</td>
<td>1,532</td>
<td>1,636</td>
</tr>
<tr>
<td>Return on allocated capital</td>
<td>12.2%</td>
<td>21.4%</td>
</tr>
<tr>
<td>Risk weighted assets</td>
<td>30,469</td>
<td>33,122</td>
</tr>
<tr>
<td>Cost to income ratio</td>
<td>59.6%</td>
<td>51.3%</td>
</tr>
<tr>
<td>Loans to customers</td>
<td>45,369</td>
<td>45,710</td>
</tr>
<tr>
<td>Total customer funds</td>
<td>37,697</td>
<td>35,567</td>
</tr>
</tbody>
</table>
Corporate and Investment Banking

The Corporate and Investment Banking segment increased 42.1% to Euro 148.6 million in 2009, from Euro 104.6 million in 2008. The performance of this business segment was determined by the positive evolution in net interest income and in other net income, together with the cost reduction, which offset the impact of the higher level of impairment charges, as a result of the growth of impairment indicators in the loan portfolio.

The increase in net interest income reflects, on one hand, the rise in the volume of customer funds and, on the other hand, the discipline in the pricing policy and in risk management, in order to reflect the increased cost of risk in new loans granted. These are being implemented progressively, resulting in an improvement in net interest margin from loans and term deposits, which more than offset the negative impact in net interest margin as a result of lower margin from deposits repayable on demand. Other net income includes the positive performance in net commissions, determined by the growth in commissions from deposits repayable on demand, from international syndicated operations, from structured products and from commercial paper.

Operating costs contributed positively, down from last year and showing sustained reductions since 2008, as well as synergies related to the merger process of Banco Millennium bcp Investment into Banco Comercial Português.

Total customer funds were up by 18.5%, to Euro 11,150 million as at 31 December 2009, from Euro 9,406 million as at 31 December 2008. The growth in customer funds was determined by the 22.6% increase in customer deposits.

Loans to customers amounted to Euro 12,962 million at the end of December 2009, with a decrease of 1.3% from Euro 13,131 million in the same date of 2008, due to reduction in factoring and guarantees.

<table>
<thead>
<tr>
<th></th>
<th>Euro million</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31 Dec.09</td>
<td>31 Dec.08</td>
<td>Change 09 / 08</td>
<td></td>
</tr>
<tr>
<td>Profit and loss account</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net interest income</td>
<td>209.4</td>
<td>145.5</td>
<td>43.9%</td>
<td></td>
</tr>
<tr>
<td>Other net income</td>
<td>201.9</td>
<td>190.2</td>
<td>6.2%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>411.3</td>
<td>335.7</td>
<td>22.5%</td>
<td></td>
</tr>
<tr>
<td>Operating costs</td>
<td>73.2</td>
<td>89.0</td>
<td>-17.7%</td>
<td></td>
</tr>
<tr>
<td>Impairment</td>
<td>135.1</td>
<td>101.0</td>
<td>33.8%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>203.3</td>
<td>149.7</td>
<td>39.3%</td>
<td></td>
</tr>
<tr>
<td>Contribution before income taxes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income taxes</td>
<td>54.5</td>
<td>41.1</td>
<td>32.2%</td>
<td></td>
</tr>
<tr>
<td>Net contribution</td>
<td>148.6</td>
<td>104.6</td>
<td>42.1%</td>
<td></td>
</tr>
</tbody>
</table>

Summary of Indicators

|                           |            |            |            |            |
| Allocated capital         | 729         | 735        |            |            |
| Return on allocated capital| 20.4%      | 14.2%      |            |            |
| Risk weighted assets      | 14,569      | 14,707     |            |            |
| Cost to income ratio      | 17.8%       | 26.5%      |            |            |
| Loans to customers        | 12,962      | 13,131     | -1.3%      |
| Total customer funds      | 11,150      | 9,406      | 18.5%      |
Private Banking and Asset Management

The Private Banking and Asset Management segment registered a net contribution of Euro 4.9 million in 2009, from Euro 0.4 million in 2008. The net contribution reflects lower impairment charges and the lower level of operating cost, benefitting in particular from the decrease in other administrative costs as a result of the impact of initiatives implemented aimed at simplifying the organisation and improving procedures.

The increase in net interest income, from the same period of 2008, reflects the increased cost of funding, as a result of the volatility and uncertainty evidenced by financial markets and the narrowing of spreads from deposits, due to the strong competitiveness to further increase customer funds. The reduction of the average spread for customer funds more than offset the increase in net interest income, which was influenced by the rise in the volume of loans to customers and by the rise in loans average spread. The lower level of commissions recorded in 2009 was hindered by the unfavourable volume effect related to commissions from asset management and investment funds and by lower trading commissions.

Customer deposits were up 10.5% from 31 December 2008, allowing an increase of 0.7% in total customer funds.

Loans to customers amounted to Euro 2,237 million as at 31 December 2009, a 10.5% growth from Euro 2,025 million as at 31 December 2008, sustained by the performance achieved in the Private Banking network in Portugal, following the efforts to expand the business base.

<table>
<thead>
<tr>
<th></th>
<th>31 Dec. 09</th>
<th>31 Dec. 08</th>
<th>Change 09 / 08</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Profit and loss account</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Interest Income</td>
<td>37.3</td>
<td>40.1</td>
<td>-6.9%</td>
</tr>
<tr>
<td>Other net Income</td>
<td>32.0</td>
<td>34.2</td>
<td>-6.5%</td>
</tr>
<tr>
<td>Operating costs</td>
<td>42.3</td>
<td>48.9</td>
<td>-13.5%</td>
</tr>
<tr>
<td>Impairment</td>
<td>20.4</td>
<td>26.9</td>
<td>-24.0%</td>
</tr>
<tr>
<td>Contribution before income taxes</td>
<td>6.5</td>
<td>(1.5)</td>
<td></td>
</tr>
<tr>
<td>Income taxes</td>
<td>1.6</td>
<td>(1.9)</td>
<td></td>
</tr>
<tr>
<td>Net contribution</td>
<td>4.9</td>
<td>0.4</td>
<td></td>
</tr>
</tbody>
</table>

**Summary of Indicators**

- Allocated capital: 67 vs. 86
- Return on allocated capital: 7.3% vs. 0.4%
- Risk weighted assets: 1,348 vs. 1,711
- Cost to income ratio: 61.1% vs. 65.8%
- Loans to customers: 2,237 vs. 2,025 (10.5%)
- Total customer funds: 7,328 vs. 7,277 (0.7%)
Foreign Business

The net contribution from the Foreign Business segment totalized Euro 11.8 million in 2009, from Euro 123.1 million in 2008. This evolution reflects the drop in net interest income, in particular in the activity in Poland, and the higher impairment and provisions charges in all international operations, reflecting the increase in the loans portfolio and the increased need for coverage of signs of impairment of the loans portfolio. Operating costs showed a reduction, as a result of the efforts made to streamline structures, in particular in the activity in Poland. Nevertheless, the results from international operations were positively influenced by the favourable evolution in net income in the subsidiary companies in Angola and in Mozambique.

The net interest income performance reflects the unfavourable interest rate effect, as a result of more narrow spreads for term deposits, mainly due to strong competition in capturing customer funds, and by the positive volume effect registered in most international operations, in particular customer deposits and loans to customers. Highlights include the rise in net interest income in the activities in Angola, in Mozambique, in Romania and in Greece, which was sustained by the increase in business volumes.

Operating costs showed a reduction, benefiting mostly from the reduction in staff costs and in administrative costs in the operations in Poland and in Turkey, which more than offset the higher operating costs in the activity in Angola and Mozambique, related to the strategy of organic growth carried out in these international operations, materialised in the expansion of the distribution network, and consequently in the increase in the number of employees.

Loans to customers were up by 3.3% to Euro 16,270 million as at 31 December 2009, boosted by the performance of loans to Individuals, and reflecting the growth evidenced in most foreign operations, in particular Angola, Mozambique, Greece and Romania.

Total customer funds increased 5.9% to Euro 16,199 million as at 31 December 2009, driven by a 3.5% increase in customer deposits.

<table>
<thead>
<tr>
<th></th>
<th>31 Dec. 09</th>
<th>31 Dec. 08</th>
<th>Change 09 / 08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit and loss</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>account</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Interest</td>
<td>401.1</td>
<td>509.7</td>
<td>-21.3%</td>
</tr>
<tr>
<td>Income</td>
<td>383.2</td>
<td>391.8</td>
<td>-2.2%</td>
</tr>
<tr>
<td></td>
<td>784.3</td>
<td>901.5</td>
<td>-13.0%</td>
</tr>
<tr>
<td>Operating costs</td>
<td>561.6</td>
<td>639.6</td>
<td>-12.2%</td>
</tr>
<tr>
<td>Impairment and</td>
<td>193.6</td>
<td>103.6</td>
<td>86.9%</td>
</tr>
<tr>
<td>provisions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contribution</td>
<td>29.1</td>
<td>158.3</td>
<td>-81.6%</td>
</tr>
<tr>
<td>before income</td>
<td>17.3</td>
<td>35.2</td>
<td>-50.6%</td>
</tr>
<tr>
<td>taxes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net contribution</td>
<td>11.8</td>
<td>123.1</td>
<td>-90.4%</td>
</tr>
</tbody>
</table>

Summary of Indicators

<table>
<thead>
<tr>
<th></th>
<th>31 Dec. 09</th>
<th>31 Dec. 08</th>
<th>Change 09 / 08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allocated capital</td>
<td>1,081</td>
<td>1,056</td>
<td>2.3%</td>
</tr>
<tr>
<td>Return on allocated capital</td>
<td>1.1%</td>
<td>1.1%</td>
<td></td>
</tr>
<tr>
<td>Risk weighted assets</td>
<td>14,381</td>
<td>15,221</td>
<td>-5.4%</td>
</tr>
<tr>
<td>Cost to income ratio</td>
<td>71.6%</td>
<td>71.0%</td>
<td>-0.6%</td>
</tr>
<tr>
<td>Loans to customers</td>
<td>16,270</td>
<td>15,758</td>
<td>3.3%</td>
</tr>
<tr>
<td>Total customer funds (1)</td>
<td>16,199</td>
<td>15,297</td>
<td>5.9%</td>
</tr>
</tbody>
</table>

(1) Excluding Armenian bank in 2009 and, for comparative purposes, also in 2008.
SIGNIFICANT EVENTS

The systematic process of adjustment of pricing conditions in Portugal and in international operations, seeking to reflect the real cost of credit and liquidity risk; the strict management of leakages/commercial exemptions, including net interest income and commissions, on all networks; the programs to expand business volumes and increase customer base retention across the Group’s operations; increased efforts to reduce operating costs; integrated and prudent management of liquidity by focusing on optimising the funding cost in wholesale markets and the strengthening of customers’ funds acquisition, and proactive risk and capital management, were the main events in the fourth quarter of 2009. Of particular note were:

- Already in 2010, an agreement was signed with the financial institution CREDIT EUROPE BANK, N.V., a wholly owned subsidiary of FIABA, HOLDING, A.S., in order to sale 95% of Millennium Bank AS in Turkey, by Banco Comercial Português Group;

- In February 2010 was successfully concluded the capital increase of Bank Millennium in Poland, of approximately Euro 258 million through a rights issue. The shares available to minority shareholders were almost four times oversubscribed;

- Conclusion of the Mediation Process, on November 9, organised by the Portuguese markets regulator, the “Comissão do Mercado de Valores Mobiliários” (CMVM), regarding disputes with shareholders over supposedly incorrect commercial approaches by the Bank’s employees, in the so called “Shareholder Campaign” in 2000 and 2001;

- Decision by the Supervisory Board of Banco Comercial Português, S.A., at a meeting held on 11 November 2009, to accept Mr. Armando Vara’s request to suspend his mandate as Vice President of the Executive Board of Directors until the facts are established relating to investigation process, in which he is involved, as has been published in the media. The Supervisory Board also decided, in accordance with the law and its articles of association, to appoint Mr. Miguel Maya Dias Pinheiro as a Member of the Executive Board of Directors, as a substitute for Mr. Armando Vara;

- Nomination, on 13 November 2009, of the Board Member Mr. Vitor Manuel Lopes Fernandes as Deputy Chairman of the Executive Board of Directors, during the period of suspension of the mandate of Mr. Armando Vara, in addition to the Deputy Chairman of the Executive Board of Directors Mr. Paulo Macedo;

- Suspension of the negotiations with a Mozambican Group for the acquisition of a shareholding of up to 10% of Millennium bim, by mutual agreement;

- Millennium Meetings in Évora, on 14 and 15 October and in Funchal, on 16 and 17 November, as part of the strategy of strengthening the institutional and commercial dynamism of Millennium bcp, and inauguration of the exhibition “Shared Art Millennium bcp” at the Museum of Contemporary Art of Funchal;

- Participation of Millennium bcp in two new briefings, “ABC Markets”, dedicated to Angola, organised by the Agency for Investment and External Commerce of Portugal;

- Participation of ActivolBank in the “Infovalor - 1st Savings and Investment Forum”, to present the Bank’s value proposition;

- Organisation by Millennium bcp of two conferences “Euro 2012 - Business opportunities in Poland and Ukraine”, together with the Embassies of Poland and Ukraine, with the aim of presenting to Portuguese companies the projects related to European Football Championship in 2012 which will take place in these countries, and the investment opportunities arising from the event;

- Distinction of Millennium bcp as “Best Commercial Bank in Real Estate” in Portugal, by “Euromoney” magazine;

- Distinction of Millennium bcp as “Best Foreign Exchange Bank” in Portugal, by “Global Finance” magazine;
Press-Release

- Positioning of Millennium bcp in 35th place among the 55 largest European leasing companies, regarding to 2008 performance, making it the first Portuguese company in the ranking prepared by "Leaseurope";
- Distinction of Millennium bcp as 6th among the 25 largest companies in Portugal in the scope of the Portugal’s Accountability Rating 2009, conducted by a leading consultancy firm in sustainable development;
- Distinction of Millennium bcp as "Leading Commended" in the category "Agent Banks in developed markets" in the annual survey conducted by "Global Custodian" magazine;
- Distinction of Occidental Vida with the award “Great Life Insurance” in 2008, according to Exame magazine;
- Positioning of Bank Millennium in Poland in 18th place in the list of 50 largest Eastern banks, according to the study "Europe 500 - Major Companies in Central and Eastern Europe", organised by the daily newspaper "Rzeczpospolita" and consultants "Defolite";
- Distinction of Millennium bank in Greece with the "Erms Award", from the Greek Advertising & Communications Association, in the "Greek Advertising Festival 2009", for the Bank campaign dedicated to the product "Savings for All - Gnome";
- Nomination of Millennium bim as 74th among the 100 largest banks in Africa, being the only bank in Mozambique to join this list prepared by "African Business" magazine;
- Election of Millennium bim’s brand by Mozambican consumers as the "Best Brand of Banking & Insurance", in a study promoted by GFK, a renowned international expert, confirming that Millennium bim is the Mozambican bank with most spontaneous brand awareness.
ECONOMIC ENVIRONMENT

The world economy continued to expand over the fourth quarter though with distinctively differing performances across the various economic areas. Indeed, while in the U.S. and China the economic performance strengthened, in Japan and in Europe it tended to weaken somewhat. The world economy still faces many risks going forward but there is a growing consensus that the recessionary environment of the past two years has ended. This positive expectation lies at the heart of the recurrent positive revisions of the growth scenarios for 2010 presented by the main supranational institutions.

This transition phase in the economic cycle might end up being a challenging situation for authorities. They will have to judge carefully the economic environment in order to assess whether it is appropriate to remove the supportive measures for economic activity and financial systems that were put in place during 2008 and 2009. In this sense, there is an appreciable risk of some turbulence returning to financial markets and harming the business climate, as central banks review their monetary policies, and Governments withdraw part of the stimulus measures. In the euro area, the European Central Bank (ECB) announced changes to the lending procedures that will eventually be reflected in short-term interest rates moving higher and closer to the main refinancing rate of the ECB. That means slightly tighter financial conditions ahead. At the same time, public finances have weakened due to the efforts committed to steering the economic activity and to rein in unemployment. Assessing the sustainability of public finances over the long run, plus an evaluation of the underlying competitiveness framework and the available financial slack of each country, have become a key issue for financial markets, pushing the initial concerns with private sector credit risks up to the sovereign level. In fact, while over the past months risk premiums charged on private sector debt have been declining, the opposite has happened to some sovereign issuers, particularly those countries where the indebtedness levels were higher, restraining the margin of manoeuvre for further accommodative fiscal measures. Within this context, the upward trend in stock markets halted and a mild correction ensued. The US dollar appreciated against the euro, benefiting from both a stronger relative growth dynamic and from the uncertainty that recently erupted involving EMU Institutions.

Economic activity in Portugal has also improved over the second half of 2009, as it has with other EMU countries. For the whole year, real GDP is estimated to have decreased slightly less than 3%. For 2010, it is expected that GDP will post a modest gain of 0.3% to 1% in real terms. Poland seems to have been the sole EU country to record positive GDP growth in 2009, and prospects for 2010 continue to improve. This positive environment has been highly favourable for the zloty while ending the monetary easing cycle of the National Bank of Poland. In Greece, the comprehensive fiscal consolidation path endorsed in the stability and growth plan and the more stringent financing conditions in the global market will probably weigh on the country’s growth potential over the medium term. In Angola and Mozambique, the improvement of world trade and the vigour of the main importers of basic raw materials are supportive of a better outlook for 2010.

The banking business continues to deal with the lagging effects of the economic and financial crisis, namely deteriorating asset quality and subdued business volumes. The underlying economic condition is weak enough to prevent investment spending to pick up meaningfully and there is great uncertainty on accessing medium-to-long term stable funding. As such, in the euro area, on average, credit granted to domestic residents decreased versus a year ago, whereas in Portugal credit dynamics proved slightly better as credit volumes were barely unchanged over the same period and some revival in mortgage loans took place late in the year. Currently there are several proposed amendments to the financial system’s regulatory framework being considered predominantly targeting capital adequacy and liquidity. These proposals may have far reaching consequences for the banking industry, as they might bring about changes in risk-taking capacity, in the composition of capital and in liquidity management. They will be under careful examination and further calibration through the year and their final implementation is expected only to take place gradually over the next few years. The simultaneous profound changes in the regulatory and supervisory framework will surely be of relevance for the financial sector and might encourage institutional changes along with it.
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The information in this presentation has been prepared under the scope of the International Financial Reporting Standards (IFRS) of BCP Group for the purposes of the preparation of the consolidated financial statements under Regulation (CE) 1606/2002.

The figures presented do not constitute any form of commitment by BCP in regard to future earnings.

Figures for 2008 and 2009 were subject to an audit by External Auditors.
### Press-Release

**BANCO COMERCIAL PORTUGUÉS**

Consolidated Income Statement

*for the years ended 31 December, 2009 and 2008*

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest income</td>
<td>3,639,479</td>
<td>5,269,597</td>
</tr>
<tr>
<td>Interest expense</td>
<td>(2,209,324)</td>
<td>(3,546,549)</td>
</tr>
<tr>
<td><strong>Net Interest Income</strong></td>
<td>1,430,155</td>
<td>1,721,048</td>
</tr>
<tr>
<td>Dividends from equity instruments</td>
<td>3,336</td>
<td>36,818</td>
</tr>
<tr>
<td>Net fees and commission income</td>
<td>731,731</td>
<td>740,417</td>
</tr>
<tr>
<td><strong>Net gains / losses arising from trading and hedging activities</strong></td>
<td>249,827</td>
<td>280,203</td>
</tr>
<tr>
<td>Net gains / losses arising from available for sale financial assets</td>
<td>(26,457)</td>
<td>(262,106)</td>
</tr>
<tr>
<td><strong>Other operating income</strong></td>
<td>41,137</td>
<td>57,580</td>
</tr>
<tr>
<td><strong>Other net income from non banking activity</strong></td>
<td>18,233</td>
<td>17,790</td>
</tr>
<tr>
<td><strong>Total operating income</strong></td>
<td>2,335,729</td>
<td>2,573,960</td>
</tr>
<tr>
<td>Staff costs</td>
<td>865,337</td>
<td>915,307</td>
</tr>
<tr>
<td>Other administrative costs</td>
<td>570,177</td>
<td>642,641</td>
</tr>
<tr>
<td>Depreciation</td>
<td>104,736</td>
<td>112,843</td>
</tr>
<tr>
<td><strong>Operating costs</strong></td>
<td>1,540,256</td>
<td>1,670,791</td>
</tr>
<tr>
<td>Loans Impairment</td>
<td>(560,029)</td>
<td>(544,699)</td>
</tr>
<tr>
<td>Other assets impairment</td>
<td>(70,465)</td>
<td>(60,034)</td>
</tr>
<tr>
<td>Other provisions</td>
<td>(26,871)</td>
<td>(5,500)</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>154,327</td>
<td>331,336</td>
</tr>
<tr>
<td>Share of profit of associates under the equity method</td>
<td>66,262</td>
<td>19,080</td>
</tr>
<tr>
<td>Gains from the sale of subsidiaries and other assets</td>
<td>74,935</td>
<td>(5,407)</td>
</tr>
<tr>
<td><strong>Profit before income tax</strong></td>
<td>295,519</td>
<td>342,009</td>
</tr>
<tr>
<td>Income tax</td>
<td>(65,634)</td>
<td>(44,001)</td>
</tr>
<tr>
<td><strong>Deferred</strong></td>
<td>19,417</td>
<td>(39,997)</td>
</tr>
<tr>
<td><strong>Profit after income tax</strong></td>
<td>249,302</td>
<td>238,011</td>
</tr>
<tr>
<td>Attributable to:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shareholders of the Bank</td>
<td>225,217</td>
<td>201,182</td>
</tr>
<tr>
<td>Minority Interests</td>
<td>24,085</td>
<td>36,829</td>
</tr>
<tr>
<td><strong>Profit for the year</strong></td>
<td>249,302</td>
<td>238,011</td>
</tr>
</tbody>
</table>
### Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and deposits at central banks</td>
<td>2,244,724</td>
<td>2,064,407</td>
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<tr>
<td>Loans and advances to credit institutions</td>
<td>839,952</td>
<td>1,048,148</td>
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<tr>
<td>Other loans and advances</td>
<td>2,025,834</td>
<td>2,492,548</td>
</tr>
<tr>
<td>Loans and advances to customers</td>
<td>79,191,116</td>
<td>79,163,014</td>
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<tr>
<td>Financial assets held for trading</td>
<td>3,316,929</td>
<td>3,403,267</td>
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<tr>
<td>Financial assets available for sale</td>
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<td>1,714,178</td>
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<tr>
<td>Assets with repurchase agreement</td>
<td>60,866</td>
<td>14,704</td>
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<tr>
<td>Hedging derivatives</td>
<td>469,848</td>
<td>117,301</td>
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<tr>
<td>Financial assets held to maturity</td>
<td>2,027,354</td>
<td>1,161,844</td>
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<tr>
<td>Investments in associated companies</td>
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<td>343,934</td>
</tr>
<tr>
<td>Non current assets held for sale</td>
<td>1,343,163</td>
<td>826,276</td>
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<td>Investment property</td>
<td>429,856</td>
<td>436,480</td>
</tr>
<tr>
<td>Property and equipment</td>
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<td>749,818</td>
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<tr>
<td>Goodwill and intangible assets</td>
<td>524,990</td>
<td>540,228</td>
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<tr>
<td>Current tax assets</td>
<td>24,774</td>
<td>18,127</td>
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<td>Deferred tax assets</td>
<td>564,250</td>
<td>586,992</td>
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<td>Other assets</td>
<td>2,647,777</td>
<td>2,904,467</td>
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<tr>
<td><strong>Total assets</strong></td>
<td>95,396,410</td>
<td>94,423,724</td>
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### Liabilities

<table>
<thead>
<tr>
<th>Description</th>
<th>2009</th>
<th>2008</th>
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<tr>
<td>Amounts owed to central banks</td>
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<td>3,342,301</td>
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<tr>
<td>Amounts owed to other institutions</td>
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<td>5,997,066</td>
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<td>Amounts owed to customers</td>
<td>46,307,233</td>
<td>44,967,168</td>
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<td>Debt securities</td>
<td>19,913,227</td>
<td>20,519,746</td>
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<td>Financial liabilities held for trading</td>
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<td>Other financial liabilities held for trading</td>
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<td>Hedging derivatives</td>
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<td>Non current liabilities held for sale</td>
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<td>Priorities for liabilities and charges</td>
<td>233,150</td>
<td>221,836</td>
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<td>Subordinated debt</td>
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<td>Current income tax liabilities</td>
<td>18,795</td>
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<td>Deferred income tax liabilities</td>
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<td>Other liabilities</td>
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### Equity

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<td>Share capital</td>
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<td>4,694,600</td>
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<td>Treasury stock</td>
<td>(95,548 )</td>
<td>(58,631 )</td>
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<td>Share premium</td>
<td>192,122</td>
<td>192,368</td>
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<td>Preference shares</td>
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<td>1,000,000</td>
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<tr>
<td>Other capital instruments</td>
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<td>Fair value reserves</td>
<td>93,760</td>
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<td>Reserves and retained earnings</td>
<td>(243,655)</td>
<td>(274,623)</td>
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<td>Profit for the year attributable to Shareholders</td>
<td>170,572</td>
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<td><strong>Total Equity attributable to Shareholders</strong></td>
<td>6,876,496</td>
<td>5,960,492</td>
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### Minority Interests

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<td>Total Minority Interests</td>
<td>304,369</td>
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<td><strong>Total Equity</strong></td>
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<td>94,423,724</td>
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## Annex V

**Shares and bonds held by the members of the Management and Supervision bodies of Banco Comercial Português, S.A.**

The shareholder and bondholder position of members of the Boards is as follows:

<table>
<thead>
<tr>
<th>Shareholders/Bondholders</th>
<th>Security</th>
<th>Number of securities at 31-12-2009</th>
<th>Changes during 2009</th>
<th>Acquisition</th>
<th>Disposal</th>
<th>Date</th>
<th>Unit Price</th>
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<tbody>
<tr>
<td></td>
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<td>31-12-2009</td>
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<tr>
<td></td>
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<td>31-12-2008</td>
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<tr>
<td>Members of Executive Board</td>
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<tr>
<td>Paulo José de Ribeiro Morato Macedo</td>
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<td>259,994</td>
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<td>Vítor Manuel Lopes Fernandes</td>
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<td>20,000</td>
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<td>247,288</td>
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<td>José João Guiterme</td>
<td>BCP shares</td>
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<td>51,000</td>
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<tr>
<td>Nelson Ricardo Bessa Machado</td>
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<td>259,992</td>
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<td>Miguel Maya Dias Pinheiro</td>
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<td>150,000</td>
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<td>Armando Vara (suspended)</td>
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<td>10,000</td>
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<tr>
<td>Members of Supervisory Board</td>
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<td>Luís de Melo Champalimaud</td>
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<td>20,000</td>
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<td>1,000</td>
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<td>Josep Oliu Creus</td>
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<td>13,000</td>
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<tr>
<td>Manuel Alfredo Cunha José de Melo</td>
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<td>50,000</td>
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<td>BCP shares</td>
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<td>29-Apr-09</td>
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<td>7.01</td>
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<td>BCP shares</td>
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<td>19-Jun-09</td>
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<td>200</td>
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<td>200</td>
<td>(continues)</td>
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### Shareholders/Bondholders

<table>
<thead>
<tr>
<th>Security</th>
<th>Number of securities at 31-12-2008</th>
<th>Acquisitions</th>
<th>Disposals</th>
<th>Date</th>
<th>Unit Price</th>
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<tbody>
<tr>
<td>BCP Ob Cx Subordinadas</td>
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<td>1,000</td>
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<td>BCP Fin In Bank Enhance XI Eur Dec/10</td>
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<td>20 (b)</td>
<td>05-Aug-09</td>
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<td>0</td>
<td>100 (b)</td>
<td>25-Nov-09</td>
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<td>30-Oct-09</td>
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<td>50 (b)</td>
<td>06-Dec-09</td>
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<td>12-Mar-09</td>
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<td>0 (b)</td>
<td>13-Feb-09</td>
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<tr>
<td>BCP Ob Cx Multi Rend Dax Feb 2007/10</td>
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<tr>
<th>Shareholders/Bondholders</th>
<th>Security</th>
<th>Number of securities at 31-12-2009</th>
<th>Number of securities at 31-12-2008</th>
<th>Changes during 2009</th>
</tr>
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<tbody>
<tr>
<td></td>
<td></td>
<td>Acquisitions</td>
<td>Disposals</td>
<td>Date</td>
</tr>
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<td>Thamaz de Mello Paes de Vasconcelos</td>
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<td>0</td>
<td>1,000</td>
</tr>
<tr>
<td>Vasco Esteves Fraga</td>
<td>BCP shares</td>
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<td>Huen Wing Ming Patrick</td>
<td>BCP shares</td>
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<td>Spouse and Dependent Children</td>
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<tr>
<td>Luís Maria Salazar Couto Lampião</td>
<td>BCP shares</td>
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<tr>
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<td>BCP Fln Fin Waning CBT Nt/Vil Eur 6/09</td>
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<td>BCP Ob Cx Subordinadas I.º S (2008/2018)</td>
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<td>BCP Fin In World Bk Enh Nt Oct 2009</td>
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<td>BCP Fin Otv Income Builder Tel Acv 2012</td>
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<td>BCP Fin Bk RC Bk GR Plc X/09 Eur Feb/10</td>
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<td>BCP F Bk RC Allianz X/09 Eur Feb/2010</td>
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<td>Isabel Maria V. L. Martins Monteiro</td>
<td>BCP Ob Cx Inv Especial 2007/2009 2ª E</td>
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<th>Number of securities at 31-12-2008</th>
<th>Changes during 2009</th>
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(a) Transfer/Deposit.
(b) Subscription.
(c) Reimbursement.
(d) Purchase.
(e) Sell.
(f) BCP shares owned indirectly through the company “PACIM – Sociedade Gestora de Participações Sociais, S.A.”.