CORPORATE GOVERNANCE REPORT

INTRODUCTION

The present report aims to disclose, in a clear and transparent manner, the regulatory practices followed by Banco Comercial Português, S.A. (hereinafter “Company, Bank, BCP, Millennium bcp Group”) linked to Corporate Governance and was drawn up in observance of the legal rules and regulations in force, namely the Companies Code, the Securities Code, Regulation of the Portuguese Stock Market Regulator (CMVM) number 1/2010 published on 1 February 2010 and the Corporate Governance Code of the CMVM, of January 2010 (Recommendations).

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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

In the pursuit of its corporate object, the Bank and other companies of the Group observe the applicable legal and regulatory rules, namely those issued by the Bank of Portugal and by the Portuguese Stock Market Regulator (CMVM), and also adopt specific rules ensuring that the management is based on the principle of risk diversification and safe investments, taking into account the interests of the depositors, investors and other Stakeholders.

The Bank complied in 2010 with the Corporate Governance Code of the CMVM/2010 (Recommendations) of January 2010 and Regulation 1/2010, of 1 February 2010, which may be consulted on the Legislation page through the following direct address: www.cmvm.pt/.

The Code of Conduct, Internal Regulations for Financial Intermediation Activities, the Regulations of the Supervisory Board and of the Executive Board of Directors and the Compliance Policies describe the duties and obligations applicable not only to the activities of Banco Comercial Português as a whole, 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 practices and regarding securities or derivatives traded in organised markets, namely with respect to matters of conflict of interests, secrecy, incompatibilities and cooperation with the supervisory authorities. This code is disclosed to all Employees, who have permanent access to it, through both the internal portal and Bank’s Internet site, on the page with the following address: http://www.millenniumbcp.pt/site/conteudos/en/.

The Internal Regulations Relative to Financial Intermediation Activities 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 are disclosed to the Employees through the internal portal. These regulations are available both on the Bank’s Internet site, on the page with the following address: http://www.millenniumbcp.pt/site/conteudos/en/.

The Regulations of the Executive Board of Directors and of the Supervisory Board 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 Bank’s Internet site, on the page with the following address: http://www.millenniumbcp.pt/site/conteudos/en/.

These documents are also provided to the members of each of these bodies at the time of their election or appointment.
The Compliance Policies are composed of a series of sectorial documents addressing different matters with an extremely important impact on the services provided by the Bank, for the purpose of ensuring, at all levels and activities of the Group, the highest standards of quality, adequacy, proficiency and suitability, by the Organisation, Members of the Management and Supervisory Boards and other senior staff and Employees and, when applicable, the Shareholders, Customers and market in general.

During the year, the following documents of the Compliance Policies were reviewed, updated and approved by the Executive Board of Directors: Policy on Customer Acceptance; Policy on Customer Identification; Policy on the Analysis and Monitoring of High Risk Entities; Policy on the Management of Money Laundering and Terrorism Financing Risks; Policy on the Execution of Orders; Policy on Conflicts of Interest; and Policy on the Approval of New Products (General Principles).

The policy documents referred to above were also disclosed internally through the Bank’s Intranet for all Employees, with the first six also being available to the general public at the following address: http://www.millenniumbcp.pt/site/conteudos/en/.

With the approval and disclosure of these policy documents, the Bank has significantly strengthened the standards adopted on matters of transparency, information and high performance requirements.

It should also be noted that the Supervisory Board approved the “Policy on Approval of Audit Services”.

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 integral part. For this effect, recommendations that have not been fully complied with are described herein as non-adopted

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<td>I. GENERAL MEETING</td>
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<td>I.1. BOARD OF THE GENERAL MEETING</td>
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<td>I.1.1. The Chairman of the Board of the General Meeting must be provided with the</td>
<td>Compliant</td>
<td>Chapter I – General Meeting</td>
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<td>supporting human and logistic resources appropriate to his/her needs, considering the</td>
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<td>economic situation of the company.</td>
<td>Compliant</td>
<td>Chapter I – I.3.</td>
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<td>I.1.2. The remuneration of the Chairman of the Board of the General Meeting must be</td>
<td>Repealed by Dec.-Law</td>
<td>See note 1 to the present table</td>
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<td>disclosed in the Annual Report on Corporate Governance.</td>
<td>number 49/2010,</td>
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<td>of 19 May</td>
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<tr>
<td>I.2. PARTICIPATION IN THE MEETING</td>
<td>Repealed by Dec.-Law</td>
<td>Chapter I – I.5.</td>
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<td>I.2.1. The period of time in advance given for the receipt, by the board, of the</td>
<td>number 49/2010,</td>
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<td>statements of deposit or blocking of shares for participation in the general meeting</td>
<td>of 19 May</td>
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<td>imposed by the articles of association must not exceed five business days.</td>
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<td>I.2.2. In the case of the suspension of the General Meeting, the company should not</td>
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<td>force the blocking to remain during the intermediate period until the session is</td>
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<td>resumed, with the ordinary period of time in advance required in the first session being</td>
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<td>sufficient.</td>
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<td>I.3. VOTING AND THE EXERCISE OF VOTING RIGHTS</td>
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<tr>
<td>I.3.1. The company must not establish any statutory restriction on voting by</td>
<td>Compliant</td>
<td>Chapter I – I.9.</td>
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<td>correspondence and, when adopted and admissible, on voting through electronic</td>
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<tr>
<td>correspondence.</td>
<td>Compliant</td>
<td>Chapter I – III.</td>
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<tr>
<td>I.3.2. The statutory period of time in advance for the receipt of votes issued by</td>
<td>Compliant</td>
<td>See note 2 to the present table</td>
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<td>correspondence must not be greater than three business days.</td>
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<tr>
<td>I.3.3. The company must ensure proportionality between voting rights and shareholding,</td>
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<td>preferably through statutory establishment that one share corresponds to one vote.</td>
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<tr>
<td>I.4. DELIBERATIVE QUORUM</td>
<td>Not compliant</td>
<td>See note 1 to the present table</td>
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<tr>
<td>I.4.1. The company must not establish a deliberative quorum greater than that laid down</td>
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<td>by law.</td>
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### I.5. MINUTES AND INFORMATION ON DELIBERATIONS ADOPTED

I.5.1. Extracts of minutes of General Meetings or documents with equivalent contents should be made available to shareholders on the company’s Internet site within the period of five days, after the general meeting, even if they not constitute privileged information. The information disclosed should include the deliberations taken, the share capital represented and results of the voting. This information should be kept on the company’s Internet site for at least three years.

### 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.

I.6.1.1. 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.

I.6.2. 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.

### 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 Annual Report on Corporate Governance, identifying any constraints to its functioning and proposing measures of action that are deemed suitable to overcome them.

II.1.1.2. Companies should create internal control and risk management systems, safeguarding their value and increasing the transparency of their corporate Governance, enabling them to identify and manage risk. These systems should include at least the following components: i) defining the company’s strategic goals in terms of risk taking; ii) identification of the main risk in connection with the activity carried out and events that may generate risks; iii) analysis and measurement of the potential risks’ impact and probability of occurring; iv) risk management aiming at aligning the risks effectively taken with the risk strategy chosen by the company; v) mechanisms to control the execution of the risk management actions adopted and their efficiency; vi) adoption of internal mechanisms for information and communication on the various components of the risk system and warnings; vii) periodic assessment the system put in place and adoption of modifications deemed necessary.

II.1.1.3. The management and supervisory boards must have work regulations, which must be disclosed on the company’s Internet site.

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<td>I.5. MINUTES AND INFORMATION ON DELIBERATIONS ADOPTED</td>
<td>Compliant</td>
<td>Chapter I – I.1. and I.13.</td>
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<tr>
<td>I.6. MEASURES RELATIVE TO CORPORATE CONTROL</td>
<td>Compliant</td>
<td>Chapter I – I.8.</td>
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<td></td>
<td>Not compliant</td>
<td>Chapter I – I.19, and see note 2 to the present table</td>
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### Chapter II – II.6.

II.1.3. The management board should ensure the creation and functioning of the company’s internal control and risk management systems, with the supervisory board being responsible for assessing the their functioning and proposing any adjustment to meet the company’s needs.

II.1.4. The company should, in the Annual Report on Corporate Governance: i) identify the main economic, financial and legal risks to which the company is exposed during the exercise of its activity; ii) describe the action and effectiveness of the risk management system.

II.1.5. The management and supervisory boards must have work regulations, which must be disclosed on the company’s Internet site.
### Recommendations of the CMVM contained in the Corporate Governance Code in force during 2010

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<tr>
<td>II.1.2. Incompatibilities and independence</td>
<td>Not compliant.</td>
<td>See note 3 to the present table</td>
</tr>
<tr>
<td>II.1.2.1. The board of directors must include a sufficient number of non-executive members so as guarantee effective capacity to manage, supervise and assess the activities of the executive members.</td>
<td>Not compliant.</td>
<td>See note 4 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>Not compliant.</td>
<td>Chapter II – II.14. and II.15.</td>
</tr>
<tr>
<td>II.1.2.3. The assessment made by the management board of the independence of its non-executive members should take into account the legal and regulatory rules in force on independence requirements and the rules on incompatibilities applicable to the members of the governing bodies, ensuring systematic consistency and coherence over time in the application of the independence criteria to the entire company. Directors should not be considered independent if, in another governing body, they could not hold this position through force of the applicable rules.</td>
<td>Compliance</td>
<td>Chapter II – II.2. and Annex II</td>
</tr>
<tr>
<td>II.1.3. Eligibility and nomination</td>
<td>Not compliant.</td>
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<tr>
<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>Compliance</td>
<td>Chapter II – II.35.</td>
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<td>II.1.4. Policy on the communication of irregularities</td>
<td>Compliance</td>
<td>Chapter II – II.35.</td>
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<tr>
<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>Compliance</td>
<td>Chapter II – II.35.</td>
</tr>
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<td>II.1.4.2. The general guidelines of this policy must be disclosed in the company Governance Report.</td>
<td>Compliance</td>
<td>Chapter II – II.35.</td>
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<tr>
<td>II.1.5. Remuneration</td>
<td>Compliance</td>
<td>Chapter II – II.29. to II.34., inclusive</td>
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<tr>
<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 long-term interests of the company, be based on a performance evaluation and prevent excessive risk assumption. For that purposes remunerations should be structured as follows: i) The remuneration of director's exercising executive duties should include a variable component defined based on a performance evaluation carried out by the competent body or committee according to predetermined measurable criteria that take into consideration the company's actual growth and the wealth effectively generated for shareholders, its long-term sustainability and the risks taken, together with compliance with the rules applicable to the company's activity; ii) The variable component should be globally reasonable in comparison with the fixed portion of the remuneration and maximum ceilings must be established for all components; iii) A significant portion of the variable remuneration must be deferred for a period of more than three years and its payment must depend on the continuance of the company's positive performance throughout that period of time; iv) The members of the management board must not enter into agreements with company or third parties for purposes of mitigating the risk related with the variable nature of the remuneration attributed to them by the company;</td>
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v) Up to end of their term-of-office the executive directors cannot sell the company shares they received through the variable remuneration scheme up to a limit of twice the amount of the total annual remuneration, exception made to those that need to be sold to pay the taxes resulting from the benefits awarded by those shares;

vi) Whenever the variable remuneration comprises stock options the beginning of the option term must be deferred for at least three years;

vii) The company must create the legal instruments required to ensure that, should a director be laid off without cause, the remuneration established is not paid if the director is laid off due to inadequate performance;

viii) The remuneration paid to non-executive directors must not include a component whose value depends on the company’s performance or worth.

II.1.5.2. The statement on the policy on the remuneration of the management and supervisory boards referred to in article 2 of Law number 28/2009, of 19 June should, in addition to the content referred to therein, contain sufficient information:

i) on which groups of companies’ remunerative policy and practices were used as a basis of comparison for the establishment of remuneration;

ii) on payments relative to severance or termination through agreement of directorship positions.

II.1.5.3. The statement on the policy on the remuneration of the management and supervisory boards referred to in article 2 of Law number 28/2009 should also cover the remunerations of the directors in observance of number 3 of article 248 of the Securities Code and whose remuneration has a variable component. The statement should be detailed and the policy presented should take into account, namely the long term performance of the company, compliance with the rules applicable to the company’s activity and prudence in risk-taking.

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.

II.1.5.6. At least one representative of the remuneration committee must be present in the annual general meeting of shareholders.

II.1.5.7. The value of the remunerations received, as a whole and individually, from other companies of the group and the pension rights acquired during the year in question should be disclosed in the Annual Report on Corporate Governance.

II.2. 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 delegated competences being identified in the Annual Corporate Governance Report.

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.

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<td>v) Up to end of their term-of-office the executive directors cannot sell the company shares they received through the variable remuneration scheme up to a limit of twice the amount of the total annual remuneration, exception made to those that need to be sold to pay the taxes resulting from the benefits awarded by those shares;</td>
<td>Compliant</td>
<td>Chapter II – II.29. (II.33. I)</td>
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<td>vi) Whenever the variable remuneration comprises stock options the beginning of the option term must be deferred for at least three years;</td>
<td>Compliant</td>
<td>Chapter II – II.29.</td>
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<td>vii) The company must create the legal instruments required to ensure that, should a director be laid off without cause, the remuneration established is not paid if the director is laid off due to inadequate performance;</td>
<td>Compliant</td>
<td>Chapter I – I.17.</td>
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<td>viii) The remuneration paid to non-executive directors must not include a component whose value depends on the company’s performance or worth.</td>
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<td>i) on which groups of companies’ remunerative policy and practices were used as a basis of comparison for the establishment of remuneration;</td>
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II.2. 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 delegated competences being identified in the Annual Corporate Governance Report.

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.

Not compliant | See note 5 to the present table

continues
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.

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.

II.2.5. The company should describe its policy on the rotation of positions within the Board of Directors, namely of the person responsible for financial matters, and disclose this policy in the annual report on Corporate Governance.

II.3. CHIEF EXECUTIVE OFFICER, EXECUTIVE COMMITTEE AND EXECUTIVE BOARD OF DIRECTORS

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.

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.

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.

II.4. GENERAL AND SUPERVISORY BOARD, FINANCIAL MATTERS COMMITTEE, AUDIT COMMITTEE AND SUPERVISORY BOARD

II.4.1. The supervisory board, in addition to performing the supervisory duties to which it is committed, should also carry out an advisory role and ensure the follow-up and continuous evaluation of the company’s management by the executive board of directors. Amongst the matters on which the 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.

II.4.2. The annual reports on the activity developed by the supervisory board, financial matters committee, audit committee and supervisory board should be disclosed on the company’s Internet site, together with the documents presenting the accounts.

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.

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.

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.

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<td>Not compliant</td>
<td>See note 6 to the present table</td>
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<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>Not compliant</td>
<td>See note 7 to the present table</td>
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<td>II.2.5. The company should describe its policy on the rotation of positions within the Board of Directors, namely of the person responsible for financial matters, and disclose this policy in the annual report on Corporate Governance.</td>
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</tr>
<tr>
<td>II.3. CHIEF EXECUTIVE OFFICER, EXECUTIVE COMMITTEE AND EXECUTIVE BOARD OF DIRECTORS</td>
<td>Compliant</td>
<td>Volume II – Reports of the Supervisory Board and of the Audit Committee and opinions of the Statutory Auditor and External Auditor</td>
</tr>
<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>Not compliant</td>
<td>See note 9 to the present table</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>Compliant</td>
<td>Chapter II – II.1.</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>Compliant</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>
<td>Compliant</td>
<td>Volume II – Reports of the Supervisory Board and of the Audit Committee</td>
</tr>
<tr>
<td>II.4.1. The supervisory board, in addition to performing the supervisory duties to which it is committed, should also carry out an advisory role and ensure the follow-up and continuous evaluation of the company’s management by the executive board of directors. Amongst the matters on which the 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>Compliant</td>
<td>Chapter II – II.1.</td>
</tr>
<tr>
<td>II.4.2. The annual reports on the activity developed by the supervisory board, financial matters committee, audit committee and supervisory board should be disclosed on the company’s Internet site, together with the documents presenting the accounts.</td>
<td>Compliant</td>
<td>Chapter II – II.1.</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>Compliant</td>
<td>Volume II – Reports of the Supervisory Board and of the Audit Committee</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>Compliant</td>
<td>Chapter II – II.2., see note 10 to the present table</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>Compliant</td>
<td>Volume II – Report of the Audit Committee</td>
</tr>
</tbody>
</table>

continues
II.4.6. The internal audit services and the services dedicated to ensuring compliance with the rules applied to the company (compliance services), should report their activities to the audit committee and supervisory board.

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 overall performance, as well as that of the different existing committees; ii) 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; iii) identifying in due time any potential candidates with the high-standing profile required for the holding of office as a director.

II.5.2. The members of the remuneration committee or equivalent should be independent from the members of the management board and include at least one member with experience on matters of remuneration policy.

II.5.3. No natural or legal person may be contracted to support the remuneration committee who, over the last 3 years, has provided any services to any structure under the board of directors, the actual board of directors of the company or who is in any manner currently a consultant to the company. This recommendation is also applicable to any natural or legal person related to the above through a work contract or provides services.

II.5.4. All the committees should prepare minutes of the meetings they hold.

III. INFORMATION AND AUDITS

III.1. GENERAL INFORMATION DUTIES

III.1.1. 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.1.2. 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.

III.1.3. The company should promote a rotation of the auditor at the end of every 2 or 3 mandates, according to whether the mandate is for 4 or 3 years. The maintenance of the auditor beyond this period should be based on a specific opinion issued by the supervisory board which explicitly considers the conditions of independence of the auditor and the advantages and costs of his replacement.

III.1.4. The external auditor should, under its duties, verify the application of the remuneration policies and systems, the effectiveness and functioning of the internal control mechanisms and report any weaknesses to the company’s supervisory board.

III.1.5. The company should not contract any services other than audit services from the external auditor, or from any entities which own a stake in it, or which are part of the same network. Should there be reasons to contract such services – which should be approved by the supervisory body and described in its Annual Report on Corporate Governance – they cannot represent more than 30% of the total value of the services provided to the company.
IV. CONFLICT OF INTERESTS

RELATIONS WITH SHAREHOLDERS

IV.1. Company business with shareholders owning qualifying holdings or with entities that are in any relationship with such shareholders, under the terms of article 20 of the Securities Code, should be carried out under normal market conditions.

IV.1.2. Company business of significance importance with shareholders owning qualifying holdings or with entities that are in any relationship with such shareholders, under the terms of article 20 of the Securities Code, should be submitted to the prior opinion of the supervisory board. This board should establish the necessary procedures and criteria for the definition of the level of important significance of this business and other terms of its intervention.

PREAMBLE

When reading the table above it is important to take account of the fact that Regulation 1/2010 of the CMVM, published on 1 February 2010, has not undergone any alteration as a consequence of the publication of Decree-Law number 49/2010, of 19 May, which amended, amongst others, the rules relative to the General Meetings, in particular the rules on prior information, the right to request the inclusion of points on the agenda, to right to present proposals and the right to participate in the General Meeting and vote at it, which is no longer assessed based on the proof of ownership of shares on the day of the General Meeting, and is now assessed based on proof of capacity of shareholder at 0 hours (GMT) on the 5th trading day prior to the General Meeting.

It should also be noted, in particular, that the Recommendations issued in the Corporate Governance Code drawn up by the Portuguese Stock Market Regulator (CMVM) are based on the one-tier or Anglo-Saxon model and only in a few cases consider the specifications of the two-tier model, which is the model adopted by Banco Comercial Português. This choice implies that many of the abovementioned recommendations are not applicable to companies that have adopted the said two-tier model, and there are gaps in relation to this latter model.

In order to cover these gaps, whenever possible, the present report seeks to point to the practices which ensure compliance with principles which, being contained in the recommendations applicable to the one-tier model, were ignored when the two-tier model was addressed.

NOTE 1

The Articles of Association are only more demanding than the Law where it concerns the merger, demerger, transformation of the company and amendment to the provisos limiting the votes of the Shareholders in a group relation or connected in another manner, since they require the approval of three quarters of the votes cast, as well as where it concerns the winding up of the company, which requires the approval of three quarters of the paid up share capital.

NOTE 2

In accordance with the Articles of Association, each 1,000 euros of share capital corresponds to one vote, with Shareholders owning a number of shares (all with no exceptions) less than the number 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, in order to exercise their legitimate voting rights.

Considering the small number of shares that, under the by-laws, confer one vote and, therefore, the right to individually attend the General Meeting, the Bank believes that the due proportion between the voting rights and Shareholders participation is ensured since the aforementioned rules take into consideration both the interests of the small Shareholders, who may group and thus exercise their voting rights, and the need to ensure that the General Meeting functions in the appropriate manner.

Each share has the nominal value of 1 euro, hence, in practice, each 1,000 shares corresponds to one vote.
NOTE 3
In the corporate governance model, under the terms of the provisions in article 278, number 1 c) of the Companies Code, adopted by Banco Comercial Português (two-tier model), the management and supervision of the activity of the executive directors is entrusted to an autonomous body called the Supervisory Board, which is statutorily composed of a number of members which is greater than that of the Executive Board of Directors, presently 13 members where the majority are independent members. In this way, the objectives of this recommendation are fully achieved, although the recommendation regards a corporate governance model different from the one adopted.

NOTE 4
Although this recommendation is not applicable to the governance model adopted by Banco Comercial Português, the present recommendation is observed by the Supervisory Board, composed of a majority of independent members.

NOTE 5
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 6
In companies that adopt the two-tier model, the majority of independent members of the Supervisory Board ensures compliance with this recommendation.

NOTE 7
The issues covered by the present recommendation are addressed in the Report of the Supervisory Board, published simultaneously with this Report.

NOTE 8
The Member and also Vice-Chairman of the Executive Board of Directors responsible for financial matters has been in office since 15 January 2008 and is holding his first mandate.

NOTE 9
Due to the governance model adopted by the Bank, the issues covered by the recommendation are addressed by the following recommendation: II.3.3.

NOTE 10
The Audit Committee is a specialized committee of the Supervisory Board (art. 12 of the Regulations of the Supervisory Board of Banco Comercial Português S.A.)

NOTE 11
The information relative to the present recommendation is available in English on the following site: http://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

As results from the table above and the detailed manner in which the different issues are addressed in the following chapters, we consider that the degree of adoption of the recommendations is very comprehensive and complete, with this subject being addressed clearly and in detail over the entire Report.

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 answer to this point is included in the explanations provided in the answers to the three previous points. However, the importance of this issue justifies a more detailed explanation.

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 and indispensable equivalence, with the compliance (or mere submission) having become more highly valued and recognised than the legitimate alternative explanation, which also unbalances the respective compliance cost, making formal compliance (with or without concordance) more convenient and easy than the effort of explaining, which is more onerous and less useful.

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

Nowadays, anyone wishing to base a group of recommendations upon the fundamental principle of comply or explain – as the abovementioned Directive 2006/46/EC recommends and is also predominant in most corporate governance codes of international companies – 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 functioning of the General Meeting of Banco Comercial Português, S.A., a company issuing shares listed for trading on regulated markets, is ruled by the respective statutory rules and by the specific provisions of the Companies Code and Securities Code. The various amendments introduced by Decree-Law 49/2010, of 19 May, to the imperative rules relative to shareholder rights and the functioning of the General Meeting, are not yet reflected in the Bank’s articles of association, although it is expected that during the following Annual General Meeting a proposal will be approved aimed at, amongst other matters, accommodating the amendments in question.

Independently of this proposal, the preparation and holding of the next Annual General Meeting will respect all the legislative amendments referred to above.

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, deliberating on reports, accounts, proposals for the appropriation of profits and any matters submitted at the request of Management and Supervisory Bodies and, in general, deliberating on all matters specifically attributed by the law or articles of association, or which are not included in the attributions of other corporate bodies.

In view of the recent legislative amendment noted above, it is considered pertinent to list the main rules of the functioning of the General Meeting in this chapter, namely because the next General Meeting, as referred to above, will be structured accordingly.

Regarding the human and logistic resources provided to the Chairman of the Board of the General Meeting nothing has been altered, since he is provided with the support, over the entire year, of the Company Secretary and respective Services and, at every General Meeting and during the respective preparatory period, with the support of a Working Party specifically constituted for the effect which, in addition to those of the Company Secretary Office and of the Investors Relations Department, includes Employees of the Operations, Information and Technologies, 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 essential information relative to the General Meetings of the last five years providing, namely: the total number of votes issued, the represented percentage of share capital corresponding to the total number of votes issued, the number of shares corresponding to the total number of votes issued, the identification of the company, the name of the Chairman and Vice-Chairman of the Board, copy of the call notices, agendas, proposals and other documents submitted for voting.

The abovementioned publication is available on the Bank’s site, on the page with the following address: http://www.millenniumbcp.pt/pubs/en/governance/organization_model/article.html?articleID=678232.
Likewise, and independently of the number of shares owned, the Banks 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 began in 2008 and ended in 2010. These will remain in office until the next Annual General Meeting, when the proposal for the election of the Board of the General Meeting for the three-year period 2011/2013 is expected to be submitted for voting.

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 2010.

Over the year, and always in observance of the rules of independence, the Chairman of the Board, with his considerable and recognised technical knowledge and legal rigour, supported the different Corporate Boards and Bodies of the Bank, 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

As a result of the amendments to the Securities Code approved by Decree-Law 249/2010 noted above, the Portuguese legal system adopted, for companies issuing shares listed for trading on regulated markets, the “registration date” rule.

This rule determines that capacity to participate and vote in the General Meeting is now assessed according to proof of Shareholding capacity at 0 hours (GMT) of the 5th trading day before the General Meeting. As of that time, Shareholders are free to sell their shares without this affecting their right to participate in the Meeting and exercise their voting rights therein. Should they sell shares during the period between the “registration date” and the date of the Meeting, and should they wish to participate in the Meeting, the Shareholders are only obliged to inform the CMVM and the Chairman of the Board of the Meeting of this fact.

Therefore, it no longer makes sense to speak of blocking shares since the sole purpose of this blockage was to produce evidence of the capacity as Shareholder on the day of the General Meeting and the action now required by Decree-Law 49/2010 is the prior registration set forth in article 23-C (3) of the Securities Code.

As mentioned before, this issue is specifically defined in the draft amendment to the Articles of Association to be submitted to the Annual General Meeting.

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

The comments made in relation to the previous paragraph are valid for this paragraph.

I.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.
I.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. has 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) allow financial investors to abdicate from actively intervening in the management of corporate business, against a guaranteed (minimum) return on their investment. Therefore these shares cannot be freely compared with other ordinary shares, which bear the voting rights crucial to the indispensable and necessary control of the company.

Hence, one cannot conclude – when mentioning this type of shares or securities, that just because they grant no voting rights – that this 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, restoring corporate balance and allowing their holders to actively participate in the company’s life.

The recommendation of the CMVM (Portuguese Stock Market Regulator) should it be deemed to favour 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 20% of the total share capital should not be counted when imputable to a single Shareholder or Group, Banco Comercial Português considers that this article ensures that 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 to restrict the rights of the largest Shareholders, defending the interests of the small and medium-sized Shareholders, whose vote thus achieves greater weight and relative representativeness.

This statutory provision 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 provision under the Companies Code that establishes that every 1,000 shares correspond to one vote and that Shareholders owning less than 1,000 shares may form a group and be represented at the general meeting by one of them, does not imply that there are shares without vote, rather what it means is that it organizes (and logistically rationalizes) the right to participate and vote in General Meetings, which, we stress, is not denied to the Shareholders with less than 1,000 shares. In accordance with that organizational rule, Shareholders owning less than 1,000 shares may group and be represented by one of them in 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 on its first call. 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 deliberations 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.

In accordance with art. 34 of the Articles of Association the company 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 on the prepared list and referring to the date as closest possible to the one scheduled for the Meeting, a copy of the respective call notice as well as a letter of the Chairman of the Board providing extensive information on the various forms of participation in the General Meeting and voting through attendance or by correspondence;

b) By providing on the Bank’s site, as of the publication of the respective call notice, all the relevant information, such as the agenda, proposals and documents to be submitted to the Meeting, forms/e-mails of the letter stating participation, statement of deposit and representation, 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, as well as an explanatory note 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 call notice of the General Meeting indicates, under the terms of the law and Articles of Association of the Bank, in a clear and unequivocal manner, the possibility to exercise the right to vote through postal correspondence or using electronic means.
Under the terms of number 13 of article 16 of the Articles of Association of the Bank, the exercise of the right to vote by correspondence covers all the matters presented in 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/en/governance/organization_model/article.jhtml?articleID=678232.

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 provided at the Bank’s registered Office, Branches 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 end of the term mentioned in article 23-B (2) of the Securities Code.

The instructions for voting using these means are published at the same time as the call notice of the General Meeting on the Bank’s site, on the page with the following direct address:

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, 5 p.m. of the penultimate business day before the date scheduled for the General Meeting. This deadline corresponds to the one established for receiving the proxy letters, thus complying with the rules of the CMVM Regulation nr. 1/2010 – Corporate Governance for Listed Companies.

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

Under the terms of number 13 of article 16 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 last business day before the day scheduled for the General Meeting.

The instructions for voting using these means are published at the same time as the call notice of the General Meeting on the Bank’s site, on the page with the following address:

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 always publishes the constitutive quorum, agenda, text of the proposals and reports submitted to the General Meeting, the contents of the resolutions adopted and results of the voting, indicating the number of Shareholders present at each voting, number of votes they correspond to, direction of each of the votes issued and results of the voting, within a period of time shorter that the recommended five days.

The abovementioned publication is available on the Bank’s site, on the page with the following address:
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 three years

On its Internet site the Bank maintains the historical record of the attendance, agendas, resolutions adopted and percentage of the votes cast at the General Meetings over the last five years, as well as all the other information referred to in the previous number.

The abovementioned publication is available on the Bank’s site, on the page with the following address: http://www.millenniumbcp.pt/pubs/en/governance/organization_model/article.jhtml?articleID=678232.

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

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 12 April 2010, the Chairman of the Board of the General Meeting submitted to vote the statements relative to the policy on the remuneration of the Executive Board of Directors, Supervisory Board and Members of the Remuneration and Welfare Board. The voting was cast separately with a binding character, where the statement relative to the policy on the remuneration of the Executive Board of Directors, which covered the retirement system for Members of the Executive Board of Directors received the support of a majority of 93.59% of the votes cast.

The voting on the policy on the remuneration of the Supervisory received the approval of a majority if 96.74% of the votes cast.

The proposed policy on the remuneration of the Remuneration and Welfare Board was approved by a majority of 95.64% of the votes cast.

During 2010, the following were qualified as Senior Executives of the Bank: the Head of Office of the Chairman of the Executive Board of Directors; the Compliance Officer; the Group Treasurer; the Head of Investor Relations; the Risk Officer; the Company Secretary; the heads of the Internal Audit Department; Planning and Budget Control Department and the Office Supporting the Supervisory Board. The respective remuneration does not include a variable component, which is only attributed on a case-by-case and yearly basis, by the Executive Board of Directors and is not an acquired right. In 2010, no Senior Executive were granted variable remunerations as per the definition of article 248-B (3) of the Securities Code.

Since the policy for the establishment of the remuneration of these Senior Executives is no different from that practiced for the rest of the Coordinating Managers of the Bank and Group. At the General Meeting of 2011, the Shareholders will appraise a proposal for a mandatory Remuneration Policy for Heads of Function, Senior Executives and other Employees.

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 corresponding 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 regarding 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 other Directors, in observance of number 3 of article 248-b of the securities code, as well as the elements provided at the General Meeting with a view to the correct assessment of these plans

Currently, the Bank does not have any plans to allocate shares, and/or stock 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, in observance of number 3 of article 248-b of the securities code

The Members of the Supervisory Board are not entitled to any retirement benefit.

The system for the retirement or invalidity of the Members of the Management Board is established in article 13 of the Bank’s Articles of Association, and in the Retirement Regulations of the Members of the Executive Board of Directors, approved by the Remuneration and Welfare Board, regarding which, and relative to the three-year period of 2008/2010, the Remuneration and Welfare Board adopted a resolution whose financial impact, which cannot be altered in any way, is detailed in the table in paragraph II.33.o) of this Report.

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, and the inclusion of such a rule has never having been requested by the Shareholders or Members of the Governing Bodies.

Under the terms of the law, any shareholder or Group of Shareholders owning 2% or more of the share capital may request, at any time, that the suppression of the limit established in number 10 of article 16 of the Bank’s articles of association be submitted to vote at the General Meeting.
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 in the company’s articles of association.

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 harmful for the company, except if the company is specifically obliged to disclose this information due to other legal requirements

The company has 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

The company has 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, five 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 continues to consider that it permitted a strict separation between the management and supervision, ensuring that the latter is carried out by Non-Executive Members who are mostly independent from 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.

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, S.A., its management and supervision is structured as follows:

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

The General Meeting also decided to delegate the competences for the establishment of the remuneration of the Members of the Governing Bodies to a Remuneration and Welfare Board.

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, whose nomination was deliberated at the General Meeting through proposal undersigned by the Supervisory Board.

A) Executive Board of Directors

The Executive Board of Directors is responsible for the management of the company, currently being composed of eight members, with the statutory minimum being seven and maximum thirteen, elected by the General Meeting for a period of three years, who can be re-elected one or more times. The Chairman of the Executive Board of Directors has the casting vote.

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 all acts and operations under its corporate object;
- Acquiring, encumbering and selling any assets and rights, movable or immovable, whenever deemed convenient for the company;
Deciding, subject to any legal requirements, on the company’s stake in the share capital of companies that may have any object whatsoever, or which are regulated by special laws, or are in complementary associations of companies, or are in any other manner associated to other companies;

Contracting Employees, establishing their salaries, social and other pecuniary benefits and exercising the corresponding directive and disciplinary power;

Preparing the documents presenting the accounts;

Preparing the documents with projections of the Bank’s activity and corresponding implementation reports;

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 provisions and with deliberations of the General Meeting;

Setting up the Bank’s organisation and methods of work, drawing up regulations and issuing such instructions as it may deem fit;

Deliberating on decision-making levels with competence to assess loan operations;

Representing the Bank in and out of the courts, as plaintiff or defendant;

Resolving or proposing, with grounds, one or more times, increases in share capital, in the first case always in observance of the limits of the authorisation of the General Meeting and obtaining the prior opinion of the Supervisory Board.

The current Executive Board of Directors of the Bank was elected at the General Meeting of Shareholders on 15 January 2008 (1) and is composed of the following members:

**Chairman:** Carlos Jorge Ramalho dos Santos Ferreira (62 years old)

**Vice Chairmen:**
- Paulo José de Ribeiro Moita de Macedo (47 years old)
- Vítor Manuel Lopes Fernandes (47 years old)

**Members:**
- José João Guilherme (53 years old)
- Nelson Ricardo Bessa Machado (51 years old)
- Luís Maria França de Castro Pereira Coutinho (49 years old)
- Miguel Maya Dias Pinheiro (46 years old)
- António Manuel Palma Ramalho (50 years old)

All the Directors show technical competence, knowledge and professional experience appropriate to the performance of their respective duties and areas of responsibility in the internal organisation, as can be concluded from the analysis of the curricula on Annex 1. All the Directors show the diligence of a careful and orderly manager, observing the duties of loyalty, acting in the interest of the company, and attending to the long term interests of the Shareholders and other Stakeholders.

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(1) With the exception of the members Miguel Maya Dias Pinheiro and António Manuel Palma Ramalho, elected at the General Meeting of 12 April 2010.
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 explicit and founded prior authorisation has been obtained for such from the Supervisory Board.

The mandate for which of the Executive Board of Directors was elected was the triennal, 2008/2010, which ended on 31 December 2010. However, under the terms of the provisions in the Companies Code, the respective members 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 next April. The documents presenting the 2010 accounts will also be submitted at this General Meeting.

B) Supervisory Board
The Supervisory Board is a supervision body, responsible, under the legal and statutory terms for:

- Representing the company in its relations with the Directors;
- Supervising the activity of the Executive Board of Directors and offering it advice and assistance;
- Ensuring observance of the law and Articles of Association;
- 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, of the internal control system and of the 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.
- Contracting the provision of expert services to assist one or various members in the performance of their duties;
- Receiving the communications stating irregularity reports presented by Shareholders, company Employees and others;
- Preparing, on an annual basis, a report of its activity and presenting it to the Annual General Meeting.

The Supervisory Board is composed of thirteen permanent members. In view of the corporate governance model adopted by the Bank, all the members of this Board are Non-Executive and most are qualified as independent. With respect to the members who currently compose the Supervisory Board, five members do not meet the requirements 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, as referred by Article 434 (4), of the Companies Code and perform their respective duties observing the duties of accountability, diligence and loyalty, in accordance with high standards of professional diligence.
The Supervisory Board was elected at the General Meeting of 30 March 2009 and has the following composition:

**Chairman:** Luís de Mello Champalimaud (59 years old) (Independent)

**Vice Chairmen:**
- Manuel Domingos Vicente (54 years old) (Not Independent due to being related to an entity owning a qualifying holding)
- Pedro Maria Calainho Teixeira Duarte (56 years old) (Not Independent due to being related to an entity owning a qualifying holding)

**Members:**
- Josep Oliu Creus (61 years old) (Not Independent due to being related to an entity owning a qualifying holding)
- António Luís Guerra Nunes Mexia (53 years old) (Not Independent due to 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. (69 years old) (Not Independent due to representing a company owning a qualifying holding)
- António Vítor Martins Monteiro (67 years old) (Independent)
- João Manuel de Matos Loureiro (51 years old) (Independent)
- José Guilherme Xavier de Basto (72 years old) (Independent)
- José Vieira dos Reis (63 years old) (Independent)
- Manuel Alfredo da Cunha José de Mello (62 years old) (Independent)
- Thomaz de Mello Paes de Vasconcelos (53 years old) (Independent)
- Vasco Esteves Fraga (61 years old) (Independent)

The mandate of the Supervisory Board began on 30 March 2009 and ended on 31 December 2010. As noted above for the Members of the Executive Board of Directors, the Members of the Supervisory Board should remain in office until the General Meeting which will deliberate on the composition of this board for the mandate of 2011/2013, which was convened for April 2011.

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 corporate governance model 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 for proceeding with the examination of the company’s accounts, as provided for under article 446 of the Companies Code, namely:

- Verifying the regularity of the accounting ledgers and records;
- Verifying that the accounting policies and worth measurement criteria adopted, provide a correct evaluation of the assets and earnings;
- Verifying the accuracy of the documents presenting the accounts;
- Auditing the accounts and other relevant services;
- 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 considered pertinent, 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 its partner Vítor Manuel da Cunha Ribeirinho, ROC, number 1081

**Alternate:** KPMG & Associados – Sociedade de Revisores Oficiais de Contas, S.A., represented by its partner Ana Cristina Soares Valente Dourado, ROC, number 1011

As with the Members of the other Corporate Bodies of the Bank, the Statutory Auditor also undertakes to remain in office until the General Meeting which will elect the new Statutory Auditor.

**External Auditor of the Group**

Under the terms of competence conferred by article 30, number 7 of the Articles of Association of the Bank, the Supervisory Board proposed the election of KPMG & Associados – Sociedade de Revisores Oficiais de Contas, S.A. (SROC number 189) as External Auditor of the Group at the Bank’s General Meeting, which approved this proposal in 2008.

**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 deliberate on the remuneration of the Members of the Governing Bodies, has the following composition:

**Chairman:** José Manuel Rodrigues Berardo (67 years old)

**Members:** Luís de Mello Champalimaud (59 years old)
Manuel Pinto Barbosa (67 years old)

The Members of the Remuneration and Welfare Board are independent from the Members of the Management Board as may be verified in the annexes to this report.

During 2010, the Remuneration and Welfare Board held five meetings.

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 and its secretary is the Company Secretary.

**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, and minutes were drafted of all their meetings:

**A) Audit Committee**

This Committee is established by number 2 of article 444 of the Companies Code, being entrusted, in accordance with the abovementioned rule and the Regulations of the Supervisory Board, namely, with 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, and is also responsible for supervising internal audit activities, and ensuring the independence of the Statutory Auditor and issuing a recommendation on the engagement of the External Auditor; formulating the respective proposal for the election and contractual conditions of the provision of services by the latter. This Committee is also responsible for receiving any communications of irregularities presented by Shareholders, Employees or others, ensuring that they are followed by the Internal Audit Department or by the Ombudsman.
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 governing bodies, owners of holdings equal to or greater than 2% 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 receives the Reports of the Internal Audit Department, Statutory Auditor and External Auditors. The Audit Committee meets regularly with the Director responsible for the Financial Area, the Risk Officer, the Compliance Officer and the Heads of Internal Audits and of the Planning and Budget Control Department, and has the power to summon any Director it wishes to hear. The Audit Committee also selects the Statutory Auditor and External Auditor, whose election and contracting are proposed at the General Meeting by the Supervisory Board, and also approves the remunerations and conditions for the suitable performance of duties by the Statutory Auditor and External Auditors.

During 2010, the Audit Committee had 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 de Vasconcelos (Independent)

All the members of this Committee are, pursuant to the legal and statutory criteria, qualified as independent, with the expertise and professional experience appropriate to the exercise of the respective position, as shown in the respective curricula attached to the present report.

This Committee receives logistic and technical support from the Support Office of the Supervisory Board, with the secretarial services being administered by the Office Head.

During 2010, the Audit Committee held twenty meetings.

**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 Mello Champalimaud (Independent)

**Members:**
- Josep Oliu Creus (Not Independent – due to being related to an entity owning a qualifying holding)
- António Luís Guerra Nunes Mexia (Not Independent due to being related to an entity owning a qualifying holding)

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 (university law professor).

The current secretary of the Committee is the Company Secretary.

During 2010, the Sustainability and Corporate Governance Committee held three meetings.
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 Board.

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 by the Group, 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 Vítor Martins Monteiro (Independent)
Vasco Esteves Fraga (Independent)

During 2010, the Nominations Committee held nine meetings.

The current secretary of the Committee is the Company Secretary.

All the specialised Committees referred to above prepare minutes of the meetings held, in accordance with the respective rules of procedure.

II.3. Organisational charts or flowcharts relative to the distribution of competences between the different Governing Boards, Committees, Commissions and/or departments of the com 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

The following chart shows Millennium bcp’s Corporate Governance Model.
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.

**OMBUDSMAN OFFICE**

The Ombudsman is an entity which is independent of the hierarchical structure of the Bank whose action is developed in conformity with specific Regulations, defending and promoting the rights, guarantees and legitimate interests of all Millennium bcp Customers addressing it by recommending the adoption or alteration of practices or procedures.

During 2010, the activity of the Ombudsman included, in particular, the receipt of 1,716 communication sent by Customers, of which 56 were filed as appeals, with the Ombudsman having issued 52 opinions, 1,100 were recorded as claims, of which 1,007 are concluded, and 560 as requests, which, due to their nature and simplicity, are the exclusive competence of the Direct Banking Department.

Regarding the closing of cases, the rate of conclusion in due time stood at 93% of the appeals and 92% of the claims in relation to the number of outstanding cases. With respect to the assessment of the dossiers, the rate of admission recorded for the appeals was 21% and for claims 52%.

The average time of response, with respect to the areas involved from the receipt to the closing of appeal and claim cases, stood at 12 and 20 business days (equivalent to 17 and 28 calendar days), respectively, with the overall average response time having observed the statutory period.

**OMBUDSMAN OFFICE (YEAR 2010)**

<table>
<thead>
<tr>
<th></th>
<th>APPEALS</th>
<th>CLAIMS</th>
<th>REQUESTS</th>
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<tr>
<td>Filed</td>
<td>56</td>
<td>1,100</td>
<td>560</td>
</tr>
<tr>
<td>Concluded</td>
<td>52</td>
<td>1,007</td>
<td></td>
</tr>
<tr>
<td>Rate of conclusion in due time</td>
<td>93%</td>
<td>92%</td>
<td></td>
</tr>
<tr>
<td>Approved</td>
<td>11</td>
<td>520</td>
<td></td>
</tr>
<tr>
<td>Dismissed</td>
<td>41</td>
<td>497</td>
<td></td>
</tr>
<tr>
<td>Approval rate</td>
<td>21%</td>
<td>Approval rate</td>
<td>52%</td>
</tr>
</tbody>
</table>
EXECUTIVE BOARD OF DIRECTORS

Since this is an Executive Corporate Body, no powers are actually delegated, the Directors are responsible for certain areas and are supported by the various committees and departments.

The distribution of areas of responsibility amongst members of the Executive Board of Directors, as at 31 December 2010, is as follows:

EXECUTIVE BOARD OF DIRECTORS
Areas of responsibility and Alternate Members

CARLOS SANTOS FERREIRA (CSF)
1. Office of the Chairman of the EBD (PM)
2. Company Secretary Office (PM)
3. Fundação Millennium bcp (PM)
4. Strategic Projects Nucleus (PM)
5. Audit Department (A)
6. Staff Management Support Dept. (A)
7. Millennium Angola (B)

PAULO MACEDO (PM)
1. Research Office (VF)
2. Planning & Budget Control Dept. (VF)
3. Accounting & Consolidation Dept. (VF)
4. Management Information Dept. (VF)
5. Investors Relations Dept. (VF)
6. Quality Department (VF)
7. Risk Office (VF)
8. Compliance Office (VF)
9. General Secretariat (VF)
10. Prevention and Safety Office (VF)

VÍTOR FERNANDES (VF)
1. IT Department (PM)
2. Operations Dept. (PM)
3. Credit Dept. (PM)
4. Rating Dept. (PM)
5. Legal Department (PM)
6. Tax Advising Dept. (LPC)
7. Marketing Dept. (PM)

JOSE JOÃO GUILHERME (JJG)
1. Retail Banking (South) (NM)
2. Retail banking (Centre South) (NM)
3. Companies Banking (South) (NM)
4. Specialized Credit Dept. (NM)
5. Direct Banking Dept. (NM)
6. Property & Logistics Department (NM)
7. Millennium bim (MM)

LUÍS PEREIRA COUTinho (LPC)
1. Private Banking (AR)
2. Banque Privée BCP (Switzerland) (AR)
3. Bank Millennium (Poland) (NM)
4. Banca Millennium (Romania) (NM)
5. BCP Holdings (USA) (NM)

NELSON MACHADO (NM)
1. Retail Banking (North) (JJG)
2. Retail Banking(Centre North) (JJG)
3. Companies Banking (North) (JJG)
4. Madeira Regional Department (JJG)
5. Azores Regional Department (JJG)
6. Network Support Department (JJG)
7. Microcredit Department (JJG)
8. Insurance (JJG)
9. Banque BCP (France) (JJG)
10. Millennium Bank (Greece) (LPC)

MIGUEL Maya (MM)
1. Corporate Department I (AR)
2. CorporateDepartment II (AR)
3. Investment Banking Dept. (AR)
4. Litigations Department (VF)
5. Specialized Credit Recovery Dept. (VF)
6. Standart Credit Recovery Dept. (VF)
7. Activobank (VF)
8. Projects Team (D)

ANTÓNIO RAMALHO (AR)
1. Treasury & Markets Dept. (LPC)
2. Assets and Liabilities Management Dept. (LPC)
3. International Dept. (LPC)
4. Shareholding & Worth Measurement Dept. (LPC)
5. Communication Dept. (MM)
6. Asian Desk (LPC)
7. Asset Management (LPC)
8. Real Estate Business Dept. (NM)
9. Cards Department (C)

( ) – Alternante EBD Member.
(A) – 1st in charge: Vítor Fernandes
(B) – 1st in charge: Miguel Maya.
(C) – 1st in charge: to be appointed.
(D) – 1st in charge: to be appointed.
COMPANY SECRETARY

The Executive Board of Directors appoints the Company Secretary and 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 reelected 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.

The Company Secretary serves as the secretary at the meetings of the Governing Bodies, certifying the acts carried out in those meetings as well as the powers of the respective members. The Company Secretary also responds to requests from Shareholders for information, and certifies copies of meeting minutes and other company documents, and provides legal advice to the Governing Bodies with respect to corporate subjects or others which may be requested on occasion.

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 Coordination Committee
This Committee is composed of fifteen 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 North Retail Coordination Department, Centre-North Retail Coordination Department, Centre-South Retail Coordination Department, South Retail Coordination Department, Management Information Department, Direct Banking Department, Marketing Department, Network Support Department and Communication Department as well as the Head of the Banking Services Departments in Poland, Greece and Romania.

This Committee ensures the coordination of the Bank’s retail business in Portugal, being responsible for defining the commercial strategy and its implementation in the different distribution channels. The departments which are part of this Committee are responsible for serving the Retail Customers in Portugal, providing them with personalised management and attracting potential Customers, developing skills in terms of design, management and support to the sales of products and services, acting proactively in the creation of instruments to enable the optimisation of Customer management in order to maximise the value created and satisfaction levels.

This Committee submits proposals to the Executive Board of Directors for decision-making 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.

Companies Coordination Committee
The Companies Coordination Committee is composed of eight members, including, apart from the Directors responsible for the related areas, Vítor Fernandes and Nelson Machado, the persons in charge of the Marketing Department, North Companies Commercial Department, South Companies Commercial Department, Specialised Credit Department, Real Estate Business Department and Management Information Department.

This Committee ensures the coordination of the Bank’s companies business in Portugal, being responsible for defining the commercial strategy and its implementation in the different distribution channels. This Committee is also responsible to serve the Customers of the Companies segment in Portugal, providing them with personalised management and attracting potential Customers, developing skills in terms of design, management and support.
The sales of products and services, acting proactively in the creation of instruments to enable the optimisation of Customer management in order to maximise the value created and satisfaction levels. It is also responsible for monitoring and managing the offer of value in terms of Real Estate Promotion and Specialised Credit (Leasing, Factoring, Renting and Long Term Rental) across the Group, as well as the management of relations with public entities (namely IAPMEI, Turismo de Portugal, IFAP, AICEP and Mutual Guarantee Companies) under loan protocols.

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.

**Private Banking and Asset Management Coordination Committee**

This Committee is composed of six members, including, apart from the Directors responsible for the related areas, Luís Pereira Coutinho and António Ramalho, the persons in charge of the Private Banking Department, Management Information Department of the Commercial Areas, Banque Privée (Suisse) S.A., and the Asset Management and Wealth Management Unit.

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 six members, including, apart from the Directors with related areas of responsibility, Luís Pereira Coutinho and Nelson Machado, the Head and second person in charge of the Group’s Bank in Poland, as well as the Head of the Group’s Banks in Romania and Greece.

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 twelve members, including, apart from the Directors with related areas of responsibility, Vítor Fernandes and Miguel Maya, the persons in charge of the Information and Technology Department, Operations Department, Credit Department, Standardised Credit Recovery Department, Specialised Credit Recovery Department, Rating Department, Administrative and Logistics Department, Quality Department, Staff Management Support Department and the Planning and Budget Control Department.

The Departments which are part of this Committee serve the Business Units in Portugal and in other countries, contributing, in a sustained manner, to cost cutting, the improvement of service quality and the adoption of best practices, ensuring a degree of innovation compatible with the Group’s aspirations. During monthly meetings, this Committee analyses the information relative to the evolution of costs, investments and main service levels of the Banking Services, debates specific topics related to the projects in progress and appraises specific proposals presented by the respective members and submits them to the Executive Board of Directors, whenever appropriate.

**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.
This Commission is composed of five members of the Executive Board of Directors, including the two Vice Chairmen as well as the Heads of the Assets and Liabilities Management Department, Treasury and Markets Department, Management Information Department, Planning and Budget Control Department, Shareholdings and Worth Measurement Department, Corporate I Department, Companies Banking Department, Research Office, the Risk Office, the Compliance 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, Planning and Budget Control Department, Research Office, Assets and Liabilities Management Department, Credit Department and Shareholdings and Worth Measurement Department are part of this Commission.

The Pension Fund Monitoring Sub-Commission works under the scope of the Risk 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 and Vítor Fernandes, Vice Chairmen of the Executive Board of Directors and Nelson Machado and António Ramalho, members of the Executive Board of Directors, this sub-committee also includes the Risk Officer, the Heads of the Staff Management Support Department, Assets and Liabilities Management Department, Planning and Budget Control Department as well as the General Manager of Pensões Gere (the company managing 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 of opinions on proposals to alter the pension plans, established pursuant to the terms 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. Apart from the Vice Chairman of the Executive Board of Directors, Vítor Fernandes, this Commission also includes the Risk Officer, the Heads of the Staff Management Support Department, Assets and Liabilities Management Department, Planning and Budget Control Department and a representative of Pensões Gere (the pension fund’s management company). The Bank also invited the Workers Commission to participate, for the effect assigning one of the seats of the Executive Board of Directors. Pursuant to the Law, 3 representatives of the Banking Unions are also part of this Commission.

**Sustainability Coordination Commission**

This Commission is responsible for: (i) submitting for decision-making proposals on topics related to the action plan underlying the sustainability policy; (ii) monitoring and reporting on the degree of implementation of the approved initiatives and (iii) guiding the preparation of the reports and other communications in this field.

This Committee is composed of Paulo Macedo, Vice Chairman of the Executive Board of Directors, and the Heads of the areas of Communication, Quality, Administration and Logistics, Marketing, Staff Management Support, the Research Office and a representative of the 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.

This Commission is composed of the Chairman and Vice Chairmen of the Executive Board of Directors, the Chairman of the Board of the General Meeting, a representative of the Workers Commission, Luís Arezes, a representative of the Fundação Millennium bcp Luís Mota Freitas, a representative of the Customers, DECO, embodied by Jorge Morgado, a representative of the Suppliers, IBM, embodied by José Joaquim Oliveira, and a representative of the Universities, Luís Campos e Cunha.
Credit Commission
This Commission resolves on loan concession to customers (integrated or not in economic groups) whenever an increase in exposure greater than 20 million euros is in question, or the Bank has an overall risk exposure above 50 million euros, whether concerning one-off operations or proposals for the renewal or review of credit lines and limits.

The Commission is composed of a minimum of three members of the Executive Board of Directors, the Heads of the Credit Department, Specialised Credit Recovery Department, Standardised Credit Recovery Department, Legal Department, Litigation Department, Rating 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 and Real Estate Business Department, the Level 3 Credit Managers and the Compliance Officer.

This Committee’s secretary is the Company Secretary.

BUSINESS AREAS AND SUPPORT UNITS
The diagram below presents the Bank’s organisation relative to business activity and support.

Amongst the corporate areas, due to their respective duties, it is considered important to present further details on the Compliance Department, Audit Department and Risk Office.

Compliance Office
The mission of the Compliance Office is to ensure that the Management Board, 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 with the Executive Board of Directors on which it depends, as well as the Audit Committee of the Supervisory Board to which it reports directly.
The Compliance Office pursues its objective of observance of the applicable legal and regulatory provisions, as well as the professional and ethical standards and practices, internal and statutory rules, codes of conduct and of Customer relations, guidelines of the governing bodies and recommendations of the banking and financial supervisory authorities, performing its duties in an independent, permanent and effective manner.

During the performance of its duties, the Compliance Office is responsible for the regular follow-up and appraisal of the adequacy of the effectiveness of the measures and procedures adopted to detect any risk of non-compliance with the legal requirements that the institution is subject to, the provision of advice to the management and supervisory boards, as well as the provision to these boards of information on indications of non compliance with legal requirements, rules on conduct and relations with Customers, which might imply the incurring of administrative offences on the part of the Institution. It is also responsible for the follow-up and appraisal of the internal control procedures and for the preparation and presentation to the Management and Supervisory Boards of a report, at least once a year; identifying any non-compliance observed and the measures adopted for its correction.

The Compliance Office also promotes the development and implementation of a culture of compliance, intervening and participating actively in the preparation of the Group’s policies, such as the policy on the prevention of money laundering and the fight against terrorism financing, the policy on customer acceptance, policy on conflicts of interest, policy on Employee training, amongst others.

The policies, principles and procedures of the Compliance Office extend to all the international operations of the Group, through the action of the local Compliance Officers.

In the performance of its duties, the Compliance Office works with the Executive Board of Directors on which it depends, as well as with the Audit Committee of the Supervisory Board to which it reports directly.

Head of Group Compliance: 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, and issues recommendations based on the results of the appraisals which should add value to the organisation and improve the control and quality of its operations, contributing to the achievement of its strategic interests and ensuring that:

- The risks are duly identified and managed and the controls that are implemented are correct and proportional to the risks;
- The Bank’s capital assessment system is adequate in relation to its level of exposure to risk;
- The different governing bodies interact in a suitable, effective and efficient manner;
- The operations are recorded correctly and the operational, financial and managerial information is accurate, reliable and in due time;
- The safeguarding and security of the interests and assets of the Bank and Group or of those 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 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 Bank of 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 works with the Executive Board of Directors on which it depends, as well as with the Audit Committee of the Supervisory Board to which it reports directly.

Head of Department: 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, as described in greater detail in point II.5.

In the performance of its duties, the Risk Office works with the Executive Board of Directors on which it depends, as well as with the Audit Committee of the Supervisory Board to which it reports directly.

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 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 address: http://www.millenniumbcp.pt/site/conteudos/en/.

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, to ensure the effective use of the assets and resources, the continuity of the business and actual survival of the Group, namely through adequate management and control of the risks of the activity, prudent and correct evaluation of the assets and liabilities, and the implementation of mechanisms for prevention and protection against errors and fraud;
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 ethical 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 instituted based on the three pillars of internal control, the Compliance function, the Risk Management function and the Internal Audit function, which are performed by centralised Departments with transversal action across the Group. The persons in charge of these three Departments are appointed by the Bank’s Executive Board of Directors, with the prior favourable opinion of the Supervisory Board, with which the Audit Committee maintains direct and assiduous work relations.

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 weaknesses (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), ensuring the triggering of corrective measures; and
- 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 management positions, including members of the management board, ensuring, in particular, compliance with the Group’s Code of Conduct and codes of conduct to which banking, financial, insurance and intermediation in securities or derivatives activities are subject.

THE RISK MANAGEMENT, INFORMATION AND COMMUNICATION, AND INTERNAL CONTROL SYSTEM MONITORING SYSTEMS


The Risk Management System corresponds to the group of integrated and permanent processes enabling the identification, appraisal, follow-up and control of all the material risks to which the Group’s Institutions are exposed, in order to maintain them at levels previously defined by the Management and Supervisory Boards, and takes into consideration the risks related to credit, market, interest rate, exchange rate, liquidity, compliance, operations, information systems, strategy and reputation, as well as all other risks which, in view of the specific situation of the Group’s Institutions, could materialise.

This system should be duly planned, reviewed and documented, supported by processes of identification, evaluation, follow-up and control of risks, consisting of appropriate and clearly defined policies and procedures, aimed at 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 Information and Communication System should ensure the existence of information which is substantive, up-to-date, understandable, consistent, timely and reliable, to permit an overall and encompassing view of the financial situation, development of the business, compliance with the defined strategy and objectives, 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.

The Monitoring Process includes all the control actions and evaluations developed to ensure the effectiveness and adequacy of the internal control system, namely through the identification of weaknesses in the system, whether in its design, implementation or use. Executed on a continuous basis and as an integral part of the Group’s routines, the control actions and monitoring are complemented with autonomous, periodic and extraordinary evaluations. Any weaknesses of material impact which may be detected through the control procedures are duly recorded, documented and reported to the appropriate management and supervisory boards.

In this context, the Internal Audit function is performed by the Audit Department with a permanent and independent character; appraising, at all times and in accordance with the established plan, the adequacy and effectiveness of the different components of the internal control system as a whole, issuing recommendations based on the results of the evaluations carried out.

These sub-systems of the Internal Control System are managed in the Risk Management area by the Risk Office and Compliance Office, and in the Information and Communication area by the Planning and Budget 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 activity of the Compliance Office is also transversal across all the Group’s Institutions, in terms of applicable compliance policies and takes into account the legal specificities of each jurisdiction. The Accounting and Consolidation Department and the Planning and Budget Control Department receive and centralise the financial information of all the subsidiary companies. The Audit Department is responsible for the “in loco” monitoring function of the internal control system, performing its duties transversally.

In this way, the Risk Office, the Accounting and Consolidation Department, the Planning and Budget Control Department and the Audit Department ensure the implementation of the procedures and means required to obtain all the relevant information for the information consolidation process at the level of the Group – both of accounting nature and 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.

Thus, the Executive Board of Directors of Banco Comercial Português:

- Defines and reviews 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;
- Approves 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;
- Approves, prior to their introduction, the new products and activities of the institution, as well as the respective risk management policies;
- Verifies, 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;
- Requests and appraises 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;
- Ensures the effective implementation of its guidelines and recommendations so as to introduce corrections and/or improvements in the Risk Management System;
- Ensures that the risk management activities have sufficient independence, status and visibility and are subject to periodic reviews;
- Issues 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 the information and communication processes which are adequate to the institution’s activity and risks, defining the accounting policies to be adopted, establishing the guidelines and defining the options which, in the context of such policies, must be taken, in order to ensure the reliability of the financial reporting. In this way and at a more operational level, it is responsible for approving the reporting outputs or external disclosures produced for this effect.

RESPONSIBILITIES OF THE AUDIT COMMITTEE IN THE CONTEXT OF THE INTERNAL CONTROL SYSTEM

Regarding Internal Control and pursuant to Notice number 5/08, the responsibilities of the Supervisory Board and Statutory Auditor are as follows:

On an individual basis to issue: i) a detailed opinion on the Supervisory Board on the effectiveness/adequacy of the Internal Control System; ii) an opinion of the coherence of the internal control system of subsidiary companies, including those abroad and offshore; iii) an opinion of the Statutory Auditor on the process of preparation and disclosure of individual financial information (Financial Reporting);
On a consolidated basis: to issue an opinion of the Supervisory Board of the parent company of the Group, concerning, at least: i) the effective control of the risks arising from the activities and functions at a Group level; ii) each of branches abroad; iii) the activity of the Group’s entity pursued through establishments; and iv) opinion of the Statutory Auditor on the process of preparation and disclosure of individual financial information (Financial Reporting).

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

In addition to the legal and regulatory rules on this matter which are observed by these bodies, the Members of the Supervisory Board and of the Executive Board of Directors have their working Regulations, which may be consulted on the Bank’s site, directly through the following address: http://www.millenniumbcp.pt/site/conteudos/en/.

In general terms, the regulations on incompatibilities established in the Companies Code, which, in accordance with the Bank’s governance model, is applicable to the Supervisory Board, prevents persons who have interests in the company which might place in question the independence which should guide the action of the members of bodies with management supervisory duties from being members of this board.

Therefore, and pursuant to article 414-A of the Companies Code, membership of the Supervisory Board is not permitted to:

- Beneficiaries of particular advantages of the actual company;
- Persons holding management positions in the actual company;
- Members of the Management Boards of Companies controlled by the Bank or part of the same group as the supervised company;
- Partners of legal persons controlled by the Bank or part of the same group as the supervised company;
- Persons who, directly or indirectly, provide services or establish significant commercial relations with the supervised company or controlled by the Bank or part of the same group as the supervised company;
- Persons who hold positions in competitor companies and who act in representation on behalf of competitor companies or who are in any other manner bound to the interests of a competitor company;
- The spouses, parents and straight line relations and to the 3rd degree, inclusively, along the collateral line, of people prevented through the provisions in sub-paragraphs a), b), c), d) and f), as well as the spouses of people covered by the provisions in sub-paragraph e);
- Chartered accountants in relation to whom there are other incompatibilities established in the respective legislation;
- Persons who have been placed under judicial restraint, declared disabled, insolvent, bankrupt and condemned to sentences which imply disqualification, even if temporary, from the holding of public office;
- The members of the Audit Committee cannot hold management and supervisory positions in five companies, with the exception of law firms, chartered accounancy firms and chartered accountants.

Regarding the subject of independence, art.11 (1) of the Articles of Association also regulates that: “Whenever independent members of a governance body are mentioned in these Articles of Association, independence is regarded as the absence of relations with the company, its management body and important shareholders that may originate conflicts of interest capable of endangering the members’ capacity of appraisal”.

Furthermore, the 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 Supervisory Board 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 Supervisory Board member that may eventually constitute an incompatibility in accordance with the conditions stated in the previous number, the Supervisory Board member in question must immediately inform in writing the Chairman of the Supervisory Board and the Company Secretary.

3 – In accordance with number 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

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 said two-tier governance model, which has been adopted by Banco Comercial Português, the Executive Board of Directors is composed exclusively of Executive Members, with some functions being entrusted to the Supervisory Board, in addition to its specific competences, such as control and monitoring, which in the Anglo-Saxon or one-tier model are entrusted to the Non-Executive Members of the Board of Directors.

Hence, at Banco Comercial Português, the duties of the Chairman of the Executive Board of Directors and of the Supervisory Board are imperatively performed by different persons, 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.

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 2010, Volume I – Chapter – Risk 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 and 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, implying that more than half of the authorisation granted was unused.

Regarding the other duties of the Executive Board of Directors, see Chapter II.1. sub-paragraph A) of this Report where they are briefly listed.

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 and with specific focus on their respective cohesion, taking into consideration the skills, 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 requires the favourable opinion of the Supervisory Board. The cooption of executive directors in the circumstances described above must, mandatorily, be ratified at the first General Meeting held after the cooption.

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

During 2010, the Supervisory Board held 10 meetings, with an attendance rate of 80.77%. All absences were duly and previously justified.

During 2010, the Executive Board of Directors held 50 meetings, with an attendance rate of 87.05%. 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 2010, the Audit Committee held 20 meetings, with an attendance rate of 94%. All absences were duly and previously justified.

Minutes are drawn up of all the meetings of the Supervisory Board, Executive Board of Directors and Audit 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, usually two days 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.

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 number 1 of article 414-a of the companies code were applicable to them, with the exception laid out in sub-paragraph b), and the criteria of independence established in number 5 of article 414, 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, it should be noted that the qualification of the respective independence is established in point II.1.B) of this Report. In this regard, it is important to note that the adopted qualification of independence incorporates all the requirements in number 5 of article 414 of the Companies Code, as well as in number 2 of the Corporate Governance Recommendation in circular letter of the Bank of Portugal number 24/2009/DSB, of 27 February 2009.

Regarding the Supervisory Board, the adopted rules and criteria on independence are those contained in the above-mentioned legal requirements. Therefore, most members are independent.
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 adopted rules and criteria on independence are those contained in number 5 of article 414 of the Companies Code and in number 2 of the Corporate Governance Recommendation in circular letter of the Bank of Portugal number 24/2009/DSB, 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.

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 in view of the correspondence indicated above, it should be clarified that the activities performed by the Members of the Supervisory Board, including any possible constraints (that did not occur), are described in the report and opinion of the Supervisory Board and Audit 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

Annexes I and V of the present report indicate the qualifications and professional experience of the members of the Executive Board of Directors, as well as the number of company shares they own.

The Members of the Executive Board of Directors were elected for the mandate of 2008/2010 at the General Meeting held on 15 January 2008, with the exception of two, Miguel Maya Dias Pinheiro and António Manuel Palma Ramalho, who were elected at the General Meeting of 12 April 2010 for a period corresponding to the mandate then in course, which ended on 31 December 2010. 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.

On 2 July 2010, Armando António Martins Vara, with his mandate suspended upon his request since 2 November 2009, resigned from the position of member and Vice Chairman of the Executive Board of Directors.

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, inside and outside the Group, are indicated in Annex I of the present Report.
SECTION III – GENERAL AND SUPERVISORY BOARD, FINANCIAL MATTERS COMMITTEE, AUDIT COMMITTEE AND SUPERVISORY BOARD

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. and II.2. 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. and II.2. 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

Annexes II and V of the present report present the curricula of the different Members of the Supervisory Board, indicating their respective qualifications, professional experience and date of their first appointment, as well as the number of company shares they own.

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 their respective curricula presented in Annex II of the present report.
II.29. Description of the policy on remuneration, 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

In May 2010, the Executive Board of Directors approved the remunerations policy for Area Managers and Senior Executives, as per the provisos of article 248 B (3) of the Securities Code and for other Employees in accordance with the principles established in the Circular Letter nr. 2/10/DSBDR of 1 February 2010 that states the recommendations and criteria to observe in the definition of the remuneration policy to be adopted by the institutions that are ruled by the provisos of article 1 (1) of the Notice of Banco de Portugal 1/2010.

In the meantime, the Bank reviewed and updated the underlying criteria to observe in the definition of the remuneration policy and will submit the same to the forthcoming Bank’s General Meeting so that they are enforced in 2011. The information is disclosed in the General Meeting’s webpage and applies to coordinating managers, heads of units that report directly to the Executive Board of Directors, Employees in the Audit, Risk and Compliance areas, and other Employees whose functions imply taking risk that may jeopardize the Bank.

In the 2010 financial year no remuneration criteria distinguished the Senior Executives from the remaining members of the Group’s Senior Management. The policy approved comprehends the base-remuneration corresponding to the level established in the collective work agreement and a fixed supplement, part of the remuneration, 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.

SECTION IV – REMUNERATION

II.30. Description of the remuneration policy of the Management and Supervisory Boards referred to in article 2 of law number 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, however, it is important to take into account the statutory and supervisory provisions (Notice of the Banco de Portugal number 1/2010), Circular Letter of the Banco de Portugal number 2/2010, of 1 February 2010) in force, as well as the statutory rules determining that the remuneration of the Executive Board of Directors may be composed of a fixed part and two variable parts, annually, and paid only once to the Members of the Executive Board of Directors, based on the practices in the European financial sector; and another multi-annual variable, calculated for the three-year mandate.

Considering that the policy on the remuneration of the Executive Board of Directors should be simple, transparent and reflect the competitive position of Millennium bcp 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 Remuneration and Welfare Board submitted the remuneration policy of the Executive Board of Directors, with a binding character, to the assessment of the Annual General Meeting of 2010, which approved the following with a favourable vote of 93.59% of the votes cast:

“RENUMERATION MODEL OF THE EXECUTIVE BOARD OF DIRECTORS

I.

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

A Monthly Fixed Remuneration paid on the basis of 14 months/year and defined based on the Bank’s position in comparison with a benchmark of Portuguese companies, composed of companies listed in PSI-20 with size and features similar to those of Millennium bcp.
An **Annual Variable Remuneration** paid only once to the Members of the Executive Board of Directors in office during 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.

A **Multi-annual Variable Remuneration**, calculated for the three-year mandate, provisioned every year and paid once only in the year following the end of the mandate, during 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.

In the event of any of the Members taking office while a mandate is underway, the calculation of the Multi-annual Variable Remuneration shall be adjusted to the number of full months in office, out of the total number of months established for a full mandate.

II.

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

b) Despite the calculation and provisioning of the sums of the Multi-annual Variable Remuneration, their effective payment requires explicit confirmation by the Remuneration and Welfare Board, under the terms of sub-paragraph d) and following of number VI.

III.

a) The **Annual Variable Remuneration** cannot surpass 130% of the **Annual Fixed Remuneration**, calculated based on 14 months of the Monthly Fixed Remuneration;

b) The **Multi-annual 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 the current number of seven Members of the Executive Board of Directors. Any changes to the current number of Members of the Executive Board of Directors may imply a review of the defined percentage limit.

IV.

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

a) Chairman – autonomous sum;

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

c) Members – Sum, calculated based on a percentage of the Chairman’s Monthly Fixed Remuneration, varying between 60% and 70% of this remuneration, calculated 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, calculated 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 calculated based on the level of achievement 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

<table>
<thead>
<tr>
<th>% of objectives fulfillment (of the Group’s earnings)</th>
<th>Base Salary %</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt; 130%</td>
<td>130%</td>
</tr>
<tr>
<td>120% – 130%</td>
<td>120%</td>
</tr>
<tr>
<td>110% – 120%</td>
<td>110%</td>
</tr>
<tr>
<td>100% – 110%</td>
<td>100%</td>
</tr>
<tr>
<td>90% – 100%</td>
<td>80%</td>
</tr>
<tr>
<td>80% – 90%</td>
<td>50%</td>
</tr>
<tr>
<td>&lt; 80% (*)</td>
<td>0%</td>
</tr>
</tbody>
</table>

(*) If the percentage of objective fulfillment falls below 80%, the Remuneration and Welfare Board may attribute a maximum premium of 50%.

In the case of the percentage achievement of objectives having been less than 80%, the Remuneration and Welfare Board may attribute a maximum bonus of 50%.

a) Net Income of the Group – for all the Members of the Executive Board of Directors.

a.1) The sums may vary between 0 and 130% of the Annual Fixed Remuneration, being calculated based on the percentage achievement of the financial ‘Objectives’ established for the year.

a.2) The assessment of each objective must take into consideration the achievement in relation to BEBANKS in terms of value for the Shareholder and in comparison with the budget for other indicators. The ‘Objectives’ variable for the Net Income of the Group is calculated as follows:
### TABLE 2

**PERFORMANCE REMUNERATION**

Objectives for short-term incentives plan

<table>
<thead>
<tr>
<th>OBJECTIVE</th>
<th>PERFORMANCE INDICATOR</th>
<th>VALUE</th>
<th>PERIOD OF TIME</th>
<th>EVOLUTION (ON THE OBJECTIVES)</th>
<th>PROPORTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>GROWTH</td>
<td>Operating income</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>20%</td>
<td>Annual</td>
<td>Earnings/Budget</td>
<td></td>
</tr>
<tr>
<td>EARNINGS</td>
<td>Net income</td>
<td>20%</td>
<td>Annual</td>
<td>Earnings/Budget</td>
<td></td>
</tr>
<tr>
<td>PROFITABILITY</td>
<td>ROE (1)</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 index with dividends</td>
<td>20%</td>
<td>Annual</td>
<td>BCP/BeBanks Index</td>
</tr>
</tbody>
</table>

(1) This objective presumes a Core Tier 1 ratio above 5.5%. Extraordinary situations, such as capital increases or reserves not foreseen when the objectives were defined, and decisions made by 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 beyond the control of the management, the annual objectives set forth may be reviewed pursuant to a proposal made by the Chairman of the Executive Board of Directors and its approval by the Remuneration and Welfare Board.
VI.
Multi-annual Variable Remuneration

a) This component of the Variable Remuneration aims to ensure the sustainability of Millennium bcp’s performance and binding of the Members of the respective Executive Board of Directors. Under these terms, this component shall not be paid in the case of the resignation or loss of mandate for any motive imputable to the actual member, except death or retirement on account of age or disability. Failure to be reelected alone does not prevent the calculation of the multi-annual remuneration. The amount of the Multi-annual Variable Remuneration is calculated as follows:

**TABLE 3**

**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>EVOLUTION (ON THE OBJECTIVE)</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></td>
</tr>
</tbody>
</table>

(1) This objective presumes a Core Tier I ratio above 5.5%. Extraordinary situations, such as capital increases or downsizing reserves not foreseen when the objectives were defined, and decisions made by 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 calculated for the Multi-annual Variable Remuneration, on a yearly basis, for each Member of the Executive Board of Directors are based on the Group’s Net Income, applying the same formula, up to an annual limit of 130% of the Annual Fixed Remuneration.

c) Under the terms described in the previous sub-paragraphs, the amounts of the Multi-annual 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 Multi-annual 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 is less than 80% of the provisioned values for the three-year period, in which case the accrued sums will be lost in favour of Millennium bcp, unless otherwise resolved by the Remuneration and Welfare Board.

e) As noted in 1.c), the Multi-annual Variable Remuneration will be paid only once in the financial year immediately after the three-year mandate to which it refers, together with the Annual Variable Remuneration calculated for the year, although the payment of this sum is subject to explicit confirmation in the deliberation of the Remuneration and Welfare Board for the respective year.
f) The sums accrued shall be lost to the Bank in the case of the resignation or loss of mandate for any motive imputable to the actual member, except retirement on account of age or disability, or any other type of termination of employment at the Bank.

g) If a Member of the Executive Board of Directors terminates office due to death or retirement, on account of age or disability, the accrued sums shall be paid in full in the month following that of the termination of office.

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, since 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 and any duties performed at companies or governing bodies to which they have been appointed through 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, with the Chairman of the Executive Board of Directors being responsible for authorising 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 governing bodies of Millennium bcp must be simple, transparent and competitive, thus ensuring the focus on the creation of added value for the shareholders and other Stakeholders.

Considering the duties 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 positions in other Corporate and/or Governing 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 drive towards better alignment with the interests of Millennium bcp’s Shareholders, obtained through the substantial reduction of 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 in the costs related to 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, taking into account 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 sum;

Vice Chairman who is member of a Specialised 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 Specialised Committee: between 25% and 50% of the Chairman’s remuneration;

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

Member who is not a member of a Specialised Committee: between 10% and 25% of the Chairman’s remuneration.”
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

The current Executive Board of Directors was elected in 2008. During its mandate, the Board was not attributed any annual or multi-annual variable remuneration.

Pursuant to number 3 of article 440 of the Companies Code, the Supervisory Board is not entitled to any immediate or deferred variable remuneration.

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>Fixed remuneration earned from BCP</th>
<th>Fixed remuneration earned from subsidiary companies</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>EXECUTIVE BOARD OF DIRECTORS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carlos Jorge Ramalho dos Santos Ferreira</td>
<td>463,544</td>
<td>183,614</td>
<td>647,158</td>
</tr>
<tr>
<td>Paulo José de Ribeiro Moita de Macedo</td>
<td>490,577</td>
<td>54,425</td>
<td>545,002</td>
</tr>
<tr>
<td>Vitor Manuel Lopes Fernandes</td>
<td>504,104</td>
<td>15,898</td>
<td>520,002</td>
</tr>
<tr>
<td>José João Guilherme</td>
<td>455,000</td>
<td>0</td>
<td>455,000</td>
</tr>
<tr>
<td>Nelson Ricardo Bessa Machado</td>
<td>426,602</td>
<td>28,398</td>
<td>455,000</td>
</tr>
<tr>
<td>Luís Maria França de Castro Pereira Coutinho</td>
<td>416,523</td>
<td>38,477</td>
<td>455,000</td>
</tr>
<tr>
<td>Miguel Maya Dias Pinheiro</td>
<td>455,000</td>
<td>0</td>
<td>455,000</td>
</tr>
<tr>
<td>António Manuel Palma Ramalho</td>
<td>324,890</td>
<td>0</td>
<td>324,890</td>
</tr>
<tr>
<td>Armando António Martins Vara</td>
<td>260,001</td>
<td>0</td>
<td>260,001</td>
</tr>
<tr>
<td>TOTAL</td>
<td>3,796,241</td>
<td>320,812</td>
<td>4,117,053</td>
</tr>
<tr>
<td>SUPERVISORY BOARD</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Luís de Mello Champalimaud</td>
<td>180,000</td>
<td>0</td>
<td>180,000</td>
</tr>
<tr>
<td>Manuel Domingos Vicente</td>
<td>50,000</td>
<td>0</td>
<td>50,000</td>
</tr>
<tr>
<td>Pedro Maria Calãinho Teixeira Duarte</td>
<td>50,000</td>
<td>0</td>
<td>50,000</td>
</tr>
<tr>
<td>António Luís Guerra Nunes Mexia</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>António Vitor Martins Monteiro</td>
<td>50,000</td>
<td>0</td>
<td>50,000</td>
</tr>
<tr>
<td>João Manuel Matos Loureiro</td>
<td>135,000</td>
<td>0</td>
<td>135,000</td>
</tr>
<tr>
<td>José Guilherme Xavier de Basto</td>
<td>70,000</td>
<td>0</td>
<td>70,000</td>
</tr>
<tr>
<td>José Vieira dos Reis</td>
<td>70,000</td>
<td>0</td>
<td>70,000</td>
</tr>
<tr>
<td>Josep Oliu Creus</td>
<td>50,000</td>
<td>0</td>
<td>50,000</td>
</tr>
<tr>
<td>Manuel Alfredo Cunha José de Mello</td>
<td>60,000</td>
<td>0</td>
<td>60,000</td>
</tr>
<tr>
<td>Patrick Wing Ming Huen</td>
<td>25,000</td>
<td>0</td>
<td>25,000</td>
</tr>
<tr>
<td>Thomas de Mello Paes de Vasconcelos</td>
<td>70,000</td>
<td>0</td>
<td>70,000</td>
</tr>
<tr>
<td>Vasco Esteves Fraga</td>
<td>50,000</td>
<td>0</td>
<td>50,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td>860,000</td>
<td>0</td>
<td>860,000</td>
</tr>
</tbody>
</table>

a) In 2010 he also received €16,553 for 2007 and 2008, related with work credits for functions performed in Group companies headquartered abroad.

b) Appointed EBD member on 12 April 2010.

c) Remuneration earned as director in office.
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 the remuneration policy of the Executive Board of Directors, reproduced in the answer to 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 the answer to 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 the answer to point II.30.

Number 2 of article 12 of the Articles of Association of Bank present a limitation to the variable component of the remuneration of the Executive Board of Directors, according to which it 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 the answer to 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 the answer to 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 the answer to 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
During this term-of-office, 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 2010 and in the context of the process of resignation from office which was presented by the executive director Armando António Martins Vara, based exclusively in the interest of the company and protection of the Bank’s image, the Supervisory Board resolved on 16 June 2010, a resolution supported by the Remuneration and Welfare Board on 2 July 2010, to authorize the termination of the employment agreement of the director, establishing that he would be paid the remunerations which would have been received by him until the end of the mandate of the Executive Board of Directors to which he had been elected. Therefore Mr. Armando Vara received the amount of € 562,192.38 (five-hundred and sixty-two thousand, one-hundred and ninety-two euros and thirty-eighty cents).

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 contractual limitations 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 appointed through indication or in representation of the Bank, will be deducted from the values of the respective annual fixed remuneration, see the first table of point II.31. which clearly quantifies such deductions, when applicable.

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
Within the scope of the statement on the remuneration policy for the Executive Board of Directors approved by the General Meeting in 2010 under the provisos of Article 13 of the Bank’s articles of association, enshrining the right to old age retirement pension supplement to be paid by means of insurance agreements or defined contributions to the pension fund guaranteeing that the company will bear no additional costs, the Remuneration and Welfare Board resolved unanimously to set the contribution amount and model for the retirement supplement of the Directors for the full period of time the current Directors exercised their functions in the 2008/2010 term of office.

The costs borne by the Company with pension fund supplements amount to 1,909,420.15 euros.

In 2008/2010 term of office, six Directors chose to make an insurance agreement and two Directors chose to make defined contributions to the pension fund.
The Retirement Regulation of the members of the Executive Board of Directors was submitted with a binding character to the General Meeting of 2010, which approved it by 98.84% of the votes cast, as transcribed below:

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

**ARTICLE ONE**
(Object)

These Regulations set forth, in accordance with Article 13 of the Articles of Association of Banco Comercial Português, S.A. (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 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 – These Regulations also comprise the beneficiaries of the survivorship pensions referred in Article 5.

**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, old age 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 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 Remuneration and Welfare Board or Remuneration 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 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 from signing 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)

When becoming aware 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 diligence deemed necessary or its conclusion.

Whenever any 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 diligence deemed necessary by using means that do not belong to that department and will inform the Supervisory Board.

In order to adopt the best corporate governance practices and reinforce the compliance and responsibility culture that has always guided the Group’s action, the Executive Board of Directors has established, for situations where communication via hierarchy is not able to meet the intended goals, a system of communication of irregularities 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 e-mail address has been specifically created (comunicar.irregularidade@millenniumbcp.pt), exclusively to receive the communication of any alleged irregularities 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 collaborates with the Audit Department on the treatment to be given to the communications received, namely concerning the need to undertake further research 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. and II.2.

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, provide evidence of their respective experience.

On this issue it should also be noted that the Remuneration and Welfare Board, in order to resolve on the policies approved by it and to be submitted to the next General Meeting, contracted the company Towers Watson, of recognised national and international reputation.

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

Regarding the contracting of Towers Watson promoted by the Remuneration and Welfare Board, the Executive Board of Directors resolved, in collaboration with the Remuneration and Welfare Board, to request this company to make an analysis of the policy on the remuneration of the Bank’s Directors, which was carried out for the purpose of ensuring coherence in the policies to be implemented and the streamlining of costs related to consultants.

For this reason, and because Towers Watson did not provide any other service to the Bank, and Towers Watson or its staff do not maintain privileged relations with the Executive Board of Directors or with any of its members, it is considered that its engagement for the provision of services with the broader scope referred to in the previous paragraph does not damage the independence of this consultant in relation to the company or to its Executive Board of Directors.
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 2010, 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 Bank’s information, were as follows:

<table>
<thead>
<tr>
<th>Shareholder</th>
<th>Nr. shares</th>
<th>% Share capital</th>
<th>% Voting rights</th>
</tr>
</thead>
<tbody>
<tr>
<td>Members of the Management and Supervisory Bodies</td>
<td>1,000</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>TOTAL OF THE SONANGOL GROUP</td>
<td>685,139,638</td>
<td>14.59%</td>
<td>14.61%</td>
</tr>
<tr>
<td>Teixeira Duarte – Sociedade Gestora de Participações Sociais, S.A.</td>
<td>305,000,000</td>
<td>6.50%</td>
<td>6.50%</td>
</tr>
<tr>
<td>Teixeira Duarte – Gestão de Participações e Investimentos Imobiliários, S.A.</td>
<td>27,000,000</td>
<td>0.58%</td>
<td>0.58%</td>
</tr>
<tr>
<td>Tedal – Sociedade Gestora de Participações Sociais, S.A.</td>
<td>19,900,000</td>
<td>0.42%</td>
<td>0.42%</td>
</tr>
<tr>
<td>Members of the Management and Supervisory Bodies</td>
<td>14,882,340</td>
<td>0.32%</td>
<td>0.32%</td>
</tr>
<tr>
<td>TOTAL OF THE TEIXEIRA DUARTE GROUP</td>
<td>366,782,340</td>
<td>7.81%</td>
<td>7.82%</td>
</tr>
<tr>
<td>José Berardo Foundation</td>
<td>198,324,440</td>
<td>4.22%</td>
<td>4.23%</td>
</tr>
<tr>
<td>José Berardo Foundation (equity swap with Banco Espírito Santo)</td>
<td>29,710,526</td>
<td>0.63%</td>
<td>0.63%</td>
</tr>
<tr>
<td>Metalgest – Sociedade de Gestão, S.G.P.S., S.A.</td>
<td>63,328,399</td>
<td>1.35%</td>
<td>1.35%</td>
</tr>
<tr>
<td>Kendon Properties</td>
<td>72,148,034</td>
<td>0.76%</td>
<td>0.76%</td>
</tr>
<tr>
<td>Moagens 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>Members of the Management and Supervisory Bodies</td>
<td>19,572</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>TOTAL OF THE BERARDO GROUP</td>
<td>292,141,503</td>
<td>6.22%</td>
<td>6.23%</td>
</tr>
<tr>
<td>Bansabadell Holding, S.L.</td>
<td>208,177,676</td>
<td>4.43%</td>
<td>4.44%</td>
</tr>
<tr>
<td>Members of the Management and Supervisory Bodies</td>
<td>13,000</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>TOTAL OF THE SABADELL GROUP</td>
<td>208,190,676</td>
<td>4.43%</td>
<td>4.44%</td>
</tr>
<tr>
<td>EDP – Imobiliária e Participações, S.A.</td>
<td>123,509,341</td>
<td>2.63%</td>
<td>2.63%</td>
</tr>
<tr>
<td>EDP Pensions Fund</td>
<td>52,285,541</td>
<td>1.11%</td>
<td>1.12%</td>
</tr>
<tr>
<td>Members of the Management and Supervisory Bodies</td>
<td>121,182</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>TOTAL OF THE EDP GROUP</td>
<td>175,916,064</td>
<td>3.75%</td>
<td>3.75%</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.

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 therefore benefit from exactly the same rights as any other shareholder.

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

A) Issuance of shares or other securities extending entitlement to the subscription or acquisition of shares

During 2010, 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 net income

The announcement of net income is presented in Annex IV of the present report.

Furthermore, the main events which occurred during the financial year of 2010 and respective impact on the share price the next day, five days after and in comparison with the main benchmarks in those periods of time are presented below:

<table>
<thead>
<tr>
<th>Nr.</th>
<th>Date</th>
<th>Event</th>
<th>Change +1D</th>
<th>Change vs. PSI20 (1D)</th>
<th>Change vs. DJS Banks (1D)</th>
<th>Change +5D</th>
<th>Change vs. PSI20 (5D)</th>
<th>Change vs. DJS Banks (5D)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>10-02-2010</td>
<td>Conclusion of Bank Millennium (Poland) capital increase</td>
<td>-1.8%</td>
<td>-3.6%</td>
<td>-4.4%</td>
<td>-4.5%</td>
<td>-5.0%</td>
<td>-7.5%</td>
</tr>
<tr>
<td>2</td>
<td>10-02-2010</td>
<td>Bank Millennium (Poland) 4th quarter earnings</td>
<td>-1.8%</td>
<td>-3.6%</td>
<td>-4.4%</td>
<td>-4.5%</td>
<td>-5.0%</td>
<td>-7.5%</td>
</tr>
<tr>
<td>3</td>
<td>10-02-2010</td>
<td>Agreement to sell Millennium Bank A.S. in Turkey</td>
<td>-1.8%</td>
<td>-3.6%</td>
<td>-4.4%</td>
<td>-4.5%</td>
<td>-5.0%</td>
<td>-7.5%</td>
</tr>
<tr>
<td>4</td>
<td>10-02-2010</td>
<td>Full year 2009 Consolidated Earnings</td>
<td>-1.8%</td>
<td>-3.6%</td>
<td>-4.4%</td>
<td>-4.5%</td>
<td>-5.0%</td>
<td>-7.5%</td>
</tr>
<tr>
<td>5</td>
<td>10-03-2010</td>
<td>Proposals submitted to AGM</td>
<td>0.0%</td>
<td>-1.5%</td>
<td>-1.2%</td>
<td>5.5%</td>
<td>3.5%</td>
<td>3.8%</td>
</tr>
<tr>
<td>6</td>
<td>17-03-2010</td>
<td>Amendment to the AGM Agenda</td>
<td>-2.0%</td>
<td>-3.9%</td>
<td>-3.6%</td>
<td>-3.9%</td>
<td>-4.7%</td>
<td>-4.4%</td>
</tr>
<tr>
<td>7</td>
<td>24-03-2010</td>
<td>Change in the Republic of Portugal rating by Fitch</td>
<td>1.5%</td>
<td>2.5%</td>
<td>1.5%</td>
<td>0.7%</td>
<td>0.7%</td>
<td>0.7%</td>
</tr>
<tr>
<td>8</td>
<td>30-03-2010</td>
<td>Fitch ratings</td>
<td>-0.5%</td>
<td>-0.3%</td>
<td>0.1%</td>
<td>0.2%</td>
<td>-0.1%</td>
<td>-0.6%</td>
</tr>
<tr>
<td>9</td>
<td>30-03-2010</td>
<td>Decision to leave the USA market</td>
<td>-0.5%</td>
<td>-0.3%</td>
<td>0.1%</td>
<td>0.2%</td>
<td>-0.1%</td>
<td>-0.6%</td>
</tr>
<tr>
<td>10</td>
<td>12-04-2010</td>
<td>AGM deliberations</td>
<td>-0.6%</td>
<td>-1.3%</td>
<td>-1.4%</td>
<td>-4.3%</td>
<td>-2.7%</td>
<td>-4.5%</td>
</tr>
<tr>
<td>11</td>
<td>22-04-2010</td>
<td>Change in hybrid debt ratings by Moody’s</td>
<td>0.8%</td>
<td>3.4%</td>
<td>2.7%</td>
<td>-6.9%</td>
<td>4.9%</td>
<td>-1.4%</td>
</tr>
<tr>
<td>12</td>
<td>26-04-2010</td>
<td>Bank Millennium (Poland) 1st quarter earnings</td>
<td>-7.6%</td>
<td>-4.4%</td>
<td>-9.0%</td>
<td>-4.3%</td>
<td>0.8%</td>
<td>-1.0%</td>
</tr>
<tr>
<td>13</td>
<td>27-04-2010</td>
<td>Standard and Poor’s rating decision</td>
<td>-1.9%</td>
<td>3.4%</td>
<td>2.5%</td>
<td>-2.8%</td>
<td>-0.9%</td>
<td>1.7%</td>
</tr>
<tr>
<td>14</td>
<td>28-04-2010</td>
<td>1st quarter 2010 Consolidated Earnings</td>
<td>6.1%</td>
<td>8.0%</td>
<td>7.3%</td>
<td>-2.9%</td>
<td>-2.1%</td>
<td>2.1%</td>
</tr>
<tr>
<td>15</td>
<td>12-05-2010</td>
<td>Bank of Portugal decision (application of a fine)</td>
<td>-3.6%</td>
<td>-6.5%</td>
<td>-4.5%</td>
<td>-9.4%</td>
<td>-7.8%</td>
<td>-6.1%</td>
</tr>
<tr>
<td>16</td>
<td>13-05-2010</td>
<td>Change in Moody’s ratings</td>
<td>-5.7%</td>
<td>-4.9%</td>
<td>-5.0%</td>
<td>-9.3%</td>
<td>-3.1%</td>
<td>-1.8%</td>
</tr>
<tr>
<td>17</td>
<td>14-07-2010</td>
<td>Change in Moody’s ratings</td>
<td>-1.4%</td>
<td>-0.7%</td>
<td>-1.0%</td>
<td>-2.4%</td>
<td>-0.1%</td>
<td>2.8%</td>
</tr>
<tr>
<td>18</td>
<td>21-07-2010</td>
<td>Change of ratings by Fitch</td>
<td>5.2%</td>
<td>5.5%</td>
<td>4.2%</td>
<td>12.7%</td>
<td>9.4%</td>
<td>1.4%</td>
</tr>
<tr>
<td>19</td>
<td>22-07-2010</td>
<td>Stress tests results</td>
<td>3.9%</td>
<td>4.4%</td>
<td>3.7%</td>
<td>4.9%</td>
<td>3.3%</td>
<td>-1.1%</td>
</tr>
<tr>
<td>20</td>
<td>27-07-2010</td>
<td>1st semester 2010 Earnings of Bank Millennium (Poland)</td>
<td>1.2%</td>
<td>-0.1%</td>
<td>-3.5%</td>
<td>1.9%</td>
<td>-1.1%</td>
<td>-5.3%</td>
</tr>
<tr>
<td>21</td>
<td>28-07-2010</td>
<td>1st semester 2010 Consolidated Earnings</td>
<td>-4.8%</td>
<td>-5.8%</td>
<td>-4.8%</td>
<td>0.0%</td>
<td>-2.0%</td>
<td>-2.3%</td>
</tr>
<tr>
<td>22</td>
<td>16-10-2010</td>
<td>Sale of the banking operation in the USA</td>
<td>1.8%</td>
<td>1.1%</td>
<td>2.2%</td>
<td>0.6%</td>
<td>-1.4%</td>
<td>-0.4%</td>
</tr>
<tr>
<td>23</td>
<td>26-10-2010</td>
<td>3rd quarter 2010 Earnings of Bank Millennium (Poland)</td>
<td>-2.8%</td>
<td>-3.4%</td>
<td>-2.3%</td>
<td>-5.7%</td>
<td>-7.4%</td>
<td>-3.5%</td>
</tr>
<tr>
<td>24</td>
<td>27-10-2010</td>
<td>3rd quarter 2010 Consolidated Earnings</td>
<td>-0.3%</td>
<td>0.9%</td>
<td>-0.2%</td>
<td>-4.0%</td>
<td>-5.2%</td>
<td>-2.5%</td>
</tr>
<tr>
<td>25</td>
<td>08-11-2010</td>
<td>Ratings change by Fitch</td>
<td>-0.6%</td>
<td>-0.2%</td>
<td>-0.9%</td>
<td>0.3%</td>
<td>2.3%</td>
<td>1.3%</td>
</tr>
<tr>
<td>26</td>
<td>22-12-2010</td>
<td>Fitch rating decision</td>
<td>-0.3%</td>
<td>-0.1%</td>
<td>-0.2%</td>
<td>-4.4%</td>
<td>-2.0%</td>
<td>-3.1%</td>
</tr>
<tr>
<td>27</td>
<td>27-12-2010</td>
<td>Sale of 95% of Millennium Bank A.S. in Turkey</td>
<td>0.0%</td>
<td>1.2%</td>
<td>1.2%</td>
<td>-1.7%</td>
<td>1.8%</td>
<td>1.3%</td>
</tr>
<tr>
<td>28</td>
<td>31-12-2010</td>
<td>Sale of 2.7% stake in the share capital of Eureko BV</td>
<td>1.4%</td>
<td>2.2%</td>
<td>1.9%</td>
<td>-7.2%</td>
<td>-7.0%</td>
<td>-10.2%</td>
</tr>
</tbody>
</table>
The graph below illustrates the performance of BCP shares during 2010:
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 (1)</th>
<th>Dividend Yield (2)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Residents</td>
<td>Non Residents</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000 (3)</td>
<td>2001</td>
<td>scrip (4)</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
<tr>
<td>2001</td>
<td>2002</td>
<td>0.150</td>
<td>0.120</td>
<td>0.105</td>
<td>61.05%</td>
</tr>
<tr>
<td>2002</td>
<td>2003</td>
<td>0.100</td>
<td>0.080</td>
<td>0.070</td>
<td>49.22% (4)</td>
</tr>
<tr>
<td>2003</td>
<td>2004</td>
<td>0.060</td>
<td>0.051</td>
<td>0.045</td>
<td>44.66%</td>
</tr>
<tr>
<td>Interim Dividen</td>
<td>2004</td>
<td>0.030</td>
<td>0.026</td>
<td>0.023</td>
<td></td>
</tr>
<tr>
<td>Final Dividend</td>
<td>2005</td>
<td>0.035</td>
<td>0.030</td>
<td>0.026</td>
<td></td>
</tr>
<tr>
<td>Total Dividend</td>
<td></td>
<td>0.065</td>
<td>0.055</td>
<td>0.049</td>
<td>41.27%</td>
</tr>
<tr>
<td>2005</td>
<td>Interim Dividen</td>
<td>2005</td>
<td>0.033</td>
<td>0.028</td>
<td>0.025</td>
</tr>
<tr>
<td>Final Dividend</td>
<td>2006</td>
<td>0.037</td>
<td>0.031</td>
<td>0.028</td>
<td></td>
</tr>
<tr>
<td>Total Dividend</td>
<td></td>
<td>0.070</td>
<td>0.060</td>
<td>0.053</td>
<td>31.89%</td>
</tr>
<tr>
<td>2006</td>
<td>Interim Dividen</td>
<td>2006</td>
<td>0.037</td>
<td>0.030</td>
<td>0.030</td>
</tr>
<tr>
<td>Final Dividend</td>
<td>2007</td>
<td>0.048</td>
<td>0.038</td>
<td>0.038</td>
<td></td>
</tr>
<tr>
<td>Total Dividend</td>
<td></td>
<td>0.085</td>
<td>0.068</td>
<td>0.068</td>
<td>39.36%</td>
</tr>
<tr>
<td>2007</td>
<td>Interim Dividen</td>
<td>2007</td>
<td>0.037</td>
<td>0.030</td>
<td>0.030</td>
</tr>
<tr>
<td>Final Dividend</td>
<td>2008</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td></td>
</tr>
<tr>
<td>Total Dividend</td>
<td></td>
<td>0.037</td>
<td>0.030</td>
<td>0.030</td>
<td>23.72%</td>
</tr>
<tr>
<td>2008</td>
<td>2009</td>
<td>0.017</td>
<td>0.014</td>
<td>0.014</td>
<td>39.67%</td>
</tr>
<tr>
<td>2009</td>
<td>2010</td>
<td>0.019</td>
<td>0.015</td>
<td>0.015</td>
<td>39.61%</td>
</tr>
<tr>
<td>2010 (5)</td>
<td>2011</td>
<td>scrip (7)</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
</tbody>
</table>

(1) The Payout Ratio is the percentage of net profit distributed to shareholders in the form of dividend.
(2) The Dividend Yield represents the annual return as a percentage, calculated by dividing the amount of gross dividend by share price at the end of the corresponding year.
(3) Paid as scrip dividend, through the issue of new shares and their proportional distribution to Shareholders holding shares representing the Bank’s equity capital.
(4) Based on net profit calculated 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 18 April 2011.
(6) The scrip dividend corresponds to 0.150 euros per share, 62.36% of net income and 2.65% of the share price at the end of 2000.
(7) The scrip dividend corresponds to 0.026 euros per share, 39.79% of net income and 4.39% of the share price at the end of 2010.

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

In keeping with the strict and prudent principles followed by Millennium bcp in its dividend pay-out decisions and bearing in mind the current macroeconomic environment, the Bank decided not to pay interim dividends in 2010, just as it did in 2009.

Notwithstanding this decision, the Bank confirmed its dividend pay-out policy aiming to distribute about 40% of net income.

Taking into consideration, on one hand, the principles of prudence in capital management, on the other hand, the schedule to put in place the new Basel III capital rules, Millennium bcp resolved to submit to the next General Meeting a proposal to grant to shareholders a scrip dividend resulting from a share capital increase by incorporation of reserves amounting to 120 million euros. This scrip dividend proposal represents the balance between the interests of the Shareholders and the need to preserve the Group’s capital and liquidity.
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 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, and were, independently of their value, approved by the Executive Board of Directors and submitted to the assessment of the Audit Committee.

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

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, and were, independently of their value, approved by the Executive Board of Directors and submitted to the assessment of the Audit Committee.

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 members of the governing bodies, owning qualifying holdings or entities which are in any relationship with them, are the object of exclusive assessment by the Executive Board of Directors, supported by analyses and technical opinions issued by the Credit Department and reports prepared by the Audit Department and subject to the opinion of the Audit Committee.
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 2010, the Audit Department issued opinions on proposals for loan agreements to be signed with members of the Supervisory Board or owners of qualifying holdings and entities related to them, for the that must be submitted to the Executive Board of Directors for approval and to the supervisory body, the Audit Committee, for a favourable opinion. During that period, the Executive Board of Directors approved 51 proposals on said credit loan operations and the Supervisory Board gave its opinion on them. All business was carried out under normal market conditions. The total average value of the 51 proposals was 103.1 million euros and the maximum value appraised was 5,257.3 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 address: http://www.milleniumbcp.pt/site/conteudos/en/.

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;
- Collaborate with the areas responsible for the Group’s debt issuances and investor relations areas of subsidiary companies, namely by providing information and coordinating activities;
- Collaborate 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 2010, 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 Analysts 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 the CMVM and on the Bank’s site. In 2010, the Bank issued 677 press releases, of which 72 concerned privileged information.

During the year, the Bank participated in several events and promoted three road shows in two major world financial centres – London and Paris – and participated in eight investors’ conferences organised by other banks such as HSBC (London), Morgan Stanley (London), Santander (Lisbon), BES (New York), Nomura (London), KBW (London), Bank of America/Merrill Lynch (London) and JP Morgan (New York) where it organised institutional presentations and one-to-one meetings with investors. During 2010, 202 meetings were held with investors, 31% more than the number held in 2009. There was a significant increase in contacts with BCP debt investors in 2010, which represent over 10% of the total.

All the information of institutional nature that is public and relevant is available on the Bank’s site, on the page with the following 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 accounts legal 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 European commission recommendation number 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. (KPMG) is ensured by the Supervisory Board, through the Audit Committee, which is also responsible for proposing its election and appointment, respectively, to the General Meeting, issuing its opinion on the Auditor’s independence and other relations with the Group.

Consistent with the practice followed in previous years, 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.

Remuneration
During 2010, 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), whose fees reached a total of 6,616,143 euros, per each country where KPMG service provider is located and distributed over the following different types of services:

### KPMG NETWORK

<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>2,174,050</td>
<td>1,027,574</td>
<td>3,201,624</td>
<td>64%</td>
</tr>
<tr>
<td>Other guarantee and reliability services</td>
<td>1,500,004</td>
<td>295,568</td>
<td>1,795,572</td>
<td>36%</td>
</tr>
<tr>
<td><strong>1. TOTAL AUDIT SERVICES</strong></td>
<td><strong>3,674,054</strong></td>
<td><strong>1,323,142</strong></td>
<td><strong>4,997,196</strong></td>
<td><strong>76%</strong></td>
</tr>
<tr>
<td>Tax consultancy services</td>
<td>13,000</td>
<td>-</td>
<td>13,000</td>
<td>1%</td>
</tr>
<tr>
<td>Services other than legal accounts review</td>
<td>1,502,251</td>
<td>103,696</td>
<td>1,605,947</td>
<td>99%</td>
</tr>
<tr>
<td><strong>2. TOTAL OTHER SERVICES</strong></td>
<td><strong>1,515,251</strong></td>
<td><strong>103,696</strong></td>
<td><strong>1,618,947</strong></td>
<td><strong>24%</strong></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>5,189,305</strong></td>
<td><strong>1,426,838</strong></td>
<td><strong>6,616,143</strong></td>
<td></td>
</tr>
</tbody>
</table>

A description is presented below of the main services included in each category of services provided by KPMG, relative to 31 December 2010.

### 1. AUDIT SERVICES

**Legal accounts 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: issue 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 legal accounts review
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 Portuguese Legislation by Decree-Law number 224/2008 of 20 November, in addition to the rules on independence defined by KPMG, through the application of the International Standards on Auditing 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 the Bank’s Supervisory Board, through the Audit Committee and by KPMG, as described below:

• KPMG, companies or legal persons belonging to it (“Network”) cannot provide services to the Bank or Group, which are considered forbidden under the rules referred to above;

• 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 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 which have not been pre-approved.

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 the service in question is requested must obtain previous authorisation from the Global Lead Partner referred to above. 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 service proposals presented through “Sentinel” comply with service pre-approval rules and, when applicable, proceeds with any necessary diligence before the Audit Committee, with a view to strict compliance with applicable independence rulings.
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 AICPA requirements 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:

- Revision of each activity by the team involved, allowing identification of areas requiring additional work on a particular component of the customer’s financial demonstrations, 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, subsequently.

*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.

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

The Decree-law number 224/2008 of 20 November, in number 2 of article 54, defines that 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. On the other hand, the Corporate Governance Code of CMVM recommends that the maintenance of the External Auditor beyond the rotation period therein established must be based on a specific opinion made by the supervision body that expressly takes into consideration the independence conditions of the External Auditor and the costs and advantages of its replacement.

The supervision made by the Audit Committee to the independence of the External Auditor, namely in what concerns the provision of additional services, as well as the respective evaluation of the performance throughout the term-of-office, enabled to reach the conclusion that the functions of the External Auditor were exercised adequately and with professionalism and that it produced a quality work.

The Supervisory Board, after consulting its Audit Committee, and bearing in mind the best interest of the Bank and of the Group, will propose to the forthcoming General Meeting to maintain KPMG & Associados, SROC, S.A. as external auditor; after ensuring the rotation of the partner responsible for the Group’s legal review of financial statements as well as the partner responsible for the functions of statutory auditor; a solution that will enable us to benefit from their accrued knowledge of the Bank’s operations, which is considered a great advantage in the present economic framework, ensuring efficiency and less costs with a replacement and enable the Bank to take advantage of synergies.

In addition, the Executive Board of Directors, with the support of the Audit Committee, is currently trying to engage an international audit company to audit the internal control system of the Bank and of its subsidiary companies for the three-year period 2011/2013.
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;
- 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);
- Chairman of the Board of Directors of Banco Millennium Angola, S.A.

Current positions outside the Group:
- Member of the Board of Directors of Banco Sabadell, representing Banco Comercial Português S.A.;
- Member of the Supervisory Board of EDP – Energias de Portugal, S.A.

Functions within the organisational framework of the Group:
- Risk Commission;
- Stakeholders Commission.

Direct responsibilities:
- Office of the Chairman of the Executive Board of Directors;
- Company Secretary Office;
- Fundação Millennium bcp;
- Strategic Project Centre;
- Audit Department;
- Staff Management Support Department;
- Millennium Angola.
Academic education and experience:

- 1971 – Licentiate Degree in Law from the Faculty of Law of Universidade Clássica de Lisboa;
- 1977/1988 – 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 Universidade Clássica de Lisboa, in the Faculty of Law of Universidade Católica Portuguesa and in the Faculty of Economics of Universidade Nova.

Professional experience:

- 1976/1977 – Member of Parliament for the Socialist Party and Deputy 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 Confiança 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 Pensõesgere – 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;
- 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.;
- February 2008/March 2009 – Manager of BCP Internacional II, Sociedade Unipessoal, S.G.P.S., Lda.;
- February 2008/March 2009 – Chairman of the Board of Directors of Millennium bcp – Prestação de Serviços, ACE.
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).

Current positions outside the Group:
- Member of the Supervisory Board of Euronext, NV;
- 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 organisational framework of the Group:
- Capital Assets and Liabilities Management Commission (CALCO);
- Risk Commission;
- Pension Fund Risk Sub-Commission;
- Stakeholders Commission;
- Sustainability Coordination Commission.

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

Academic education and experience:
1986 – Licentiate Degree in Corporate Organization and Management at the School of Economics of Universidade Técnica de Lisboa;
1986/1991 – Trainee Lecturer at the Economics and Management Institute of Universidade Técnica de Lisboa, Management Department;
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 Instituto de Estudos Superiores Financeiros e Fiscais;
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 AESE;
Guest speaker in several seminars and conferences.
2001 – Corporate Senior Management Programme – AESE;

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 held the following positions:
• Manager of the Strategic Marketing Unit;
• Manager of the Credit Cards Commercial Department;
• Manager of the Marketing of the 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.GPS., S.A.;
May 2004/July 2007 – Tax Director-General and Chairman of the Tax Administration Board;
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:
- 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 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., representing Banco Comercial Português, S.A.;
- Member of the Remuneration Board of UNICRE – Instituição Financeira de Crédito, S.A., representing Banco Comercial Português, S.A.

Functions within the organisational framework of the Group:
- Retail Coordination Commission;
- Companies Coordination Committee;
- Banking Services Coordination Committee;
- Capital Assets and Liabilities Management Commission (CALCO);
- Risk Commission;
- Pension Fund Monitoring Commission;
- Pension Fund Risk Sub-Commission.

Direct responsibilities:
- Information Technology Department;
- Credit Department;
Rating Department;
Legal Department;
Tax Advisory Services Department;
Marketing Department;

Academic education and experience:
- 1986 – Licentiate Degree in Business Management from the Faculty of Human Sciences of Universidade Católica Portuguesa;
- Since 1992 – Chartered Accountant, registered in the Ordem dos Revisores Oficiais de Contas.

Professional experience:
- 1992/September 2002 – Insurance Company Mundial – Confiança:
  • July/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;
- 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 2008/March 2009 – Member of the Board of Directors of Millennium bcp – Prestação de Serviços, ACE;
- July 2008/October 2010 – Member of the Board of Directors of BCP Holdings (USA), Inc. (United States of America);
- July/December 2009 – Member of the Board of Directors of Banco ActivoBank (Portugal), S.A., currently 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:
- 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 ELO – Associação Portuguesa para o Desenvolvimento Económico e a Cooperação (Portuguese Association for Economic Development and Cooperation), representing Banco Comercial Português, S.A.

Functions within the organisational framework of the Group:
- Retail Coordination Commission;
- Companies Coordination Committee;
- Risk Commission.

Direct responsibilities:
- Retail Banking (South);
- Retail Banking (Centre South);
- Companies Banking (South);
- Specialised Credit Department;
- Direct Banking Department;
- Administrative and Logistics Department;
- Millennium bim.

Academic education and experience:
Professional experience:
- 1981/1986 – Portuguese Finance Ministry (Institute for Economic Analysis and Planning Research);
- 1986 – Joined BCP (Research and Planning Department);
- 1988/1989 – Launch of the Capital Markets Department (launch of the first commercial bonds);
- 1989/1990 – Companies Branch Manager in Guimarães;
- 1990/1991 – Private Branch Manager in Porto;
- 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 – Companhia de Seguros Vida, 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 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, ACE;
- February 2008/March 2009 – Chairman of the Board of Directors of Banco Millennium bcp Investimento, S.A.;
- February 2008/December 2009 – Chairman of the Board of Directors of Banco ActivoBank (Portugal), S.A., currently Banco ActivoBank, S.A.;
- October 2008/June 2010 – Member of the Board of Directors of the Fund PVCi – Portugal Venture Capital Initiative, representing BCP Internacional II, Sociedade Unipessoal, S.G.P.S., Lda.;
- July 2008/October 2010 – Member of the Board of Directors of BCP Holdings (USA), Inc. (United States of America).
Nelson Ricardo Bessa Machado

Personal data:
- Date of Birth: 15 September 1959;
- Place of birth: Porto;
- 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;
- Vice-Chairman of the Board of Directors of Millennium bcp – Prestação de Serviços, ACE;
- Vice-Chairman of the Board of Directors of Mèdis – 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, SAS (France);
- Chairman of the Board of Directors of Millennium Bank, S.A. (Greece);
- Member of the Board of Directors of Banca Millennium, S.A. (Romania).

Functions within the organisational framework of the Group:
- Retail Coordination Commission;
- Companies Coordination Committee;
- European Business Coordination Committee;
- Risk Commission;
- Pension Fund Risk Sub-Commission.

Direct responsibilities:
- Retail Banking (North);
- Retail Banking (Centre North);
- Companies Banking (North);
- Madeira Regional Department;
- Azores Regional Department;
Network Support Department;
Microcredit Department;
Insurance;
Banque BCP (France);
Millennium Bank (Greece).

Academic education and experience:
1982 – Licentiate Degree in Economics from the Faculty of Economics of Porto;
1982/1987 – Associate Professor at the School of Economics of Universidade do Porto;
1987 – Guest lecturer in the Faculty of Engineering.

Professional experience:
1983/1987 – Economic and Marketing Research Department of Banco Português do Atlântico;
June 1984/February 1987 – Industrial Association of Porto, in the Department for Economic Research, between January and October 1986 as interim Vice Secretary-General;
March 1987 – Returned 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 – Chief Executive Officer (CEO) of PRAEMIUM;
1991 – Member of the Board of Directors of BPAVIDA, S.A.;
1996 – Head of the Direct Banking Department of BPA;
1996 – Head of the “In Store Banking” project leading to the opening of Banco Expresso Atlântico;
November 1996 – Coordinating Manager of NovaRede – North;
October 1997/October 2000 – Additionally, Head of the NRSECXXI project;
December 2000/February 2002 – 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 Millennium bcp with the functions of Coordinating Manager of one of the retail coordination areas;
February/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, ACE;
December 2009/September 2010 – Chairman of the Board of Directors of Banco de Investimento Imobiliário, S.A.;
July 2008/October 2010 – Member of the Board of Directors of BCP Holdings (USA), Inc. (United States of America);
Luis 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.;
- Member of the Board of Directors of Millennium Bank, S.A. (Greece);
- 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 organisational framework of the Group:**
- European Business Coordination Committee;
- Private Banking and Asset Management Coordination Committee;
- Capital Assets and Liabilities Management Commission (CALCO);
- Risk Commission.

**Direct responsibilities:**
- Private Banking;
- Banque Privée BCP (Switzerland);
- Bank Millennium (Poland);
- Millennium Bank (Romania);
- Millennium Bank (Turkey).
Academic education and experience:
- 1984 – Licentiate degree in Economics from Universidade Católica Portuguesa.

Professional experience:
- 1985/1988 – Head of the Dealing-Room of Credit Lyonnais (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 Lease Sp. Z oo (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 oo (Poland);
- 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, ACE;
- February 2008/December 2009 – Member of the Board of Directors of Banco ActivoBank (Portugal), S.A., currently Banco ActivoBank, S.A.;
- May 2008/May 2010 – Vice-Chairman of the Executive Board of Directors of Millennium Bank S.A. (Greece);
- July 2008/October 2010 – Member of the Board of Directors of BCP Holdings (USA), Inc. (United States of America).
Miguel Maya Dias Pinheiro

Personal Details:
- Date of Birth: 16 June 1964;
- Place of birth: Lisbon;
- Nationality: Portuguese;
- Position: Member of the Executive Board of Directors;
- Beginning of Functions: 26 November 2009;

Positions presently held in companies of the Group:

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

Functions within the organisational framework of the Group:
- Banking Services Coordination Committee;
- Capital Assets and Liabilities Management Commission (CALCO);
- Risk Commission.

Direct responsibilities:
- Corporate I Department;
- Corporate II Department;
- Investment Banking Department;
- Litigation Department;
- Specialised Credit Recovery Department;
- Standardised Credit Recovery Department;
- ActivoBank.
Academic education and experience:
- Licentiate Degree in Corporate Organization and Management at Instituto Superior das Ciências do Trabalho e da Empresa (ISCTE);
- Corporate Senior Management Programme (PADE) – 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;
- 2001/2003 – Sent to Barcelona (Spain), undertaking the functions of CEO of Managerland, S.A. (Internet banking operations for the BCP Group 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;
- August 2007/November 2009 – Head of the Office of the Chairman of the Executive Board of Directors of Millenniumbcp.
António Manuel Palma Ramalho

Personal data:
- Date of Birth: 20 August 1960;
- Place of birth: Lisbon;
- Nationality: Portuguese;
- Position: Member of the Executive Board of Directors;
- Beginning of Functions: 13 April 2010;

Positions presently held in companies of the Group:

In Portugal:
- Member of the Board of Directors of Fundação Millennium bcp;
- Chairman of the Board of Directors of Interfundos – Gestão de Fundos de Investimento Imobiliário, S.A.;
- Chairman of the Board of Directors of Millennium bcp Gestão de Activos – Sociedade Gestora de Fundos de Investimento, S.A.;
- Chairman of the Board of Directors of Banco de Investimento Imobiliário, S.A.;

Abroad:

Current positions outside the Group:
- Member of the Board of Directors of the Visa Europe Association;
- Vice-Chairman of AIP – Associação Industrial Portuguesa;
- Member of the Management of CIP – Confederação Empresarial de Portugal;
- Member of the Remuneration Board of SIBS – Sociedade Interbancária de Serviços, S.A., representing Banco Comercial Português, S.A.;
- Non-Executive Member of the Board of Directors of UNICRE – Instituição Financeira de Crédito, S.A., representing Banco Comercial Português, S.A.

Functions within the organisational framework of the Group:
- Private Banking and Asset Management Coordination Committee;
- Capital Assets and Liabilities Management Commission (CALCO);
- Risk Commission;
- Pension Fund Risk Sub-Commission.

Direct responsibilities:
- Treasury and Markets Department;
- Assets and Liabilities Management Department;
- International Department;
Shareholdings and Worth Measurement Department;
Communication Department;
Eastern Desk;
Asset Management;
Real Estate Business Centre;

**Academic education and experience:**
- Licentiate degree in Law from Universidade Católica Portuguesa;
- MSc (taught part) in International Law Studies from Universidade Católica Portuguesa;
- Post-graduate Degree in International Capital Markets from the International Finance Institute – St. Catherine’s College, Oxford.

**Professional experience:**
- 1995/2000 – Director and Chairman of the Board of Directors of Unicre, representing the Banks of the Mundial-Confiança Group;
- 1995/2000 – Director of SIBS, representing the Banks of the Mundial-Confiança Group;
- 1997/2000 – Director of the Banks of the Mundial-Confiança Group; Banco Pinto & Sotto Mayor, Banco Totta & Açores, Crédito Predial Português and Banco Chemical Finance (as of its acquisition in 1998), with responsibilities in the areas of strategic planning, operational marketing and management control;
- 2000/2003 – Director of the Santander & Totta Group;
- 2000/2003 – Member of the Executive Committee of the Santander & Totta Group in Portugal, directly responsible for the management of the commercial network of Crédito Predial Português In 2003, after the unification of the commercial networks of the entire Group, became responsible for the complementary networks and international retail network (non-residents);
- January 2004/September 2004 – Chief Financial Officer (CFO) of Rave, S.A., responsible for the entire financial area and the development of the business model for the implementation of high speed rail in Portugal;
- September 2004/July 2006 – Chairman of the Management Council (CEO) of CP – Companhia de Caminhos de Ferro Portugueses, E.P., directly responsible for planning and strategy and for the financial area (CFO);
- July 2006/August 2010 – Chairman of the Board of Directors of UNICRE – Instituição Financeira de Crédito, S.A., directly responsible for the areas of strategy and audit, general coordination and institutional relations;
- April 2009/April 2010 – Non-Executive Director of Portugal Telecom, S.A.
CURRICULA VITAE OF THE MEMBERS OF THE SUPERVISORY BOARD OF BANCO COMERCIAL PORTUGUÊS, S.A.

Luís de Mello Champalimaud

Age: 59 years old.

Academic qualifications: Attended the course in Economics at Instituto Superior de Economia e Sociologia de Évora.

Current positions in the Group: Chairman of the Supervisory Board, Chairman of the Sustainability and Corporate Governance Committee and Member of the Remuneration 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 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. (formerly Soeicom, S.A.);
- 1982/1992 – Chief Executive Officer (CEO) of Empresa de Cimentos Liz, S.A. (formerly Soeicom, S.A.);
- 1992/1993 – Director at the insurance company Mundial-Confiança, 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;
- 2006/2009 – Member of the Supervisory Board of Banco Comercial Português, S.A.

Manuel Domingos Vicente

Age: 54 years old.

Academic qualifications: Licentiate 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 Board of Directors of UNITEL, Chairman of the Management Council of Sonils, Lda, Chairman of the Board of Directors of Baía de Luanda, and Vice-Chairman of Fundação Eduardo dos Santos (FESA).

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 – Consultant of GAMEK (Office of the Development of the Middle Kwanza);
- 1987/1991 – University Professor;
- 1991/1999 – Chairman of the Management Committee of Kwanda Base;
- January 2008/March 2009 – Member of the Supervisory Board of Banco Comercial Português S.A.

Pedro Maria Calainho Teixeira Duarte

Age:
56 years old.

Academic qualifications:
Licentiate degree in Business Administration from Universidade Católica Portuguesa in 1977.

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

Current positions outside the Group:

Professional experience:
- Director of Teixeira Duarte – Gestão de Participações e Investimentos Imobiliários S.A.;
- Director of Teixeira Duarte – Engenharia e Construções (Macau), Lda.;
- Director of CIMPOR – Cimentos de Portugal, S.G.P.S., S.A.;
- Vice-Chairman of the Senior Board of Banco Comercial Português, S.A.;
- Member of the Remuneration and Welfare Board of Banco Comercial Português, S.A.;
- Member of the Supervisory Board of Millennium Bank, S.A. (Poland);
- Manager of F+P – Imobiliária, Lda.

Josep Oliu Creus

Age:
61 years old.

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 Banco de Sabadell, S.A., Chairman of the Board of Directors of BanSabadell Holding SL, Unip., Chairman of the Advisory Council of Member of the Corporación EXEA, Chairman of FEDEA (Fundación de Estudios de Economía Aplicada – Foundation for Studies in Applied Economics), Member of the Management Committee of the Spanish Fondo de Garantía de Depósitos, Member of the Governors Council of Fundação Príncipe de Astúrias, Member of the Governors Council of Fundación Príncipe de Girona, Vice Chairman of the Spanish Chapter of LECE (Liga Europea de Cooperación Económica – European League for Economic Cooperation), Member of the Spanish Council of INSEAD and Chairman of Fundação Banco Herrero.

Professional experience:
- 1978/1982 – Associate Professor of Economics and Econometrics at Universidad Autónoma, Barcelona;
- 1981/1983 – Professor at Universidad of Oviedo;
- 1983 – Director of Strategy Studies at the National Institute of Industry (Spain);
- 1984/1986 – Planning General Director, Chief Executive of Financial Companies for Regional Development and advisor to the Spanish Institute of Industry;
- 1986 – Joined Banco Sabadell;
- 2000/2008 – Member of the Senior Board of Banco Comercial Português, S.A.

António Luís Guerra Nunes Mexia

Age:
53 years old.

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, S.A., Chairman of the Executive Board of Directors of EPD – Energias do Brasil, S.A., Chairman of the Executive Board of Directors of EDP – Estudos e Consultadoria, S.A. and Non-Executive Director of Aquapura – Hotels Resort & SPA, S.A.

Professional experience:
- 1979/1981 – Lecturer at the Department of Economics of the University of Geneva;
- 1985/1989 – Post-graduate lecturer of European Studies at Universidade Católica and Regent at Universidade Nova and Universidade Católica where he lectured from 1982 to 1995;
- 1986/1989 – Vice Secretary of State for External Trade;
- 1989 – Vice Chairman of the Board of Directors of ICEP – Instituto do Comércio Externo, responsible for Foreign Investment;
- 1990/1998 – Director of Banco Espírito Santo de Investimento, responsible for the areas of capital markets, brokerage and project finance;
Patrick Wing Ming Huen

Age:
69 years old.

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 Finansol, S.G.P.S., S.A.; Chairman of the Board of Directors of Varzim Sol, S.A.; Deputy Chairman of the Board of Directors of Estoril Sol (III), S.A.; Member of the UK Chartered Institute of Bankers, Member of Hong Kong Securities, Member of the Economic Council of the Macau SAR Government, Honorary Chairman of the Macau Association of Medical Practitioners, Vice-Chairman of the Board of Directors of the Dr. Stanley Ho Medical Development Foundation and Member of the Board of Trustees of Shaw College of The Chinese University of Hong Kong.

Professional experience:
• Until 1979 – 20 years of experience in commercial banking, at HSBC and BNP;
• 1979 – Joined the Shun Tak – STDM Group, holding various management positions;
• 1989/2009 – Executive Director of CAM – Macau International Airport Co., Ltd.;
• 1991/2000 – Executive Director of Seng Heng Bank Limited;
• 1991/2009 – Executive Director of Shun Tak Holdings Limited;
• 2000/2008 – CEO of Seng Heng Bank Limited;
2006 – Vice-Chairman of the Board of Trustees and Directors of the Dr. Stanley Ho Medical Development Foundation;

2008 – Vice-Chairman of the Board of Directors of the Industrial and Commercial Bank of China (Macau) Limited (formerly Seng Heng Bank Limited);

Member of the Audit Board of STDM, Investimentos Imobiliários, S.A.:

2010 – Member of the Trust Committee of the Science and Technology Development Fund of Macau SAR Government;

2010 – Chairman of the Board of Directors of the Macau Alzheimer’s Disease Association.

António Vítor Martins Monteiro

Age:
67 years old.

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

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

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 Non Executive Member of the Board of Directors of Banco Privado do Atlântico – Angola, Chairman of the Board of Curators of Fundação Luso-Brasileira and Member of the United Nations Panel on the Sudan Referendum.

Professional experience:
1968 – Joined 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 of the Portuguese Investment Agency;
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:
51 years old.

Academic qualifications:
Licentiate Degree in Economics from the Faculty of Economics of the University of Porto (1983), PhD in Economics (majoring in International Macroeconomics and Finance) from the University of Gothenburg, Sweden (1992).

Current positions in the Group:
Member of the Supervisory Board and Chairman of the Audit Committee of Banco Comercial Português, S.A., Chairman of the Audit Board of Banco ActivoBank, S.A., Chairman of the Audit Board of BII – Banco de Investimento Imobiliário, S.A.

Current positions outside the Group:
Professor at the School of Economics of the University of Porto and of EGP-UPBS and Researcher at CEF.UP.

Professional experience:
Since 1984 – Professor at the School of Economics of the University of Porto;
1984 – Economist of the Planning Department of União de Bancos Portugueses;
1986/1987 – Economist for the Economic Studies Department of Banco Português do Atlântico;
1996/2001 – Member of the Steering Committee of the School of Economics of the University of Porto;
2000/2008 – Director of the MBA in Finance of the School of Economics of the University of Porto;
2002/2008 – Chairman of the Paedagogic Council of the School of Economics of the University of Porto;
2007/2008 – Coordinator of the Budgeting by Program Committee, Ministry of Finance;
Since 2008 – Member of the General Board of UPBS (University of Porto Business School);
Since 2008 – Director of the Post-graduation in Company Management of EGP – UPBS;
José Guilherme Xavier de Basto

Age: 72 years old.

Academic qualifications:
Licentiate Degree in Law from the Law School of Coimbra University 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:
- 1995/2000 – Lecturer at the Law School of the University of Coimbra;
- 1994 – Member of the Tax Reform Development Committee.

José Vieira dos Reis

Age: 63 years old.

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

Current position 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 Lojas Francas de Portugal S.A., Founding partner of Oliveira Reis & Associados, SROC Lda. and Consultant.

Professional experience:
- Finance Inspector;
- Tax Receiver;
- 1998/1999 – Chairman of the Chartered Accountants Association;
- 2000 – Member of the Committee for the Income Tax Reform;
- 2000/2005 – Chairman of the Statutory Auditors Association;
- 2006 – Chairman of the Work Group on the Tax Impact of the Adoption of International Accounting Standards;
2008/2009 – Chairman of the Working Group on the Tax Impact of the Adoption of International Accounting Standards;

Lecturer at Instituto Superior de Contabilidade e Administração de Lisboa, for Financial General Accounting II.

Manuel Alfredo da Cunha José de Mello

Age: 62 years old.

Academic qualifications:
Licentiate Degree in Finance from 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 Grupo 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: 53 years old.

Academic qualifications:
Licentiate degree in Business Management from 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. and Statutory Auditor.

Professional experience:
Senior Manager at Arthur Andersen & Co.;
Director of the Santogal Group;
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: 61 years old.

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:
Member of the Board of Directors of Estoril Sol, S.G.P.S., S.A.; Member of the Board of Directors of Varzim Sol – Turismo Jogo e Animação, S.A. and Member of the Board of Directors of Estoril Sol (III), S.A. and Member of the Board of Directors of SGAL – Sociedade Gestora da Alta de Lisboa, S.A.

Professional experience:
- From 1973 to 1975 – Performed technical functions in the Investment Projects Evaluation Nucleus of “Centro de Estudos e Planeamento” (Presidency of the Cabinet);
- From 1975 to 1980: Advisor for economic affairs of Civil Office of the president of the republic; Head of the Office of the Secretary of State for the Economic Coordination (1st Constitutional Government); Head of the Office of Minister of Finance and Plan (2nd Constitutional Government); Services manager of Office for the External Economic Transportation and Communications (5th Constitutional Government);
- From 1980-1986 – Director of Casa Hipólito S.A.;
- From 1987 to 1990 – General Manager of Casino Estoril;
- From 1990 to 1995 – Director of holding company and several media companies of Group PE.I. – Projectos, Estudos e Informação, S.A.;
- From 1995 to 1995 – Executive Vice-Chairman of ESTA – Gestão de Hoteis S.A., a company owned by Estoril Sol and TAP Air Portugal with interests in the hotel management area in African Portuguese-speaking countries;
- Since June 1997 – Chairman of several companies of Group Estoril Sol.
ANNEX III

CURRICULA VITAE OF THE MEMBERS OF THE REMUNERATION AND WELFARE BOARD OF BANCO COMERCIAL PORTUGUÊS, S.A.

José Manuel Rodrigues Berardo

Age:
67 years old.

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

PROFESSIONAL EXPERIENCE:
Luís de Mello Champalimaud

Please see Annex II of the Corporate Governance Report.

Manuel Pinto Barbosa

Age:
67 years old.

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

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

Professional experience:
Millennium bcp earnings release as at 31 December 2010

HIGHLIGHTS

- Consolidated net income of Euro 301.6 million in 2010, up by 33.9% from 2009, boosted by the international activity, which more than quadrupled;
- The Tier I and solvency ratios reached 9.2% and 10.3%, respectively;
- Contribution from the international operations to consolidated net income reached Euro 51.8 million, with net interest income increasing by 27.9%;
- Net Income of Bank Millennium in Poland rose to Euro 81.3 million, benefiting from higher net interest income and commissions;
- Net operating revenues increased 16.0% from 2009;
- Net interest income grew 13.7% and net commissions rose 10.9% Y-o-Y. Net interest income in Portugal had its best quarterly performance since the 2nd quarter of 2009;
- Total customer funds reached to Euro 67,596 million, benefiting from the growth in customer deposits in the fourth quarter, with capitalisation products achieving a historic maximum during 2010;
- Loans to customers in Portugal reduced from Euro 60,625 million as at 31 December 2009 to Euro 58,917 million as at 31 December 2010, while on a consolidated basis loans practically stabilised and amounted to Euro 76,411 million;
- Loans to customers and total customer funds from the international activity were up by 7.3% and 4.7%, respectively;
- Operating costs remained stable in Portugal. The cost-to-income ratio improved, in 2010, to 51.3% in Portugal and to 56.3% on a consolidated basis;
- Overdue loans by more than 90 days stood at 3.0% of total loans, in line with the expectations associated with the current economic and financial environment, and the coverage ratio stood at 109.4%;
- On 27 December 2010, the Bank concluded the transaction to sell the 93% of the share capital of Millennium bank in Turkey;
- Proposal to be submitted to the AGM to distribute new shares to the shareholders, as a result of the incorporation of reserves in the amount of Euro 120 million into share capital. The proposal of this scrip dividend reflects the balance between shareholder interests and the priority of preserving the Group’s capital and liquidity in 2010.
Lisbon, 2 February 2011

SUMMARY

ECONOMIC ENVIRONMENT

The world economy improved in 2010 and there are good prospects for the global recovery to proceed, though more moderately, in 2011. The price of raw materials increased significantly, leading headline inflation rates higher, particularly in the emerging economies. Global financial conditions improved, financial markets became less volatile, equity indices moved higher and risk premiums tended to decrease, though with greater discrimination across issuers, particularly so in terms of sovereign risk.

The pervasiveness of the crisis that continues to affect several sovereign states of the periphery of the euro area, including Portugal, called for a decisive action through financial rescue plans aiming at stabilizing the economies and in support of the financial systems, first in Greece and more recently in Ireland. Notwithstanding the provision of these exceptional financing facilities and the terms negotiated, the climate of uncertainty persisted due to the recurring institutional disagreements among EU members and authorities as well as concerns related to the magnitude of the adjustment effort required for the States in distress. In that sense, the reformulation of the support measures may have a positive bearing on markets confidence. The European Central Bank (ECB) has been proceeding with the gradual normalization of monetary policy. Despite the ECB’s growing concerns with inflationary pressures, the central bank is not expected to increase the main refinancing rate anytime soon from the current 1% level.

The change in financial conditions and the scarcer financial flows to the Portuguese economy, because of fears relating to debt sustainability, problems stemming from the fiscal consolidation side and concerns with long term growth prospects, constitutes a strong incentive to reducing indebtedness levels, from both the public and private sectors, and to greater moderation in overall spending. After posting a GDP growth of around 1.4% in real terms in 2010, the Portuguese economy is projected to reenter a recession in 2011, despite the positive contribution from net external demand. In subsequent years, the return to a more normalized growth environment hinges, to a large extent, on the ambition and success of the
The economic, political and regulatory environment remains very challenging for financial institutions, particularly for those located in the periphery of the euro area.

Poland and African economies have shown a remarkable resiliency during the crisis by quickly returning to a strong growth environment.

Consolidated net income stood at € 351.6 million.

**Earnings Press Release**

**Millennium bcp**

The environment is highly detrimental to Portuguese banks, banking business volumes, credit quality and the cost of funding, and it is all the more important at the time the strong risk aversion climate needs to be reversed as a demonstration of greater confidence in the State’s and private issuers solvency. Given the external constraints and internal difficulties, it is imperative to pursue rigorous cost control measures, selective investment spending and judicious allocation of scarce resources, in order to sustain profitability, hold employment levels and restore market confidence. The profound changes to the regulatory framework and the market, social and political pressure towards an early implementation of the new requirements for capital and liquidity weigh on the regular management of financial institutions. Furthermore, special funds to support the financial system in periods of turbulence are being deployed, with the funding coming from special taxes or levies on financial institutions, acting as an additional burden specific to the financial sector.

The social protests in Greece eased as the targets negotiated under the financial rescue plan have been progressively met. However, Greece remains in a deep recessionary environment, with rising unemployment and almost no access to funds in the international marketplace. In Poland, by contrast, economic activity has been strengthening. It is estimated that in the 2011/2012 the Polish economy will feature full employment, an expectation that led the Polish Central Bank to hike interest rates by 25 b.p. to 3.75%. The high public deficit seems the main obstacle to Poland joining the single currency in the near term. African economies have demonstrated a remarkable degree of resilience to the crisis, with the support of the export of raw materials, and quickly returned to a strong growth environment. The control of inflationary pressures, widespread access to basic goods and services and greater diversification of economic sectors remain key policy issues there in the medium term.

**RESULTS**

In an adverse context for business volumes, credit quality and the cost of funds for the Portuguese banking sector, influenced by external constraints, Millennium bcp’s net operating revenues increased 16.0% in 2010, from the previous year, on a consolidated basis and on the activity in Portugal, which, added to the stabilisation of operating costs in Portugal, led to an
Net income increased in 2010 sustained by the growth in net operating revenues, despite the reinforcement of impairment charges for loan losses (net of recoveries) and for other impairment.

Consolidated cost-to-income ratio stood at 56.3%, an improvement of 7.3 p.p., from 2009, benefiting from the performance in the activity in Portugal and in the international activity.

Total customer funds up by 1.6%, benefiting from the increase of 1.7% in balance sheet customer funds and of 6.0% in capitalisation products.

Loans to customers stood at €76,411 million and mortgage loans increased 7.2%.

Improvement in efficiency and profitability levels. The solvency ratio, in accordance with the IRB approach, stood at 10.3% and Tier 1 at 9.2% as at 31 December 2010.

Millennium bcp’s consolidated net income was up 33.9% to Euro 301.6 million in 2010, from Euro 225.2 million in 2009, sustained by the increase in the international activity (+35%). The evolution in net income in 2010 was favourably influenced by the performance in net interest income, net commissions and net trading income, partially offset by the reinforcement of impairment charges for loan losses (net of recoveries) and for other impairment and provisions, as well as by the performance in operating costs in the international activity.

Impairment for loan losses (net of recoveries) stood at Euro 713.3 million in 2010, compared with Euro 560.0 million in 2009, reflecting the reinforcement of impairment charges, following the expectations associated with the extension of the adverse economic and financial framework.

The consolidated cost-to-income ratio, on a comparable basis, stood at 56.3% in 2010, an improvement of 7.3 p.p. from 63.6% in 2009. This evolution reflects the efficiency improvements achieved in the activity in Portugal, were cost-to-income fell to 51.3% from 60.2% in 2009, as well as in the international activity, which reduced 3.8 p.p. from 2009, benefiting from the favourable performances in most foreign operations.

**BALANCE SHEET**

Total customer funds, on a comparable basis, reached Euro 67,596 million as at 31 December 2010, up by 1.6%, from Euro 66,516 million on the same date in 2009. The growth in total customer funds benefited from the focus on further increasing on-balance sheet customer funds, as a result of the increase in debt securities, reflecting essentially debt issued by the Bank placed with customers, as well as the good performance in capitalisation products.

Loans to customers (gross) reached Euro 76,411 million as at 31 December 2010, a slight reduction from Euro 76,935 million posted on the same date in 2009. The evolution in loans to customers was mostly influenced by loans to companies, as loans to individuals registered an increase of 5.4%, sustained by the 7.2% rise in mortgage loans.
**Financial Highlights**

<table>
<thead>
<tr>
<th></th>
<th>31 Dec. 10</th>
<th>31 Dec. 09</th>
<th>Change 10 / 09</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance sheet</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total assets</td>
<td>100,010</td>
<td>95,550</td>
<td>4.7%</td>
</tr>
<tr>
<td>Loans to customers (1)</td>
<td>76,411</td>
<td>76,933</td>
<td>-0.7%</td>
</tr>
<tr>
<td>Loans to customers (net) (1)</td>
<td>73,905</td>
<td>74,789</td>
<td>-1.2%</td>
</tr>
<tr>
<td>Total customer funds (1) (2)</td>
<td>67,996</td>
<td>66,516</td>
<td>1.6%</td>
</tr>
<tr>
<td>Balance sheet customer funds (2)</td>
<td>51,242</td>
<td>50,507</td>
<td>1.3%</td>
</tr>
<tr>
<td>Customer deposits (2)</td>
<td>45,609</td>
<td>49,822</td>
<td>-8.5%</td>
</tr>
<tr>
<td><strong>Results</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income</td>
<td>301.6</td>
<td>225.2</td>
<td>33.9%</td>
</tr>
<tr>
<td>Net interest income</td>
<td>1,516.8</td>
<td>1,334.2</td>
<td>13.7%</td>
</tr>
<tr>
<td>Net operating revenues (1)</td>
<td>2,892.0</td>
<td>2,493.2</td>
<td>15.8%</td>
</tr>
<tr>
<td>Operating costs (4)</td>
<td>1,603.3</td>
<td>1,540.3</td>
<td>4.1%</td>
</tr>
<tr>
<td>Loan impairment charges (net of recoveries)</td>
<td>713.3</td>
<td>560.0</td>
<td>27.4%</td>
</tr>
<tr>
<td>Other impairment and provisions</td>
<td>217.6</td>
<td>97.4</td>
<td>123.3%</td>
</tr>
<tr>
<td>Income taxes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current</td>
<td>54.2</td>
<td>65.6</td>
<td>-19.5%</td>
</tr>
<tr>
<td>Deferred</td>
<td>(57.2)</td>
<td>(19.4)</td>
<td></td>
</tr>
<tr>
<td>Minority interests</td>
<td>59.3</td>
<td>24.1</td>
<td></td>
</tr>
<tr>
<td><strong>Profitability</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net operating revenues / Average net assets (3)</td>
<td>2.9%</td>
<td>2.6%</td>
<td></td>
</tr>
<tr>
<td>Return on average assets (ROA) (4)</td>
<td>0.4%</td>
<td>0.3%</td>
<td></td>
</tr>
<tr>
<td>Income before taxes and minority interests / Average net assets (5)</td>
<td>0.4%</td>
<td>0.3%</td>
<td></td>
</tr>
<tr>
<td>Return on average equity (ROE)</td>
<td>6.1%</td>
<td>4.6%</td>
<td></td>
</tr>
<tr>
<td>Income before taxes and minority interests / Average equity (5)</td>
<td>6.6%</td>
<td>5.7%</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 (6)</td>
<td>4.5%</td>
<td>3.4%</td>
<td></td>
</tr>
<tr>
<td>Overdue loans according to Bank of Portugal, net / Total loans, net (7)</td>
<td>1.2%</td>
<td>0.6%</td>
<td></td>
</tr>
<tr>
<td>Impairment for loan losses / Overdue loans by more than 90 days</td>
<td>109.4%</td>
<td>119.0%</td>
<td></td>
</tr>
<tr>
<td>Impairment for loan losses / Overdue loans</td>
<td>100.2%</td>
<td>106.1%</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) (7)</td>
<td>56.3%</td>
<td>63.6%</td>
<td></td>
</tr>
<tr>
<td>Operating costs / Net operating revenues (Portugal) (6) (7)</td>
<td>51.3%</td>
<td>60.2%</td>
<td></td>
</tr>
<tr>
<td>Staff costs / Net operating revenues (1) (7)</td>
<td>31.2%</td>
<td>35.7%</td>
<td></td>
</tr>
<tr>
<td><strong>Capital (RRR)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Own funds</td>
<td>6,116</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Risk weighted assets</td>
<td>59,564</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tier 1</td>
<td>9.2%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>10.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Branches</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portugal activity</td>
<td>892</td>
<td>911</td>
<td>-2.1%</td>
</tr>
<tr>
<td>Foreign activity (1)</td>
<td>852</td>
<td>863</td>
<td>-1.3%</td>
</tr>
<tr>
<td><strong>Employees</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portugal activity</td>
<td>10,146</td>
<td>10,298</td>
<td>-1.5%</td>
</tr>
<tr>
<td>Foreign activity (1)</td>
<td>11,224</td>
<td>10,987</td>
<td>2.2%</td>
</tr>
</tbody>
</table>

(1) Amounts due to customers (excluding securities), costs incurred and capital/call products.
(2) Net defined income, excluding foreign currency movements, net transfers, net trading income, net realised capital gains (losses) and other net operating income (losses).
(3) Credit quality is measured by the overdue ratio. Operating ratios are measured by the overdues ratio and the credit coverage in the bank of Portugal.
(4) Acquired by BCP through the Bank of Portugal.
(5) Non-current part of the group equity ratio is presented in this ratio.
(6) Includes the impact of specific items.
At the 2010 earnings presentation, Mr. Carlos Santos Ferreira, Chairman of the Executive Board of Directors of Banco Comercial Português, began by stressing that the past year was marked by the deterioration of the sovereign debt crisis and the macro-economic conditions in Portugal, as well as by the debate on future regulatory requirements for capital and liquidity. Notwithstanding a challenging and difficult environment, Millennium bcp was able to develop a set of strategic initiatives throughout 2010, aiming at enhancing its profitability, solvency and liquidity profile.

Among the year’s highlights are the repricing of the credit portfolio, the promotion of a Culture of Rigour and of Risk and Compliance policies, the decision to innovate by launching the ActivBank project and the simplification of the international portfolio - with the sale of US and Turkish operations, the creation of a new platform for the strategic triangle between Europe, Portuguese-Speaking African Countries and China (by means of an onshore branch in Macao) and the continue expansion in Angola and Mozambique. Mentioning the bank’s solvency, the Chairman emphasized the authorization granted by the Bank of Portugal for the adoption of the IRB approach for credit risk, with Tier I reaching 9.2% and Core Tier I 6.7% as of 31 December 2010.

Commenting on the 2010 results, the Chairman said that:

i) The Bank’s consolidated net income totalled Euro 301.6 million, corresponding to a 33.9% rise versus 2009. The Bank’s international operations provided an important contribution for these results, especially the Polish operation which posted an income of Euro 81.3 million.

ii) The positive performance of net income also benefited from the consistent recovery of core banking income and of cost containment policy, more than offsetting the effort made to provision for the credit portfolio. The consolidated and domestic banking income registered growth of 16.0% and 15.9%, respectively.

Relating to the main aspects of 2010, the Chairman stressed that:

i) Net Interest Income and Commissions maintained their quarterly growth trend, both domestically and internationally, growing 13.7% and 10.9%, respectively, on a consolidated basis, from 2009;

ii) Operating costs remained under control, particularly in Portugal, thus contributing to the improvement of the cost-to-income ratio, which reached 56.3% (consolidated) and 51.3% (Portugal);

iii) Impairments and loan provisions were reinforced, enabling a coverage ratio for loans past due for more than 90 days above 100%, reaching 109.4% as at 31 December 2010;

iv) The high quality of the Bank’s assets, which translated into a better asset portfolio eligible for discounting at central banks, attaining Euro 20.6 billion, by the end of 2010;

v) Customers’ Funds, which rose 1.6%, to Euro 67,596 million. In the international operations, Customers’ funds grew 4.7%, compared with 31 December 2009;

vi) Loans to Customers fell 0.7% to Euro 76,411 million. In the international operations, loans to Customers grew 7.3%, compared with 31 December 2009;

vii) The Bank registered the highest Customer satisfaction level (80.4 index points) since the single brand was created in 2004.

Regarding the international operations in 2010, the Chairman underlined:

i) The successful turnaround of the Polish operation, driven by the rise in the net interest income and in Commissions, which were up 46.1% and 14.4%, respectively, year-on-year;

ii) The expansion plans in Africa, increasing the number of branches of Millennium Angola (+16 branches) and Millennium bim (+9 branches). All together, these operations attained net earnings amounting to Euro 76.4 million, 14.6% up year-on-year;

iii) The inauguration of Millennium bcp’s onshore branch in Macao, materializing the Bank’s strategy to have a stronger presence in the Asia-Pacific region, especially in China.
The Chairman concluded his presentation by stating that, taking into consideration, on one hand, the principles of prudent capital management, and, on the other, the calendar for the implementation of the new capital rules as defined by Basel III, Millennium bcp has decided to submit a proposal to the Annual General Meeting of Shareholders to distribute to the shareholders a scrip dividend as a result of a share capital increase through the incorporation of reserves, in the amount of Euro 120 million. The purposed scrip dividend reflects, in the opinion of the Executive Board of Directors, the effort to find a balance between Shareholder Interests and the priority of preserving the Group’s capital and liquidity.
Considering the sale of 95% of shareholding in Millennium in Turkey, on 27 December 2010, and the sale of all the branches of Millennium in the United States of America (USA), the respective financial statements are not directly comparable for 2010 and 2009.

RESULTS

Millennium's consolidated net income totalled Euro 301.6 million in 2010, compared to Euro 225.2 million in 2009. Net income in 2010 includes the recognition of an impairment associated with the goodwill of Millennium bank in Greece booked in the second and in the fourth quarters, in the total amount of Euro 147.1 million, and the accounting in the fourth quarter of 2010 of a gain obtained from the sale of the shareholding in Eureko, in the amount of Euro 65.2 million, and of costs related with early retirement of employees, in the sum of Euro 7.7 million (net of taxes). Net income in 2009 was influenced by the gain accounted from the entry of new shareholders in Banco Millennium Angola’s share capital, amounting to Euro 21.2 million, the gain of Euro 57.2 million obtained with the sale of assets, as well as the accounting of costs related with early retirement of employees, in the amount of Euro 2.9 million (net of taxes).

The increase in net income, between 2009 and 2010, benefited from the growth in net operating revenues, supported by net interest income, net commissions and net trading income, partially offset by the reimbursement of impairment charges for loan losses (net of recoveries) and for other impairment and provisions, as well as by the performance in operating costs in the international activity. The income taxes in the amount of Euro -3.1 million in 2010 reflects, mostly, the effect of the change in the nominal tax rate in 2010, due to the local state tax change, in assets and liabilities deferred taxes, partially offset by the cost associated with current taxes.

Net income from the activity in Portugal stood at Euro 249.8 million in 2010, compared to Euro 213.8 million in 2009, reflecting the growth in net operating revenues, sustained by net interest income, net commissions, net trading income and higher level of dividends received, together with the effect from the change in the fiscal framework in the activity in Portugal. Net income was also influenced by the operating costs control, driven by the reduction in depreciation and in staff costs, despite the increase in other administrative costs, together with the reimbursement of impairment charges for loan losses (net of recoveries) and the accounting of goodwill impairment, which is associated with the subsidiary company in Greece.

Net income from the international activity amounted to Euro 51.8 million in 2010, compared to Euro 11.4 million in 2009, favourably influenced by the performance in net operating revenues, boosted by the increase in net interest income and net commissions, despite the higher operating costs, in particular in the subsidiary companies in Angola and Mozambique, associated with the strategy of organic growth implemented in these markets, in Bank Millennium in Poland, mainly influenced by the exchange rate appreciation of the Zloty against the Euro, and by the impact of the depreciation of the residual value of assets excluded from the process of sale of Millennium in the United States of America.

Net interest income rose to Euro 1,516.8 million in 2010, up by 13.7%, as compared to Euro 1,334.2 million in 2009. The increase in net interest income was sustained by the favourable volume and interest rate effects. The performance in net interest income reflects, on the one hand, the evolution of business volumes and in the portfolio of financial assets, and on the other, the effect from the progressive increase in interest rates from operations with customers since the second half of the year, despite standing below the levels recorded in 2009, following the trend of the market reference interest rates and leading to a favourable impact in the gap between the average interest earning asset rates and liabilities rate.

The increase in net interest income reflects the performance in both the activity in Portugal and the international activity. Net interest income from the activity in Portugal was favourably influenced by the increase in interest earning assets, notwithstanding the highly competitive and adverse environment, and was partially offset by narrower margins, influenced in part by the lag between changes in market interest
rates to interest rates applied to transactions with customers. Nevertheless, the negative impact in the evolution in interest rates was offset by the progressive revision of spreads by the business areas for loan operations, aiming to reflect the increase in the cost of funding, arising from the instability in debt and in interbank markets and the consequent greater limitation on access to alternative funding sources. On a quarterly basis, net interest income in the activity in Portugal showed the best performance since the second quarter of 2009.

In the international activity, the increase in net interest income was boosted by the rise in interest rates applied, together with the increase in total assets, benefiting from the growth in business volumes, in both loans to customers and total customer funds. The evolution in net interest income was supported by the performance achieved in most foreign operations, in particular in Bank Millennium in Poland, as well as the subsidiaries companies in Angola, Mozambique and Romania.

### AVERAGE BALANCES

<table>
<thead>
<tr>
<th></th>
<th>Dec. 10</th>
<th>Balance</th>
<th>Yield %</th>
<th>Dec. 09</th>
<th>Balance</th>
<th>Yield %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposits in banks</td>
<td>3,823</td>
<td>3,733</td>
<td>1.97</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets</td>
<td>9,587</td>
<td>5,012</td>
<td>4.82</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans and advances to customers</td>
<td>74,644</td>
<td>75,325</td>
<td>4.15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>88,054</td>
<td>84,070</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non current assets held for sale</td>
<td>818</td>
<td>84,070</td>
<td>6.39</td>
<td>4.09</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest earning assets</td>
<td>88,872</td>
<td>10,083</td>
<td>3.49</td>
<td>3.49</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non Interest earning assets</td>
<td>9,800</td>
<td>94,153</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>98,672</td>
<td>94,153</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amounts owed to credit institutions</td>
<td>15,087</td>
<td>8,471</td>
<td>1.40</td>
<td>2.65</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amounts owed to customers</td>
<td>45,386</td>
<td>44,334</td>
<td>2.01</td>
<td>3.52</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt issued and financial liabilities</td>
<td>25,286</td>
<td>30,051</td>
<td>1.53</td>
<td>2.27</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subordinated debt</td>
<td>2,754</td>
<td>2,593</td>
<td>2.96</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>88,013</td>
<td>85,609</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non current liabilities held for sale</td>
<td>740</td>
<td>84,070</td>
<td>4.17</td>
<td>2.48</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest bearing liabilities</td>
<td>88,753</td>
<td>85,609</td>
<td>1.81</td>
<td>2.48</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non Interest bearing liabilities</td>
<td>2,668</td>
<td>2,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shareholders’ equity and minority interests</td>
<td>7,231</td>
<td>6,544</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>98,672</td>
<td>94,153</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Net interest margin stood at 1.68% in 2010, a favourable evolution compared to 1.57% in 2009, reflecting the effect from the measures carried out, in the activity in Portugal and in the international activity. In the activity in Portugal, through the progressive spreads revision in credit operations with customers, aiming to adjust the spreads to customers risk profiles, together with the cost control for customer deposits, preventing a spiral of degradation of commercial margins with no benefits to the financial system as a whole. In the international activity, highlight to the performance of Bank Millennium in Poland, which also continued the effort to adjust spreads, in particular in time deposits, with relevant impact in consolidated
net Interest income. These measures led to successive increases in net interest margin, on a quarterly basis, since the second quarter of 2009.

Net commissions increased to Euro 811.6 million in 2010, up by 10.9% compared to Euro 731.7 million in 2009, benefiting from both commissions more directly associated with the banking business and commissions related to financial markets. The positive evolution in net commissions was sustained by the 9.7% growth in the activity in Portugal, together with the increase of 14.0% in the international activity, reflecting the performance achieved by most foreign operations, in particular in Poland, Angola, Romania and Switzerland.

Commissions more directly associated with the banking business were boosted by the favourable contribution of commissions related to distribution of insurance products, to loans and guarantees to and banking services provided, while commissions associated with the cards business reflected the effect of the exemption of annuities that have benefited cardholders who joined the integrated banking services provided ("Frequent Customer" and "Prestige Customer" solutions). Net commissions related to financial markets were supported by commissions associated with securities operations, in particular structured operations and securities custodian services, which offset the lower level of brokerage commissions. Influenced by the instability in capital markets during the year, and benefited additionally from commissions associated with asset management, as a result of the performances in the activity in Portugal and abroad, in particular in Bank Millennium in Poland.

Net trading income, which includes net gains arising from trading and hedging activities and net gains arising from available-for-sale financial assets, totalled Euro 429.2 million in 2010, a positive evolution from Euro 223.4 million posted in 2009, mostly influenced by the performance in trading, derivatives and other items, which include the debt valuation adjustment, the results from the sale of shareholdings and of securities, as well as the revaluation of hedging operations. Additionally, in 2010 higher results from foreign exchange activity were achieved, centred in the international activity, taking advantage of business opportunities in foreign currency transactions. Net trading income includes, in 2010, the gain of Euro 65.2 million, associated with the sale of the shareholding of 2.7% in Eureko.

The revaluation of financial assets at fair value option in 2010 was influenced by the evolution in the financial markets conditions from 2009, and the consequent impact in the own credit risk of the Bank and of the Portuguese Republic. Therefore, gains were accounted in 2010 in the amount of Euro 204.6 million (losses of Euro 106.1 million in 2009) related to the increase in the own credit risk of the Bank, due to the higher market spreads for operations with similar risk to Millennium bcp.

The performance in net trading income benefited mostly from the activity in Portugal, while the international activity was mainly restrained by the impact from the revaluation of derivative financial instruments booked by Bank Millennium in Poland, partially offset by the positive effect from the gains in foreign exchange activity posted by Millennium bim in Mozambique and by Banco Millennium Angola.

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, stood at Euro 31.0 million in 2010, compared to Euro 132.3 million in 2009. Other net operating income include in 2009 the gain related to the dispersal of 49.9% of Banco Millennium Angola’s share capital, in the amount of Euro 21.2 million, and the gain of Euro 57.2 million obtained with the disposal of assets. The evolution in other net operating income was essentially determined by the lower income from services provided and from the sale/revaluation of real estate.

Dividends from equity instruments, which include dividends received on investments in available for sale financial assets, were up to Euro 35.9 million, from Euro 3.3 million in 2009. This performance reflects mostly the effect from income received in 2010, associated with the shareholding of 2.7% in Eureko, which was meanwhile sold, as in 2009 dividends were not netted. Dividends from equity instruments in 2009 mainly reflect dividends received from the investments of the Group in investment fund units and in shares.
Equity accounted earnings, which include results appropriated by the Group related to the consolidation of entities where, despite having a significant influence, the Group does not control the financial and operational policies, totalled Euro 67.5 million in 2010, up 1.8% from Euro 66.3 million posted in 2009. The performance in equity accounted earnings, despite the unfavourable evolution in results from the shareholdings in VSC and Nansim, benefited, fundamentally, from the earnings associated with the 49% shareholding in Millenniumbcp Agora, which net income showed a rise in 2010, compared with 2009, despite the particularly adverse circumstances for the management of financial investments over the year.

### OTHER NET INCOME

<table>
<thead>
<tr>
<th></th>
<th>Dec. 10</th>
<th>Dec. 09</th>
<th>Change 10/09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net commissions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Banking commissions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cards</td>
<td>185.3</td>
<td>187.3</td>
<td>-1.1%</td>
</tr>
<tr>
<td>Credit and guarantees</td>
<td>178.7</td>
<td>170.3</td>
<td>4.9%</td>
</tr>
<tr>
<td>Bancassurance</td>
<td>74.3</td>
<td>59.7</td>
<td>24.4%</td>
</tr>
<tr>
<td>Other commissions</td>
<td>224.1</td>
<td>190.3</td>
<td>17.9%</td>
</tr>
<tr>
<td>Subtotal banking commissions</td>
<td>633.4</td>
<td>547.6</td>
<td>9.0%</td>
</tr>
<tr>
<td>Market related commissions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Securities</td>
<td>96.6</td>
<td>76.2</td>
<td>26.7%</td>
</tr>
<tr>
<td>Asset management</td>
<td>52.6</td>
<td>47.9</td>
<td>9.8%</td>
</tr>
<tr>
<td>Subtotal market related commissions</td>
<td>149.2</td>
<td>124.1</td>
<td>20.2%</td>
</tr>
<tr>
<td>Total net commissions</td>
<td>881.6</td>
<td>731.7</td>
<td>10.9%</td>
</tr>
<tr>
<td>Net trading income (1)</td>
<td>429.2</td>
<td>223.4</td>
<td>90.4%</td>
</tr>
<tr>
<td>Other net operating income (2)</td>
<td>31.0</td>
<td>132.3</td>
<td>-76.5%</td>
</tr>
<tr>
<td>Dividends from equity instruments</td>
<td>35.9</td>
<td>3.3</td>
<td></td>
</tr>
<tr>
<td>Equity accounted earnings</td>
<td>67.5</td>
<td>66.3</td>
<td>1.8%</td>
</tr>
<tr>
<td>Total other net income</td>
<td>1,375.2</td>
<td>1,199.0</td>
<td>18.7%</td>
</tr>
<tr>
<td>Other Income / Net operating revenues (3)</td>
<td>47.6%</td>
<td>46.5%</td>
<td></td>
</tr>
</tbody>
</table>

(1) In 2010, includes the gain associated with the sale of the 3.7% shareholding in Euroca, in the amount of Euro 67.5 million.
(2) In 2009, includes the gains booked related to the disposal of 49.9% of Banco Millennium Angola’s share capital, amounting to Euro 11.2 million, and the gain associated with the sale of assets, in the amount of Euro 7.2 million.
(3) Calculated according to rule 16/2004 of the Bank of Portugal.

Operating costs, which include staff costs, other administrative costs and depreciation, stood at Euro 1,603.3 million in 2010, representing an increase of 4.1% compared to Euro 1,540.3 million in 2009. The evolution in operating costs was essentially influenced by the performance of the international activity and by the costs control in the activity in Portugal. The operating costs include the accounting of costs related with early retirement of employees, in the sum of Euro 10.4 million, in 2010, and in the amount of Euro 3.9 million in 2009. Excluding these impacts operating costs increased 3.7% between 2009 and 2010.

In the activity in Portugal, operating costs were essentially stable, favourably influenced by the lower level of depreciation and staff costs, despite the increase in other administrative costs. The evolution in operating costs in the international activity mostly reflects the change in costs in Banco Millennium Angola and in Millennium bim in Mozambique, following the strategy of organic growth implemented in these two markets, and in Bank Millennium in Poland, in part influenced by the exchange rate appreciation of the Zloty against the Euro, as well as the depreciation of the residual value of assets excluded from the process of the sale of Millennium bimbank in the USA. Nevertheless, operating costs from the international activity benefited from the drop in operating costs posted by Millennium bank in Greece and by Banco Millennium in Romania.
The consolidated cost-to-income ratio, on a comparable basis, stood at 56.3% in 2010, an improvement of 7.3 p.p. from 63.6% in 2009. This evolution reflects the efficiency improvements achieved in the activity in Portugal, which reached 51.3% from 60.2% in 2009, reflecting the impact of initiatives carried out focused on restraining operating costs and increasing income, as well as in the international activity, by reducing 3.8 p.p. from 2009, benefiting from the favourable performances in most foreign operations.

Staff costs stood at Euro 911.3 million in 2010, an increase of 3.0% from Euro 885.3 million in 2009. Staff costs include accounting of costs related with early retirement of employees, in the sum of Euro 10.4 million and of Euro 3.9 million in 2010 and 2009, respectively. Excluding these impacts staff costs increased 2.3%.

The evolution in staff costs was determined by the 12.0% rise in the international activity, essentially due to the growth in the subsidiary companies in Angola and Mozambique, in both cases associated with the increase in the number of employees in the scope of the expansion plans underway, as well as in Bank Millennium in Poland, in part boosted by the exchange rate appreciation of the Zloty against the Euro. However, these performances were partially offset by the reduction in staff costs posted by Banca Millennium in Romania and by Millennium bank in Greece. In the activity in Portugal, staff costs, between 2009 and 2010, dropped by 0.9% (2.0% excluding the impact of costs with early retirements previously mentioned), benefiting mostly from the reduction in costs related to the pension fund and to voluntary social security charges, despite the growth in salaries, mainly as a result of the annual process of salary reviews.

Other administrative costs stood at Euro 601.8 million in 2010, which compares with Euro 570.2 million in 2009 (+5.6%), reflecting mostly the behaviour in costs related to outsourcing - associated with the activity of credit recovery, advertising, rent, insurance and other specialised services. Nevertheless, it is worth noting the savings achieved in costs associated with travel, communications and transportation. The evolution in other administrative costs reflects the performance in both the activity in Portugal and the international activity. In the activity in Portugal, other administrative costs were influenced fundamentally by costs for legal fees and outsourcing services, especially to support the activity of credit recovery, which were partially offset by the cost containment achieved in several line items, benefitting additionally from the resizing of the distribution network to a total of 892 branches as at 31 December 2010 (911 branches at the end of 2009).

In the international activity, materialising the strategy of focusing on European markets and keep following the investment in the affinity markets, the global distribution network reduced to 852 branches, at the end of 2010, reflecting the impact from the sale of the operations in Turkey and in the United States of America (-35 branches) and also from the rationalisation of the branch networks in Poland and Greece, associated with the revision of the respective expansion plans, despite the growth of the distribution networks implemented in the Angolan and Mozambican markets. The other administrative costs, in the international activity, grew 5.5%, between 2009 and 2010, as a result of higher costs related to specialised services, rent, advertising and insurance, mainly associated with the previously mentioned branch expansion in Angola and Mozambique. However, it is worth noting the costs control in Bank Millennium in Poland, excluding the exchange rate appreciation of the Zloty against the Euro, benefiting from the initiatives implemented focused on improving operating efficiency.

Depreciation costs totalled Euro 110.2 million in 2010, which compares with Euro 104.8 million posted in 2009. The evolution in depreciation was essentially determined by the higher level of depreciation posted by the international activity, in particular by the impact from the depreciation of the residual value of assets excluded from the process of sale of Millennium bcp in the USA, together with the increase of depreciation costs evidenced by Banca Millennium Angola and by Millennium bim in Mozambique, as a result of the investments carried out to support the expansion of the activity in both markets. Meanwhile, in the activity in Portugal depreciation dropped by 9.2%, mostly due to the lower level of depreciation related to equipment and buildings, driven by the progressive end of the period of depreciation of investments, which more than offset the increase in depreciation in software, as a consequence of the continuous effort to improve technology.
<table>
<thead>
<tr>
<th>OPERATING COSTS</th>
<th>Dec. 10</th>
<th>Dec. 09</th>
<th>Change 10/09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff costs</td>
<td>891.3</td>
<td>865.3</td>
<td>3.0%</td>
</tr>
<tr>
<td>Other administrative costs</td>
<td>601.8</td>
<td>570.2</td>
<td>5.6%</td>
</tr>
<tr>
<td>Depreciation</td>
<td>110.2</td>
<td>104.8</td>
<td>5.2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,603.3</strong></td>
<td><strong>1,540.3</strong></td>
<td><strong>4.1%</strong></td>
</tr>
<tr>
<td>Of which:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portugal activity</td>
<td>985.4</td>
<td>978.7</td>
<td>0.7%</td>
</tr>
<tr>
<td>Foreign activity</td>
<td>617.9</td>
<td>561.6</td>
<td>10.0%</td>
</tr>
<tr>
<td>Operating costs / Net operating revenues</td>
<td>51.3%</td>
<td>60.2%</td>
<td></td>
</tr>
</tbody>
</table>

Impairment for loan losses (net of recoveries) stood at Euro 713.3 million in 2010, compared to Euro 560.0 million in 2009, reflecting the reinforcement of impairment charges, following the expectations associated with the extension of the adverse economic and financial framework. The cost of risk, measured by the ratio of impairment charges (net of recoveries) to the loan portfolio, stood at 93 basis points in 2010 (72 basis points in 2009).

The evolution of impairment charges for loan losses (net of recoveries) reflects fundamentally the performance of the activity in Portugal, influenced by the increase in the non-performing loan levels, despite the focus on strengthening prevention and procedures of control and risk management. In the international activity, the increase in impairment charges (net of recoveries) posted by Millennium bank in Greece and, to a lesser extent, by the operations developed in Switzerland, as a result of the devaluation of financial collaterals, and in Angola and Mozambique, following the expansion of the commercial activity, which were more than offset by the reduction in impairment charges booked in Bank Millennium in Poland, mainly as a result of the lower impairment associated with loans to companies.

Other impairment and provisions include other asset impairment, in particular provision charges related to assets received as payment in kind not fully covered by collateral, goodwill impairment and other provisions. Other impairment and provisions totalled Euro 217.6 million in 2010, compared to Euro 97.4 million in 2009, influenced essentially by the recognition of an impairment, in the sum of Euro 147.1 million, booked in the second and fourth quarters of 2010, associated with the goodwill of Millennium bank in Greece, in accordance with the Group’s accounting policy and with IAS 36, considering the estimated impact of the deterioration of the economic situation in Greece. Additionally, the evolution in other impairment and provisions reflects the higher level of provisions posted by the international activity, in particular in Bank Millennium in Poland and Millennium bim in Mozambique. However, other impairment and provisions were influenced by the lower charges booked by the activity in Portugal, benefiting from the charges related to guarantees and other commitments and provisions charges for several risks and contingencies.
**BALANCE SHEET**

**Total assets** reached Euro 100,010 million as at 31 December 2010, compared to Euro 95,550 million as at 31 December 2010.

**Loans to customers** (gross), on a comparable basis, reached Euro 76,411 million as at 31 December 2010, a slight reduction from Euro 76,935 million posted on the same date in 2009. The evolution in loans to customers was mostly hindered by loans to companies, which amounted to Euro 40,529 million as at 31 December 2010 (-5.5%), as loans to individuals registered an increase of 5.4%, sustained by the 7.2% rise in mortgage loans.

The evolution in loans to customers was essentially influenced by the activity in Portugal, which decreased 2.8%, while the international activity showed a favourable performance and increased by 7.3% from the end of 2009, boosted by good performances in the subsidiary companies in Poland, Angola and Mozambique, supported by innovative financial solutions tailored to the needs and profile of customers in these markets.

Between 31 December 2009 and 31 December 2010, the structure of the loan portfolio registered similar levels of diversification, with loans to companies continuing to represent the main component of loans to customers’ portfolio, with a weight of 53% of the total loans portfolio, while loans to individuals represented 47% of total loans to customers.

<table>
<thead>
<tr>
<th>LOANS TO CUSTOMERS (GROSS)</th>
<th>31 Dec. 10</th>
<th>31 Dec. 09</th>
<th>Change 10 / 09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individuals</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mortgage loans</td>
<td>31,036</td>
<td>28,964</td>
<td>7.2%</td>
</tr>
<tr>
<td>Consumer loans</td>
<td>4,846</td>
<td>5,083</td>
<td>-4.7%</td>
</tr>
<tr>
<td></td>
<td>35,882</td>
<td>34,047</td>
<td>5.4%</td>
</tr>
<tr>
<td>Companies</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>16,041</td>
<td>16,405</td>
<td>-2.2%</td>
</tr>
<tr>
<td>Commerce</td>
<td>4,603</td>
<td>5,205</td>
<td>-11.6%</td>
</tr>
<tr>
<td>Construction</td>
<td>5,091</td>
<td>5,453</td>
<td>-6.4%</td>
</tr>
<tr>
<td>Other</td>
<td>14,784</td>
<td>15,825</td>
<td>-6.5%</td>
</tr>
<tr>
<td></td>
<td>40,529</td>
<td>42,588</td>
<td>-5.5%</td>
</tr>
<tr>
<td>Subtotal</td>
<td>76,411</td>
<td>76,935</td>
<td>-0.7%</td>
</tr>
<tr>
<td>Of which:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portugal activity</td>
<td>58,917</td>
<td>60,625</td>
<td>-2.8%</td>
</tr>
<tr>
<td>Foreign activity</td>
<td>17,494</td>
<td>16,310</td>
<td>7.3%</td>
</tr>
<tr>
<td>Loans associated with assets partially sold *(?)</td>
<td>--</td>
<td>413</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>76,411</td>
<td>77,348</td>
<td></td>
</tr>
</tbody>
</table>

Credit quality, measured by the non-performing loan indicators, in particular overdue loans by more than 90 days as a percentage of total loans, stood at 3.0% as at 31 December 2010 (2.3% as at December 2009), reflecting the effects of the worsening economic and financial conditions of households and companies in 2010, despite efforts to control risk, aiming to reinforce prevention, review the loan granting operation and streamline credit recovery. The coverage ratio for loans overdue by more than 90 days stood at 109.4% as at
31 December 2010, compared to 119.0% on the same date in 2009. In the activity in Portugal the coverage ratio was essentially unchanged from the end of the previous year.

<table>
<thead>
<tr>
<th>Euro million</th>
<th>Overdue loans by more than 90 days</th>
<th>Impairment for loan losses</th>
<th>Overdue loans by more than 90 days / Total loans</th>
<th>Coverage ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individuals</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mortgage loans</td>
<td>184</td>
<td>174</td>
<td>0.6%</td>
<td>94.79</td>
</tr>
<tr>
<td>Consumer loans</td>
<td>460</td>
<td>385</td>
<td>9.5%</td>
<td>83.60</td>
</tr>
<tr>
<td></td>
<td>644</td>
<td>559</td>
<td>1.8%</td>
<td>86.70</td>
</tr>
<tr>
<td>Companies</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>476</td>
<td>604</td>
<td>3.0%</td>
<td>127.23</td>
</tr>
<tr>
<td>Commerce</td>
<td>293</td>
<td>252</td>
<td>6.4%</td>
<td>86.16</td>
</tr>
<tr>
<td>Construction</td>
<td>423</td>
<td>301</td>
<td>8.3%</td>
<td>71.09</td>
</tr>
<tr>
<td>Other</td>
<td>454</td>
<td>790</td>
<td>1.1%</td>
<td>73.94</td>
</tr>
<tr>
<td></td>
<td>1,646</td>
<td>1,947</td>
<td>4.1%</td>
<td>118.33</td>
</tr>
<tr>
<td>Total</td>
<td>2,290</td>
<td>2,506</td>
<td>3.0%</td>
<td>109.41</td>
</tr>
</tbody>
</table>

Total customer funds, on a comparable basis, reached Euro 67,596 million as at 31 December 2010, up by 1.6%, from Euro 66,916 million on the same date in 2009, benefiting from the increases in balance sheet customer funds, influenced by the rise in debt securities and capitalisation products (+6.0%).

In the activity in Portugal, total customer funds stood at Euro 51,143 million as at 31 December 2010, compared to Euro 50,803 million as at 31 December 2009, highlighting the stabilisation in customer funds from the Retail segment. In the International activity, total customer funds showed a favourable evolution (+4.7%) reaching Euro 16,453 million at the end of 2010. Highlights included the performance of Bank Millennium in Poland, in both balance sheet customer funds and off-balance sheet customer funds, benefiting additionally from the exchange rate appreciation of the Zloty against the Euro, as well as the growth achieved by Millennium bim in Mozambique and Banco Millennium Angola, sustained by the focus on further increase customer deposits.

Balance sheet customer funds totalled Euro 51,342 million as at 31 December 2010, compared to Euro 50,507 million at the end of 2009, influenced mostly by the rise in debt securities (+22.3%), reflecting the focus on further increasing medium- and long-term customer funds. Off-balance sheet customer funds grew by 1.5%, to Euro 16,254 million as at 31 December 2010 (Euro 16,009 million on the same date in 2009). The favourable trend for off-balance sheet customer funds seen since 2009, was key to the overall increase in total customer funds, as assets under management reduced 8.8% from 31 December 2009, with off-balance sheet customer funds boosted in particular by capitalisation products, which showed a favourable evolution (+6.0%), reaching an historic maximum of Euro 12 billion during 2010. The maintenance of historically low levels of market interest rates, despite the increase in the last quarter of 2010, led to a growing preference among customers for alternative financial solutions with attractive return and low risk, in particular capitalisation products. On a quarterly basis, customer deposits showed a favourable evolution between the second and the third quarters of 2010 (+0.6%), benefiting mostly from the performance in the international activity (+2.5%), in particular at Bank Millennium in Poland, together with the further increase in customer funds in Banco Millennium Angola and Millennium bim in Mozambique.
TOTAL CUSTOMER FUNDS

<table>
<thead>
<tr>
<th>Euro million</th>
<th>31 Dec. 10</th>
<th>31 Dec. 09</th>
<th>Change 10/09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance sheet customer funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposits</td>
<td>45,609</td>
<td>45,822</td>
<td>-0.5%</td>
</tr>
<tr>
<td>Debt securities (1)</td>
<td>5,733</td>
<td>6,685</td>
<td>22.3%</td>
</tr>
<tr>
<td>Total</td>
<td>51,342</td>
<td>52,507</td>
<td>1.7%</td>
</tr>
<tr>
<td>Off-balance sheet customer funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assets under management</td>
<td>4,459</td>
<td>4,887</td>
<td>-8.8%</td>
</tr>
<tr>
<td>Capitalisation products (2)</td>
<td>11,795</td>
<td>11,122</td>
<td>6.0%</td>
</tr>
<tr>
<td>Total</td>
<td>16,254</td>
<td>16,009</td>
<td>1.5%</td>
</tr>
<tr>
<td>Subtotal</td>
<td>67,596</td>
<td>68,516</td>
<td>1.4%</td>
</tr>
<tr>
<td>Of which:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portugal activity</td>
<td>51,143</td>
<td>50,803</td>
<td>0.7%</td>
</tr>
<tr>
<td>Foreign activity</td>
<td>16,453</td>
<td>15,713</td>
<td>4.7%</td>
</tr>
<tr>
<td>Customer funds related to assets partially sold (3)</td>
<td>--</td>
<td>486</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>67,596</td>
<td>67,002</td>
<td></td>
</tr>
</tbody>
</table>

*TOTAL CUSTOMER FUNDS ARE NOT BANKED AND SUED WITH CUSTOMERS.
(1) Includes Short-term note receivables, notes, and similar receivables and level 3 assets.
(2) Includes Capitalisation products and other securities.
(3) Millennium Banked USA.

LIQUIDITY MANAGEMENT

The sovereign debt crisis began in the first quarter of 2010 in Greece, but then spread to other peripheral European markets, including Portugal, creating a new wave of instability, uncertainty and risk aversion in international financial markets, which made it difficult for financial institutions to mobilise funds and increased risk premiums.

In this context, however, Millennium bcp, was able to run the majority of operations under Liquidity Plan during the first quarter of 2010, including the market placement of two issues of Medium Term Notes (MTN), in the total amount of Euro 1.1 billion, the completion of the transaction “Tagus Leasing No. 1” securitisation of car leasing, equipment and real estate amounting of Euro 1.2 billion, the performance of normal volume operations in the Interbank Money Market (IMM) and the significant strengthening of debt via commercial paper.

From April 2010, with the closing of the debt market for medium- and long-term issuance and significant reduction of the volume, timing and number of counterparties in the markets for short-term instruments (commercial paper and IMM), the European Central Bank (ECB), through the exceptional liquidity support system in place since 2008, remained as an alternative for funding the activity.

As part of strengthening the portfolio of eligible assets, in addition to the aforementioned Tagus Leasing No. 1, the operation Caravela EMS No. 2 was completed in December 2010, resulting in the securitisation of a portfolio of accounts and secured current overdraft, contracted mostly with small- and medium-sized companies, in the total amount of Euro 2.7 billion. This was the first operation of its type in Portugal and one of the few completed in Europe to date, based solely on this type of investment (credit lines for short-term use patterns without specific client profiles or predefined amortisation schedules). With the same objective, the Bank also increased the use of its residential mortgage loan portfolio in the issuance of covered bonds, completing three new issues throughout the year, in the total amount of Euro 3.75 billion.
All those actions were part of multi-year plan for liquidity management, developed in the context of an extended absence of the regular functioning of markets. They were implemented in an environment of strict control of the financing needs of the business, aiming at reducing the commercial gap, and resulted, together with the incorporation of public debt (Treasury Bills and Treasury Bonds), in a strengthening of the portfolio of securities eligible for collateral in any future refinancing with central banks to Euro 20.6 billion at 31 December 2010, compared with Euro 17.8 billion in 30 September 2010.

CAPITAL

Following the request submitted by Millennium Group, the Bank of Portugal formally authorised the adoption of methodologies based on Internal Rating models (IRB) for the calculation of capital requirements for credit and counterparty risk, covering a substantial part of the risks from the activity in Portugal as of 31 December 2010.

At the end of 2010, consolidated Core Tier I, calculated in accordance with IRB approach, reached 6.7%, a favourable evolution from the end of the previous year, in accordance with the standard method (6.4%), with the ratios Tier I and Total standing at 9.2% and 10.3% (9.3% and 11.5% respectively at the end of 2009).

The core capital performance was influenced in a significant way by a set of impacts, highlighting:

- the demonstrated ability to generate capital, reflected in both retained earnings and the decrease in capital requirements from the activity (+70 b.p.). The goodwill impairment charges associated with the activity in Greece and the gains from the sale of the shareholding in Eureka had no impact on Core Tier I;
- the effort developed in order to optimise and strengthen the collaterals of the exposure to credit risk, which resulted in capital requirements reduction (+57 b.p.);
- the increase in minority interests resulting from the corresponding share in the capital increase carried out by Bank Millennium in Poland (+14 b.p.).
- the impact from the sale of shareholdings in Turkey and United States of America (+4 b.p.);

These impacts were partially offset by the following unfavourable effects:

- the increase of the pension fund’s actuarial differences above the corridor, as a consequence of the devaluation of the stock markets and also the perception of the sovereign risk increase, namely of Portuguese Republic (+65 b.p.);
- the depreciation of the deferred impacts of the transition adjustments to the IFRS, of the 2005 mortality table and of the 2008 actuarial losses (-32 b.p.);
- the payment and the legal provisioning of the 2010 return not yet paid concerning the hybrid instruments (-19 b.p.);
- the increase of the capital requirements related to the exposures held to national credit institutions, due to the rating devaluation of the Portuguese Republic (-9 b.p.).

The evolution in core capital was also influenced by changes in foreign currencies, minority interests driven by the activity of associated companies and by other effects that, in global terms, had a residual impact in 2010.
SOLVENCY

Euro million

<table>
<thead>
<tr>
<th></th>
<th>IRB</th>
<th>Standardised</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31 Dec. 10</td>
<td>31 Dec. 09</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 conditional coupons</td>
<td>5,455</td>
<td>6,102</td>
</tr>
<tr>
<td>Other deduction (D)</td>
<td>1,935</td>
<td>1,934</td>
</tr>
<tr>
<td>Tier II Capital</td>
<td>774</td>
<td>1,566</td>
</tr>
<tr>
<td>Deductions to Total Regulatory Capital</td>
<td>(113)</td>
<td>(127)</td>
</tr>
<tr>
<td><strong>Total Regulatory Capital</strong></td>
<td>6,116</td>
<td>7,541</td>
</tr>
<tr>
<td><strong>Risk Weighted Assets</strong></td>
<td>59,564</td>
<td>65,769</td>
</tr>
</tbody>
</table>

**Solvency Ratios**

<table>
<thead>
<tr>
<th></th>
<th>IRB</th>
<th>Standardised</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core Tier I</td>
<td>6.7%</td>
<td>6.4%</td>
</tr>
<tr>
<td>Tier I</td>
<td>9.2%</td>
<td>9.3%</td>
</tr>
<tr>
<td>Tier II</td>
<td>1.1%</td>
<td>2.2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>10.3%</td>
<td>11.5%</td>
</tr>
</tbody>
</table>

**Note:** The Bank received authorisation from the Bank of Portugal (BoP) to adopt IRB methods for the calculation of own funds requirement for credit risks, as from 31 December 2010. Estimates of the probability of default and the last given default (IRB Advanced) for the retail exposure on small companies and collateralised by commercial and residential real estate, and estimates of the probability of default (IRB Foundation) for the corporate portfolio were considered in Portugal, excluding real estate promotion segment and the simplified rating system. At the end of 2009, the Bank received authorisation from BoP to adopt the advanced methods (internal models) to the generic market risk and the adoption of standard method for the operational risk.
SEGMENTAL REPORTING

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

Segment description

The Retail Banking segment includes: (i) the Retail Bank in Portugal, where 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) Activobank, a bank focused on clients who are young in spirit, intensive users of new communication technologies and who prefer a banking relationship based on transparency, featuring simple, modern products and services. Retail Banking operates under the strategy of cross-selling, using the Group as a distribution channel for products and services of other Group companies.

The Companies segment, in Portugal, covers the financial needs of companies with an annual turnover between Euro 7.5 million and Euro 100 million, and focuses on innovation, offering a wide range of traditional banking products complemented by specialised financing. Within the scope of the cross-selling strategy, the Companies segment 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, which specialises 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, for purposes of the geographical segments, comprises the Private Banking network in Portugal and subsidiary companies specialised in the asset management business in Portugal. In terms of business segments, it also includes the activities of the Banque Privée BCP and Millennium bcp Bank & Trust.

The Foreign Business segment, for the purpose of geographical segments, comprises the operations outside Portugal, in particular Bank Millennium in Poland, Millennium bank in Greece, Banque Privée BCP in Switzerland, Banca Millennium in Romania, Millennium bim in Mozambique, Banco Millennium Angola in Angola, Millennium bcp Bank & Trust in the Cayman Islands, Millennium bank in Turkey (operation sold on 27 December 2010) and Millennium bcpbank in the United States of America (operation sold on 15 October 2010).

The Foreign Business segment, in terms of the business segments, comprises the Group operations outside of Portugal referred to above, excluding BCP Banque Privée in Switzerland and Millennium bcp Bank & Trust in the Cayman Islands, which are included in the Private Banking & Asset Management segment.

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; in Switzerland by Banque Privée BCP, a Private Banking platform under Swiss law; 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 companies and Individual customers; in Angola by a bank focused on private banking and companies as well as public and private institutions; and in the Cayman Islands by Millennium bcp Bank & Trust, a bank designed for international services in the area of Private Banking to customers with high net worth (Affluent segment).
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 levels, 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: i) in 2009 the standard approach for calculating capital requirements for credit risks; and ii) in the 2010 IRB Advanced for credit risk Retail portfolio related to small retail business or collateralised by residential or commercial real estate, and Foundation IRB for corporate loans in Portugal, excluding property developers and other entities simplified rating system.

In 2009, subsequent to 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 changes in the second half of 2009 and 2010 in the organisation of the segments were reflected in the figures for 2009: Retail Banking and Companies were individualised, the Corporate network became part of the Corporate & Investment Banking segment and Interfunds, which was part of Private Banking & Asset Management, joined Companies. The business of the Millennium bcp Bank & Trust in the Cayman Islands has been considered in the Foreign Business segment, rather than the segment Private Banking & Asset Management, as it was previously.

The capital allocation of each business segment in 2010 was 6.5%, and was considered, for comparative purposes, the same percentage of capital allocation as in 2009.

The net contributions of each segment include, where applicable, the minority interests. Thus, the net contribution reflects the individual results achieved by its business units, independent of the percentage held by the Group, including the impact of movements of funds described above. 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 2010.
Retail Banking

The net contribution from Retail Banking in Portugal stood at Euro 106.9 million in 2010 compared to Euro 151.4 million in 2009.

In line with the strategic priority of repricing transactions, adjustments to the pricing of spreads and commissions set for the Retail Banking, the other net income showed a favourable performance compared to 2009, underpinning the evolution of commissions associated with the Customer loyalty programmes, particularly those related to demand deposits and Insurance risk.

The performance of net interest income in 2010 was influenced by the lower volume of loans to customers, despite the positive effect associated with the repricing of loans carried out.

Operating costs dropped from 2009, driven by the measures implemented to simplify the organisation and to optimize processes, as well as by the reduction in the number of employees. The increase in impairment charges posted in 2010 resulted from the higher levels of non-performing loans.

In 2010, Retail Banking reduced the commercial gap, in line with the strategic priority of expanding customer funds through an enhanced product portfolio for small savings and investment solutions with low risk. Thus, total customer funds, reflecting the commercial effort to further increase customer funds, remained stable and amounted to Euro 36,133 million as at 31 December 2010, compared to Euro 36,204 million as at 31 December 2009. Loans to customers fell 3.3% to Euro 33,547 million as at 31 December 2010, compared to Euro 34,678 million recorded on the same date in 2009, influenced by the reduction of mortgage loans, loans for property development, consumer credit and finance companies.

<table>
<thead>
<tr>
<th>Euro million</th>
<th>31 Dec.10</th>
<th>31 Dec. 09</th>
<th>Change 10 / 09</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>514.5</td>
<td>678.1</td>
<td>-18.1%</td>
</tr>
<tr>
<td>Other net income</td>
<td>452.6</td>
<td>433.8</td>
<td>4.3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>967.1</strong></td>
<td><strong>1,111.9</strong></td>
<td><strong>-8.9%</strong></td>
</tr>
<tr>
<td><strong>Operating costs</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating costs</td>
<td>670.3</td>
<td>725.5</td>
<td>-7.6%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,637.4</strong></td>
<td><strong>1,837.4</strong></td>
<td><strong>-11.0%</strong></td>
</tr>
<tr>
<td><strong>Impairment</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impairment</td>
<td>101.2</td>
<td>130.6</td>
<td>-22.0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>145.7</strong></td>
<td><strong>161.2</strong></td>
<td><strong>-9.5%</strong></td>
</tr>
<tr>
<td><strong>Contribution before income taxes</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contribution before income taxes</td>
<td>145.3</td>
<td>205.8</td>
<td>-29.3%</td>
</tr>
<tr>
<td>Income taxes</td>
<td>38.6</td>
<td>54.4</td>
<td>-29.1%</td>
</tr>
<tr>
<td><strong>Net contribution</strong></td>
<td><strong>106.9</strong></td>
<td><strong>151.4</strong></td>
<td><strong>-29.4%</strong></td>
</tr>
</tbody>
</table>

**Summary of Indicators**

<table>
<thead>
<tr>
<th></th>
<th>31 Dec.10</th>
<th>31 Dec. 09</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allocated capital</td>
<td>1,094</td>
<td>1,326</td>
<td>-17.2%</td>
</tr>
<tr>
<td>Return on allocated capital</td>
<td>10.2%</td>
<td>11.4%</td>
<td>-1.2%</td>
</tr>
<tr>
<td>Risk weighted assets</td>
<td>16,076</td>
<td>20,397</td>
<td>-21.2%</td>
</tr>
<tr>
<td>Cost to income ratio</td>
<td>69.3%</td>
<td>68.3%</td>
<td>0.5%</td>
</tr>
<tr>
<td>Loans to customers</td>
<td>33,547</td>
<td>34,678</td>
<td>-3.3%</td>
</tr>
<tr>
<td>Total customer funds</td>
<td>36,133</td>
<td>36,204</td>
<td>-0.2%</td>
</tr>
</tbody>
</table>

Note: Loans to customers and customer funds are monthly average balances.
Companies

The Companies segment in Portugal posted a net contribution of Euro 7.5 million in 2010, compared with a net contribution of Euro 35.9 million in 2009. The performance of this segment was determined by higher impairment charges, despite the increase in operating income.

Other net income increased 41.5% from 2009, supported by the strategic priority to place products that generate fees, highlighting the favourable performance of commissions related to services of financial investment, direct credit and credit by signature, as a result of the strategy to reinforce client relationships and regular and systematic monitoring of customer activity. Highlights include the implementation of the program “Ainda Mais Próximo dos Clientes” (Even closer to customers). Net interest income on deposits registered a reduction, influenced by the decrease in spreads in operations with customers, as the volume effect was positive, simultaneously benefiting from the effect on pricing alignment on loan operations, aiming to reflect the cost of risk and refinancing to new operations with customers.

The increase in impairment charges recorded in 2010, compared with the amount booked in 2009, resulted from reinforcing the coverage of non-performing loans, mostly influenced by the adverse economic and financial framework in 2010.

The evolution in total customer funds reflects the performance of debt securities, as customer deposits, as a result of the strategy to further increase customer funds, rose by 1.7%.

Loans to customers fell 6.3% to Euro 10,024 million as at 31 December 2010, compared to Euro 10,717 million posted on the same date in 2009, determined by the reduction in national currency loans, commercial paper and factoring.

<table>
<thead>
<tr>
<th>Euro million</th>
<th>31 Dec.10</th>
<th>31 Dec. 09</th>
<th>Change 10 / 09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit and loss account</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net interest income</td>
<td>171.7</td>
<td>186.6</td>
<td>-8.1%</td>
</tr>
<tr>
<td>Other net income</td>
<td>87.6</td>
<td>61.9</td>
<td>41.5%</td>
</tr>
<tr>
<td>Operating costs</td>
<td>259.3</td>
<td>248.7</td>
<td>4.3%</td>
</tr>
<tr>
<td>Impairment</td>
<td>60.1</td>
<td>57.9</td>
<td>3.8%</td>
</tr>
<tr>
<td>Contribution before income taxes</td>
<td>189.0</td>
<td>141.9</td>
<td>33.2%</td>
</tr>
<tr>
<td>Income taxes</td>
<td>10.2</td>
<td>48.8</td>
<td>-79.2%</td>
</tr>
<tr>
<td>Net contribution</td>
<td>7.7</td>
<td>12.9</td>
<td>-79.0%</td>
</tr>
</tbody>
</table>

Summary of Indicators

<table>
<thead>
<tr>
<th></th>
<th>31 Dec.10</th>
<th>31 Dec. 09</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allocated capital</td>
<td>647</td>
<td>659</td>
<td></td>
</tr>
<tr>
<td>Return on allocated capital</td>
<td>1.2%</td>
<td>5.4%</td>
<td></td>
</tr>
<tr>
<td>Risk weighted assets</td>
<td>9,995</td>
<td>10,134</td>
<td></td>
</tr>
<tr>
<td>Cost to income ratio</td>
<td>23.2%</td>
<td>23.3%</td>
<td></td>
</tr>
<tr>
<td>Loans to customers</td>
<td>10,024</td>
<td>10,717</td>
<td>-6.5%</td>
</tr>
<tr>
<td>Total customer funds</td>
<td>1,858</td>
<td>1,874</td>
<td>-0.8%</td>
</tr>
</tbody>
</table>

Note: Loans to customers and customer funds on monthly average balance.
Corporate & Investment Banking

The Corporate & Investment Banking segment showed a net contribution of Euro 77.2 million in 2010 compared to Euro 148.6 million posted in the same period in 2009. The uncertainty surrounding the public finances of several euro zone countries led to an increase in risk premiums and a reduction in market liquidity and significantly affected the performance of this segment.

In this context, the net contribution of the Corporate & Investment Banking segment was determined by the strengthening of impairment charges in the Corporate Network. Net Interest Income, in turn, was constrained by an unfavourable interest rate effect, resulting from lower spreads on deposits, despite the focus on profitability by improving the process of repricing, to reflect the cost of risk and liquidity.

The decrease in other net income due to lower results from financial operations, despite the increase in commissions in the Corporate Network, in line with the strategic priority of focusing on profitability through a systematic collection of fees, especially commissions associated with credit by signature, commercial paper, financial services and demand deposits. In the activities undertaken by the Investment Banking segment, it is worth noting the significant position of the Bank’s brokerage activity on Euronext Lisbon, the pace set for organising and structuring commercial paper programmes, the several projects for corporate finance and equity capital markets and the active role in structured finance and project finance operations.

In terms of customer funds and loans to customers, and in accordance with the strategic priority of deleveraging, in 2010 there was a reduction in new business operations, while the effort to further increase customer funds was reinforced. As a result, total customer funds increased 0.8% to Euro 11,236 million as at 31 December 2010, compared with Euro 11,150 million as at 31 December 2009. Loans to customers amounted to Euro 13,245 million at end December 2010, increasing 2.2% compared to Euro 12,962 million recorded at the end of December 2009, benefiting from the performance in national currency loans and commercial paper.

<table>
<thead>
<tr>
<th>Euro million</th>
<th>31 Dec.10</th>
<th>31 Dec. 09</th>
<th>Change 10 / 09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit and loss account</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Interest income</td>
<td>198.3</td>
<td>209.4</td>
<td>-5.3%</td>
</tr>
<tr>
<td>Other net income</td>
<td>159.8</td>
<td>201.9</td>
<td>-20.9%</td>
</tr>
<tr>
<td></td>
<td>358.1</td>
<td>411.3</td>
<td>-12.9%</td>
</tr>
<tr>
<td>Operating costs</td>
<td>74.9</td>
<td>73.2</td>
<td>2.3%</td>
</tr>
<tr>
<td>Impairment</td>
<td>178.2</td>
<td>135.1</td>
<td>31.9%</td>
</tr>
<tr>
<td>Contribution before income taxes</td>
<td>105.0</td>
<td>203.0</td>
<td>-48.3%</td>
</tr>
<tr>
<td>Income taxes</td>
<td>27.8</td>
<td>54.5</td>
<td>-48.9%</td>
</tr>
<tr>
<td>Net contribution</td>
<td>77.2</td>
<td>148.6</td>
<td>-48.1%</td>
</tr>
</tbody>
</table>

Summary of Indicators

| | 31 Dec.10 | 31 Dec. 09 | Change 10 / 09 |
| Allocated capital | 1,045 | 947 | |
| Return on allocated capital | 7.4% | 15.7% | |
| Risk weighted assets | 16,082 | 16,549 | |
| Cost to Income ratio | 20.9% | 17.8% | |
| Loans to customers | 13,245 | 12,962 | 2.2% |
| Total customer funds | 11,236 | 11,150 | 0.8% |

Note: loans to customers and customer funds are monthly average balances.
Private Banking & Asset Management

The Private Banking & Asset Management segment, considering the geographical segmentation criteria, posted a net loss of Euro 6.9 million in 2010, compared with a positive net contribution of Euro 2.8 million in 2009. This evolution includes the decrease in net interest income, reflecting the reduction in both the business volumes and the interest rates for customer funds and loans to customers, despite the effort to keep following the repricing process to reflect the cost of risk and liquidity.

The increase in other net income by 5.3% results from the Private Banking business in Portugal and is associated with an increase in commissions related to securities custodian and to credit by signature, following the review of pricing in terms of its adequacy to the Bank’s value proposition.

The decrease in impairment charges by 2.3% reflects the strategy followed in the management of the loan portfolio quality, including the strengthening of collaterals. Operating costs also showed a favourable evolution compared to 2009, evidencing reductions in other administrative costs related mainly with advisory services.

Total customer funds amounted to Euro 6,927 million, maintaining the same level as at 31 December 2009, supported by the good performance in capitalisation products which partially offset the evolution of customer deposits.

Loans to customers amounted to Euro 1,391 million as at 31 December 2010, compared to Euro 2,211 million as at 31 December 2009, as a result of the reduction in loans to customers from Private Banking in Portugal.

<table>
<thead>
<tr>
<th>Euro million</th>
<th>31 Dec. 10</th>
<th>31 Dec. 09</th>
<th>Change 10 / 09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit and loss account</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Interest Income</td>
<td>19.2</td>
<td>36.9</td>
<td>-48.0%</td>
</tr>
<tr>
<td>Other net Income</td>
<td>22.8</td>
<td>21.7</td>
<td>5.3%</td>
</tr>
<tr>
<td></td>
<td>42.1</td>
<td>58.6</td>
<td>-28.2%</td>
</tr>
<tr>
<td>Operating costs</td>
<td>31.5</td>
<td>33.8</td>
<td>-7.0%</td>
</tr>
<tr>
<td>Impairment</td>
<td>20.4</td>
<td>20.9</td>
<td>-2.3%</td>
</tr>
<tr>
<td>Contribution before income taxes</td>
<td>(9.6)</td>
<td>3.9</td>
<td>-</td>
</tr>
<tr>
<td>Income taxes</td>
<td>(2.9)</td>
<td>5.0</td>
<td>-</td>
</tr>
<tr>
<td>Net contribution</td>
<td>(6.9)</td>
<td>2.8</td>
<td>-</td>
</tr>
</tbody>
</table>

Summary of Indicators

| | 63 | 82 |
| Allocated capital | | |
| Return on allocated capital | -11.0% | 3.6% |
| Risk weighted assets | 975 | 1,266 |
| Cost to income ratio | 74.8% | 57.7% |
| Loans to customers | 1,391 | 2,211 | -37.1% |
| Total customer funds | 6,927 | 6,947 | -0.3% |

Note: Loans to customers and customer funds are maturity average balances.
Foreign Business

The net contribution of the Foreign Business segment, considering the geographical segmentation criteria, totalled Euro 96.2 million in 2010, compared with a net contribution of Euro 11.8 million in 2009, benefiting from the rise in net operating revenues and the reduction in impairment charges.

The increase in net interest income by 35.7% from 2009, was driven by the performance achieved in most geographies, boosted essentially by the operation developed in Poland, due to the volume and interest rate effect, and by subsidiaries in Angola, Mozambique and Romania based on the growth in business volumes.

In other net income, highlights include the performance of commissions sustained by the contributions of the subsidiary company in Poland (related to the increase in fees associated with the cards business, account maintenance and investment funds), Angola (associated with the increase in the business volumes, in both loans to customers and customer funds) and Switzerland (supported in brokerage commissions). In the activity in Mozambique it is worth noting the gains associated with foreign exchange operations obtained in transactions with customers.

The decrease in impairment charges and provisions of 11.6%, from 2009, is associated with the lower provisioning level posted by the operation developed in Poland and Romania, which offset the increase in impairment charges booked in Greece, Angola and Mozambique.

Loans to customers rose 6.7% to Euro 16,926 million as at 31 December 2010, benefiting from the performance in loans to individuals, reflecting the growth evidenced in the operations developed in Angola, Mozambique, Poland and Romania.

Total customer funds increased 6.8% to Euro 16,483 million as at 31 December 2010, influenced by the performance in customer deposits, which grew 5.8%, as well as in capitalisation products.

<table>
<thead>
<tr>
<th></th>
<th>31 Dec. 10</th>
<th>31 Dec. 09</th>
<th>Change 10 / 09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit and loss account</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net interest income</td>
<td>544.2</td>
<td>401.1</td>
<td>35.7%</td>
</tr>
<tr>
<td>Other net income</td>
<td>365.7</td>
<td>383.2</td>
<td>-4.6%</td>
</tr>
<tr>
<td></td>
<td>910.0</td>
<td>784.3</td>
<td>16.0%</td>
</tr>
<tr>
<td>Operating costs</td>
<td>617.9</td>
<td>561.6</td>
<td>10.0%</td>
</tr>
<tr>
<td>Impairment and provisions</td>
<td>171.0</td>
<td>193.6</td>
<td>-11.6%</td>
</tr>
<tr>
<td>Contribution before income taxes</td>
<td>121.0</td>
<td>29.1</td>
<td>-</td>
</tr>
<tr>
<td>Income taxes</td>
<td>24.8</td>
<td>17.4</td>
<td>43.0%</td>
</tr>
<tr>
<td>Net contribution</td>
<td>96.2</td>
<td>11.8</td>
<td>-</td>
</tr>
</tbody>
</table>

Summary of Indicators

|                                |            |            |                |
| Allocated capital              | 1,241      | 1,321      |                |
| Return on allocated capital    | 7.8%       | 0.9%       |                |
| Risk weighted assets           | 14,272     | 14,381     |                |
| Cost to income ratio           | 67.9%      | 71.6%      |                |
| Loans to customers             | 16,926     | 15,868     | 6.7%           |
| Total customer funds           | 16,483     | 15,430     | 6.8%           |

(1) Does not include the subsidiary companies Millennium Bank Turkey and Millennium Bank USA.

Revised Commercial Portugal, S.A. is a public company incorporated having been registered at Office of Príncipe de Pombal, 2, Lote 1, Lote, registered at the Commercial Registry of Lisbon, with the general commercial and tax identification number VAT 510 880 938 and the share capital of €5 571 263 016.00.
SIGNIFICANT EVENTS

The main events of the fourth quarter of 2010 included the execution of the strategy of focusing on the international portfolio, including the completion of the sale of the units in the United States and Turkey; the implementation of a set of measures included in the strategic plan of liquidity management, comprehending increasing on-balance sheet customer funds acquisition, reducing credit, the sale of non-strategic assets and balance sheet restructurings through the increase of the weight of highly liquid assets; the strengthening of cooperation with the Industrial and Commercial Bank of China, part of a new approach to the commercial triangle that links China, Africa and Europe; committing the policy of proximity to customers through the implementation of the MP4 project, which aims to recover net operating revenues, increase efficiency and enhance credit recovery; the promotion of innovation as a key competitive advantage; and the initiatives to adjust the pricing to the increase in the cost of funding. Of special note:

- Completion, on 15 October 2010, of the transaction with Investors Savings Bank to sell all the branches of Millennium bcpbank in the United States of America, all of the deposits of approximately Euro 445 million and part of the loan portfolio of approximately Euro 145 million. As a result of this transaction, BCP no longer engages in the banking business in the USA.

- Completion, on 27 December 2010, of the sale of 95% of Millennium Bank AS in Turkey to the financial institution Credit Europe Bank, N.V., a wholly owned subsidiary of Fiba Holding, A.S., for a total adjusted price of Euro 58.9 million. As a result of this transaction, BCP retained a 5% stake in the company, having agreed with the buyer a put and call mechanism to sell the remaining stake for a price per share no lower than the price now received for the majority stake.

- Bitalpart BV, a wholly-owned subsidiary of BCP, agreed on 31 December 2010 to sell a minority shareholding corresponding to 2.7% of the share capital of Euroe BV to the Pension Fund of Group Banco Comercial Português. On 31 December 2009, Euroe Group registered Euro 10,127 million in shareholder’s equity. The rating agency Standard & Poor’s confirmed, on December 2010, the credit ratings of A+ for the main companies of Group Euroe and of A- for the holding company, improving the Outlook from Negative to Stable. The transaction will result in a gain before taxes of Euro 65 million, and does not impact the Group’s equity.

- Signature of a memorandum of understanding that aims to strengthen cooperation between the Industrial and Commercial Bank of China and Millennium bcp. This agreement extends to other countries and regions, in addition to Portugal and China, covering the triangle connecting China/Macau, Angola and Mozambique, and Portugal.

- The fifth anniversary of Millennium’s autonomous Microcredit network.

- Launch of information about Millennium bcp’s Mobile Banking services on Facebook, to achieve a continuous sharing of information and the publication of news, providing information on the services the Bank offers. This innovative measure is designed to contribute to strengthening the relationship between Millennium bcp and its customers.

- Renewal of the exclusive contract with American Express for the issuance and management of American Express cards in Portugal through 2015, comprehending exclusive issuance of Centurion cards and guaranteeing also an exclusive acquiring agreement until 2017.

- Concerning the legal proceedings nr. 1557/08, item 3TFLSB relating to the shareholders campaigns carried out during BCP’s share capital increases of 2000 and 2001, the Bank was acquitted of all charges brought against it, namely: (i) 1 very serious administrative offence for excessive intermediation; (ii) 41 very serious administrative offences for non-compliance with the duty of giving preference to the shareholder’s Interests; (iii) 37 serious administrative offences for non-compliance with the obligation to keep records and documents; (iv) 1 serious administrative offence for providing the supervision authorities with information of insufficient quality. This decision was appealed by the District Attorney and CMVM.
Banco Comercial Português intended to alter the Retirement Pensions of its former Directors to comply with the limits set forth by article 402 (2) of the Companies Code, having reached an agreement with all the former Directors, except for one. Concerning the latter, the Bank initiated legal proceedings for that purpose.

The 20th edition of Millennium Meetings, this time in the city of Viana do Castelo on 15 and 16 November 2010.

Launch of Microcredit for the Handicapped as part of the initiatives to mark the International Day of People with Disabilities. In parallel, the Millennium bcp Foundation partnered with the Institute of Museums and Conservation with the public presentation of the project “Treasures from the National Tile Museum” with the support of audio guide that includes audio descriptions for visually impaired and video-guides in Sign Language for the hearing-impaired.

Support to the Food Bank’s campaign to collect food for the needy.

Opening of two simultaneous Millennium Art Shared exhibitions in Porto “100 Years of Portuguese Art” and “Abstraction”.

Inauguration of the Art Exhibition “Untitled - A look at the Millennium bim Art Collection” as part of celebrations of Millennium bim’s 15th Anniversary.

4th edition of the “Uma Cidade Limpa pra Mim” (A Clean City For Me), under the social responsibility program “Mais Moçambique pra Mim” (More Mozambique for Me) of Millennium bim, with the participation of about 1,000 students from 20 primary schools and secondary cities Maputo, Matola, the Mayor of Maputo and several Bank employees.

Realization of the Millennium bim Economic Conference in Maputo, with the theme “Poverty and Economic Development - Case of Mozambique”.

Distinction of the program “Mil Ideias” (One Thousand Ideas) as “Best Demonstrated Practice” in the involvement of employees in the organization, by the Corporate Executive Board.

Fitch Rating Agency announced, on 8 November 2010, the revision of the ratings for various Portuguese Banks. In this context, Fitch has revised the long-term rating of Banco Comercial Português to “BBB-” and the short-term rating to “F2” and maintained a negative outlook.

Moody’s rating agency placed all the ratings of the Portuguese Banks under review, on 9 December 2010, in order to evaluate the strategies of each Bank to tackle the current economic situation, with an impact on the bank’s profitability and asset quality, and the current situation of closure of wholesale funding markets, impacting the funding of the Banks and the consequent restrictions on lending.

The Bank of Portugal formally authorised the adoption of the methodologies based on the IRB approach for the calculation of capital requirements for counterparty and credit risks, covering a substantial part of the risks from the activity in Portugal starting on 31 December 2010.
PROPOSAL FOR THE APPROPRIATION OF PROFITS

The Supervisory Board, at today’s meeting, formalised its agreement regarding the proposal for the application of the 2010 results into reserves that the Executive Board of Directors decided to submit to the General Meeting of Shareholders on 18 April 2011.

Considering the evolution of international financial markets and the Portuguese economy, as well as more demanding capital requirements as a result of the new Basel III accord, the Supervisory Board also agreed with the deliberation of the Executive Board of Directors to submit to the General Meeting of Shareholders a share capital increase proposal exclusively through the incorporation of reserves in the amount of Euro 120 million.

The proposal of this scrip dividend reflects the effort to find a balance between shareholder interests and the priority of preserving the Group’s capital and liquidity.

“Disclaimer”

This document is not an offer of securities for sale in the United States, Canada, Australia, Japan or any other jurisdiction. Securities may not be offered or sold in the United States unless they are registered pursuant to the US Securities Act of 1933 or are exempt from such registration. Any public offering of securities in the United States, Canada, Australia or Japan would be made by means of a prospectus that will contain detailed information about the company and management, including financial statements.

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 2009 and 2010 were subject to an audit by External Auditors.
Earnings Press Release

BANCO COMERCIAL PORTUGUÊS

Consolidated Income Statement
for the years ended 31 December, 2010 and 2009

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest income</td>
<td>€3,477,058</td>
<td>€3,633,479</td>
</tr>
<tr>
<td>Interest expense</td>
<td>(€1,460,223)</td>
<td>(€2,305,124)</td>
</tr>
<tr>
<td>Net interest income</td>
<td>€1,516,835</td>
<td>€1,334,355</td>
</tr>
<tr>
<td>Dividends from equity instruments</td>
<td>€35,906</td>
<td>€33,336</td>
</tr>
<tr>
<td>Net fees and commission income</td>
<td>€811,581</td>
<td>€731,731</td>
</tr>
<tr>
<td>Net gains / losses arising from trading and hedging activities</td>
<td>€367,280</td>
<td>€249,827</td>
</tr>
<tr>
<td>Net gains / losses arising from available for sale financial assets</td>
<td>€61,907</td>
<td>(€24,457)</td>
</tr>
<tr>
<td>Other operating income</td>
<td>€17,476</td>
<td>€1,137</td>
</tr>
<tr>
<td>Other net income from non banking activity</td>
<td>€16,550</td>
<td>€16,233</td>
</tr>
<tr>
<td>Total operating income</td>
<td>€2,827,535</td>
<td>€2,351,962</td>
</tr>
<tr>
<td>Staff costs</td>
<td>€891,239</td>
<td>€865,337</td>
</tr>
<tr>
<td>Other administrative costs</td>
<td>€601,845</td>
<td>€570,177</td>
</tr>
<tr>
<td>Depreciation</td>
<td>(€117,231)</td>
<td>(€104,736)</td>
</tr>
<tr>
<td>Operating costs</td>
<td>€1,403,235</td>
<td>€1,540,250</td>
</tr>
<tr>
<td>Loans impairment</td>
<td>(€71,256)</td>
<td>(€60,029)</td>
</tr>
<tr>
<td>Other assets impairment</td>
<td>(€71,115)</td>
<td>(€70,480)</td>
</tr>
<tr>
<td>Goodwill impairment</td>
<td>(€147,130)</td>
<td>-</td>
</tr>
<tr>
<td>Other provisions</td>
<td>(€53,822)</td>
<td>(€66,879)</td>
</tr>
<tr>
<td>Operating profit</td>
<td>€293,334</td>
<td>€154,327</td>
</tr>
<tr>
<td>Share of profit of associates under the equity method</td>
<td>€67,481</td>
<td>€66,262</td>
</tr>
<tr>
<td>Gains / losses from the sale of subsidiaries and other assets</td>
<td>(€3,918)</td>
<td>-</td>
</tr>
<tr>
<td>Profit before income tax</td>
<td>€357,837</td>
<td>€295,519</td>
</tr>
<tr>
<td>Income tax</td>
<td>€57,158 (66,634)</td>
<td>(65,834)</td>
</tr>
<tr>
<td>Deferred</td>
<td>€57,240</td>
<td>€39,412</td>
</tr>
<tr>
<td>Profit after income tax</td>
<td>€360,919</td>
<td>€249,302</td>
</tr>
<tr>
<td>Attributable to:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shareholders of the Bank</td>
<td>€301,612</td>
<td>€225,217</td>
</tr>
<tr>
<td>Minority Interests</td>
<td>€59,307</td>
<td>€24,085</td>
</tr>
<tr>
<td>Profit for the year</td>
<td>€360,919</td>
<td>€249,302</td>
</tr>
</tbody>
</table>

Earnings per share (in euros)
- Basic 0.04 0.03
- Diluted 0.04 0.03
**BANCO COMERCIAL PORTUGUES**

Consolidated Balance Sheet as at 31 December, 2010 and 2009

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and deposits at central banks</td>
<td>1,484,262</td>
<td>2,244,724</td>
</tr>
<tr>
<td>Loans and advances to credit institutions</td>
<td>1,215,029</td>
<td>839,592</td>
</tr>
<tr>
<td>Other loans and advances</td>
<td>2,343,972</td>
<td>2,025,834</td>
</tr>
<tr>
<td>Loans and advances to customers</td>
<td>73,905,406</td>
<td>75,191,116</td>
</tr>
<tr>
<td>Financial assets held for trading</td>
<td>5,326,299</td>
<td>3,356,929</td>
</tr>
<tr>
<td>Financial assets available for sale</td>
<td>2,573,064</td>
<td>2,698,636</td>
</tr>
<tr>
<td>Assets with repurchase agreement</td>
<td>13,815</td>
<td>56,866</td>
</tr>
<tr>
<td>Hedging derivatives</td>
<td>476,674</td>
<td>469,848</td>
</tr>
<tr>
<td>Financial assets held to maturity</td>
<td>6,744,673</td>
<td>2,027,304</td>
</tr>
<tr>
<td>Investments in associated companies</td>
<td>397,373</td>
<td>438,818</td>
</tr>
<tr>
<td>Non current assets held for sale</td>
<td>996,772</td>
<td>1,343,163</td>
</tr>
<tr>
<td>Investment property</td>
<td>404,734</td>
<td>429,856</td>
</tr>
<tr>
<td>Property and equipment</td>
<td>617,240</td>
<td>645,818</td>
</tr>
<tr>
<td>Goodwill and Intangible assets</td>
<td>400,802</td>
<td>534,993</td>
</tr>
<tr>
<td>Current tax assets</td>
<td>33,946</td>
<td>34,774</td>
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<tr>
<td>Deferred tax assets</td>
<td>686,630</td>
<td>594,250</td>
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<tr>
<td>Other assets</td>
<td>2,513,009</td>
<td>2,647,777</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>10,009,789</td>
<td>9,550,416</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amounts owed to credit institutions</td>
<td>20,076,156</td>
<td>10,309,672</td>
</tr>
<tr>
<td>Amounts owed to customers</td>
<td>45,609,119</td>
<td>46,307,233</td>
</tr>
<tr>
<td>Debt securities</td>
<td>18,127,390</td>
<td>19,953,227</td>
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<td>Financial liabilities held for trading</td>
<td>1,176,491</td>
<td>1,672,324</td>
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<td>Other financial liabilities at fair value through profit and loss</td>
<td>4,036,239</td>
<td>6,345,583</td>
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<td>Hedging derivatives</td>
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<td>75,483</td>
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<td>Non current liabilities held for sale</td>
<td>439,522</td>
<td>439,522</td>
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<td>Provisions for liabilities and charges</td>
<td>235,333</td>
<td>233,120</td>
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<td>Subordinated debt</td>
<td>2,039,174</td>
<td>2,231,714</td>
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<td>Current income tax liabilities</td>
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<td>Deferred income tax liabilities</td>
<td>344</td>
<td>416</td>
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<td>Other liabilities</td>
<td>1,991,233</td>
<td>1,950,212</td>
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<td><strong>Total Liabilities</strong></td>
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<td>8,829,669</td>
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<td><strong>Equity</strong></td>
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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>
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<td>(60,548)</td>
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<td>Share premium</td>
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<td>192,122</td>
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<td>Preference shares</td>
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<td>Other capital instruments</td>
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<td>Fair value reserves</td>
<td>(154,361)</td>
<td>93,760</td>
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<td>Reserves and retained earnings</td>
<td>(110,040)</td>
<td>(243,655)</td>
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<td>Profit for the year attributable to Shareholders</td>
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<td>220,212</td>
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<td><strong>Total Equity attributable to Shareholders of the Bank</strong></td>
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<td>6,876,496</td>
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<td>Minority interests</td>
<td>497,501</td>
<td>364,305</td>
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<tr>
<td><strong>Total Equity</strong></td>
<td>7,247,476</td>
<td>7,220,801</td>
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<tr>
<td><strong>Consolidated Balance Sheet as at 31 December, 2010 and 2009</strong></td>
<td>10,009,789</td>
<td>9,550,416</td>
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</table>
## SHARES AND BONDS HELD BY THE MEMBERS OF THE MANAGEMENT AND SUPERVISORY BOARDS OF BANCO COMERCIAL PORTUGUÊS, S.A.

Shareholder and Bondholder position of Members of the Management and Supervision Boards:

<table>
<thead>
<tr>
<th>Shareholders/Bondholders</th>
<th>Security</th>
<th>Number of securities at 31/12/2010</th>
<th>Changes during 2010</th>
<th>Unit Price</th>
</tr>
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<tbody>
<tr>
<td></td>
<td></td>
<td>31/12/2009</td>
<td>Acquisitions</td>
<td>Disposals</td>
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<td></td>
<td></td>
<td>(euros)</td>
<td>(euros)</td>
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<td><strong>MEMBERS OF EXECUTIVE BOARD</strong></td>
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<td></td>
<td></td>
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<tr>
<td>Paulo José de Ribeiro Molina Macedo</td>
<td>BCP Shares</td>
<td>259,994</td>
<td>259,994</td>
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<tr>
<td>Vítor Manuel Lopes Fernandes</td>
<td>BCP Shares</td>
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<td>BCP Investimento Telecoms</td>
<td>March 2013</td>
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<td>Luís Maria França de Castro Pereira Coutinho</td>
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<td>José João Guilherme</td>
<td>BCP Shares</td>
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<td>51,000</td>
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<tr>
<td>Nelson Ricardo Bessa Machado</td>
<td>BCP Shares</td>
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<td>Miguel Maya Dias Pinheiro</td>
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<td>150,000</td>
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<td></td>
<td>MillenniumBcp Valor Capital 2009</td>
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<td>15</td>
<td></td>
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<td>António Manuel Palma Ramalho</td>
<td>BCP Shares</td>
<td>12,092</td>
<td>12,092</td>
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<tr>
<td></td>
<td>BPSM/97Top's Perpétuas Subord 1/2 Serie</td>
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<td>498,798</td>
<td></td>
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<tr>
<td><strong>MEMBERS OF SUPERVISORY BOARD</strong></td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>Luís de Mello Champalimaud</td>
<td>BCP Shares</td>
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<td>20,000</td>
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<tr>
<td>António Luís Guerra Nunes Mexia</td>
<td>BCP Shares</td>
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<td>1,299</td>
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<tr>
<td>Manuel Domingos Vicente</td>
<td>BCP Shares</td>
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<td>1,000</td>
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<tr>
<td>Pedro Maria Calainho Teixeira Duarte</td>
<td>BCP Shares</td>
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<tr>
<td></td>
<td>BCP Shares</td>
<td>8,200,000</td>
<td>200,000</td>
<td>235,164</td>
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<tr>
<td>Josep Oliu Creus</td>
<td>BCP Shares</td>
<td>13,000</td>
<td>13,000</td>
<td></td>
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<tr>
<td>Manuel Alfredo Cunha José de Mello</td>
<td>BCP Shares</td>
<td>186,701</td>
<td>236,701</td>
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<td>BCP Finance Bank MTN 6.25 (29.3.2011)</td>
<td>200</td>
<td>200</td>
<td></td>
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<tr>
<td></td>
<td>BCP Fin In World Bk Enhan Nt Oct 2010</td>
<td>0</td>
<td>200</td>
<td>200 (a)</td>
</tr>
<tr>
<td></td>
<td>BCP Obl Cx Subordinadas 1ª S (2008/2018)</td>
<td>1,000</td>
<td>1,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>BCP Fin In Bk Enhan X Eur Dec/10</td>
<td>0</td>
<td>200</td>
<td>200 (a)</td>
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<td>BCP Fin In Bk Enhan XI Eur Dec/10</td>
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<td>80 (b)</td>
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<tr>
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<td>BCP Fin E Iberica Autocal VII/09 Feb/11</td>
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<td>20</td>
<td>20 (a)</td>
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<tr>
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<td>BCP Fin Bk RC Allianz X/09 Eur Feb/2010</td>
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<td>30 (a)</td>
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<td>BCP Fin Bk RC BG Pr Pcc X/09 Eur Feb/10</td>
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<td>300 (a)</td>
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<tr>
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<td>BCP Fin Renasciment. Fin XI/09 Eur Var05/11</td>
<td>0</td>
<td>40</td>
<td>40 (a)</td>
</tr>
<tr>
<td></td>
<td>BCP Fin Bk Canale. 125% XI/09 (11/2014)</td>
<td>150</td>
<td>150</td>
<td></td>
</tr>
</tbody>
</table>
### Shareholders/Bondholders Security Number of securities at 31/12/2010 31/12/2009 Changes during 2010 Acquisitions Disposals Date Unit Price euros

<table>
<thead>
<tr>
<th>Security</th>
<th>Acquisitions</th>
<th>Disposals</th>
<th>Date</th>
<th>Unit Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>BCP Fin Sel Ac Eur Ret 2 Fontes XI (05/11)</td>
<td>100</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BCP Fin Bk Rc Nokia XII/09 Eur (04/10)</td>
<td>0</td>
<td>20</td>
<td>20 (5)</td>
<td>15-Apr-10</td>
</tr>
<tr>
<td>BCP Fin Sel BrasiliaII XII/09 Eur (06/11)</td>
<td>329</td>
<td>329</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BCP Fin Escof Tripla Europeia IV/10 04/11</td>
<td>40</td>
<td>0</td>
<td>40 (4)</td>
<td>23-Apr-10</td>
</tr>
<tr>
<td>BCP Fin Inv Bayer Autocall IV/10 04/12</td>
<td>0</td>
<td>0</td>
<td>40 (4)</td>
<td>29-Apr-10</td>
</tr>
<tr>
<td>BCP Fin Bk Rc BHP Plc III (07/10)</td>
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<td>0</td>
<td>100 (4)</td>
<td>04-Mar-10</td>
</tr>
<tr>
<td>BCP Fin Bk Rc BHP Plc VII Eur Nov 10</td>
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<td>0</td>
<td>50 (4)</td>
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</tr>
<tr>
<td>BCP Fin Inv Mundial III (03/2011)</td>
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<td>0</td>
<td>100 (4)</td>
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</tr>
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<td>BCP Fin Rc Rio Tinto III/10 10.50 (07/2010)</td>
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<td>0</td>
<td>100 (4)</td>
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</tr>
<tr>
<td>BCP Fin Rc Xstrata Plc V/10 Eur (03/08-10)</td>
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<td>0</td>
<td>200 (4)</td>
<td>03-May-10</td>
</tr>
<tr>
<td>BCP Fin Farmace Glob V/10 Eur (03-05-12)</td>
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<td>0</td>
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<td>02-Aug-10</td>
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<tr>
<td>BCP Fin Rc Nokia V/10 EUR (10/2010)</td>
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<td>0</td>
<td>10 (4)</td>
<td>14-Jul-10</td>
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<td>BCP Fin Rc Soc Generale I/10 (05/2010)</td>
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<td>0</td>
<td>20 (4)</td>
<td>07-Jan-10</td>
</tr>
<tr>
<td>Certific BCP I s/ Ouro Mar /2011</td>
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<td>0</td>
<td>400 (4)</td>
<td>17-May-10</td>
</tr>
<tr>
<td>Certific BCP I s/ Fut Ice Brent Cru Jun 2011</td>
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<td>0</td>
<td>8,700 (4)</td>
<td>17-May-10</td>
</tr>
<tr>
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<td>120 (a)</td>
<td>04-Oct-10</td>
</tr>
<tr>
<td>BCP Farmaceut Gl Autocall XI/10 (11/2012)</td>
<td>200</td>
<td>0</td>
<td>200 (a)</td>
<td>17-Nov-10</td>
</tr>
<tr>
<td>BCP Rev Conv Alstom XI/10 (03/2011)</td>
<td>10</td>
<td>0</td>
<td>10 (4)</td>
<td>22-Nov-10</td>
</tr>
</tbody>
</table>

**António Vítor Martins Monteiro**
- BCP Shares | 2,078 | 2,078 |
- BCP Finance Bank MTN 6.25 (29.3.2011) | 50 | 50 |

**João Manuel Matos Loureiro**
- BCP Shares | 1,500 | 1,500 |
- BCP Shares | 1,188 | 1,188 |

**José Guilherme Xavier de Basto**
- BCP Obx Cx Multi-Rend Dux Feb 2007/10 | 0 | 100 | 100 (5) | 12-Feb-10 | 1,000.00 |
- BCP Mill Rend Semestral March | 5 | 0 | 5 (4) | 01-Mar-10 | 1,000.00 |

**José Vieira dos Reis**
- BCP Shares | 16,074 | 16,074 |
- BCP Obx Cx Inv Água May 08/2011 | 340 | 340 |
- BCP Cx Invest Saúde July 2008 | 200 | 200 |
### BCP Ob Cx Subordinadas 1.ª S (2008/2018)
- Type: Security
- Quantity: 1,100
- Date: 31/12/2010
- Price: €1,100

### Super Aforro Mille Sr B Feb 2009/14
- Type: Security
- Quantity: 20
- Date: 31/12/2010
- Price: €20

### BCP Rendimento Mais April 2012
- Type: Security
- Quantity: 100
- Date: 31/12/2010
- Price: €1,000

### Millennium BCP Valor Capital 2009
- Type: Security
- Quantity: 20
- Date: 31/12/2010
- Price: €20

### BCP Inv Total November 2012
- Type: Security
- Quantity: 100
- Date: 31/12/2010
- Price: €1,100

### BCP Inv Cabeza Energia Nov 2
- Type: Security
- Quantity: 50
- Date: 31/12/2010
- Price: €50

### BCP Mil Rendimento Plus Jun 2012/2014
- Type: Security
- Quantity: 50
- Date: 31/12/2010
- Price: €50

### Millennium BCP Subordinadas 2010/2020
- Type: Security
- Quantity: 25
- Date: 31/12/2010
- Price: €25

### Millennium BCP Subord. August 2020 Cal
- Type: Security
- Quantity: 40
- Date: 31/12/2010
- Price: €40

### BCP Mill Rend. Premium 2.ª série 04/2013
- Type: Security
- Quantity: 40
- Date: 31/12/2010
- Price: €40

### Certific BCP S&P 500
- Type: Security
- Quantity: 0
- Date: 31/12/2010
- Price: €2,850

### Certific BCP Eurostoxx 50
- Type: Security
- Quantity: 820
- Date: 31/12/2010
- Price: €820

### Certific BCP PSI 20
- Type: Security
- Quantity: 160
- Date: 31/12/2010
- Price: €160

### Thomaz de Mello Paes de Vasconcelos
- Type: Shareholder/Bondholder
- Quantity: 1,000
- Date: 31/12/2010
- Price: €1,000

### Vasco Esteves Fraga
- Type: Shareholder/Bondholder
- Quantity: 1,000
- Date: 31/12/2010
- Price: €1,000

### Huen Wing Ming Patrick
- Type: Shareholder/Bondholder
- Quantity: 2,746,076
- Date: 31/12/2010
- Price: €2,746,076

### SPOUSE AND DEPENDENT CHILDREN

#### Luís Maria Salazar Couto
- Type: Shareholder/Bondholder
- Quantity: 20,000
- Date: 31/12/2010
- Price: €0.636

#### Ana Maria Almeida M Castro
- Type: Shareholder/Bondholder
- Quantity: 4,980
- Date: 31/12/2010
- Price: €4,980

#### José de Mello
- Type: Shareholder/Bondholder
- Quantity: 200
- Date: 31/12/2010
- Price: €200

### Ana Melo Castro José de Mello
- Type: Shareholder/Bondholder
- Quantity: 1,299
- Date: 31/12/2010
- Price: €1,299

### Shareholders/Bondholders

<table>
<thead>
<tr>
<th>Security</th>
<th>Number of securities at 31/12/2010</th>
<th>Number of securities at 31/12/2009</th>
<th>Acquisitions</th>
<th>Disposals</th>
<th>Unit Price</th>
<th>Continuation</th>
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#### SPOUSE AND DEPENDENT CHILDREN

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### Shareholders/Bondholders

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(a) Subscription.
(b) Reimbursement.
(c) Purchase.
(d) Sale.
(e) BCP shares owned indirectly through the company “PACIM – Sociedade Gestora de Participações Sociais, S.A.”