

ANNUAL GENERAL MEETING OF BANCO COMERCIAL PORTUGUÊS, S.A.
(31.05.2012)

PROPOSAL RELATING TO ITEM 4 OF THE AGENDA

**STATEMENT REGARDING THE REMUNERATION POLICY FOR THE MEMBERS OF
MANAGEMENT AND SUPERVISION BODIES**

In accordance with art. 2 (1) of Law 28/2009, of 19 June, the management body or the remuneration committee, if one exists, of the entities of public interest listed in Decree-Law 225/2008, of 20 November, among which are the credit institutions, must submit *“annually, to the approval of the general meeting a statement on the remuneration policy of the members of the management and supervision bodies.”*

Regarding Banco Comercial Português, S.A. (BCP), the power to approve such statement and submit it to the General Meeting pertains to the Remunerations and Welfare Board (vd. art. 14 c) of the Articles of Association).

This statement on the remuneration policy of the members of the management and supervision bodies must meet the provisos of article 2 (3) of the a.m. Law 28/2009, taking also into consideration the applicable rulings and recommendations, namely, the recommendations made in item XI of the annex to Decree-Law 104/2007, of 3 April, introduced by article 4 of Decree-Law 88/2011, of 20 July, as well as those in the CMVM Regulations 1/2010 and in Notice 10/2011 of Banco de Portugal, published in the Portuguese Official Gazette, 2nd series, nr. 6, of 9 January 2012.

From the moment the current members of the Remunerations and Welfare Board were elected, 28 February 2012, they immediately began to appraise the matters regarding the Bank's remuneration policy, which resulted in the need to undertake an in-depth study of that issue, thus it was decided, according to sector practices, to select and hire an independent external consultant to revise the remuneration policies in force, adapting

them to the new requirements set forth by Decree-Law 88/2011, of 20 June and by in Notice 10/2011 of Banco de Portugal and to the eventual requisites resulting from the Bank's recapitalization needs and from the applicable legal rulings.

This assessment and analysis are still underway, using as parameters the affirmation of remuneration policies and practices that promote and are coherent with a healthy and prudent management of risks (vd. art. 14.1.i) and 17.2.c) of the Legal Framework for Credit Institutions), policies and practices that must also be compatible with the long-term corporate strategy and goals, values and interests of the Bank (cfr. c) of nr. 24, of item XI of the annex to Decree-Law 104/2007).

Considering the above, the Board resolved to keep the policy set forth for 2011, approved at the general meeting held on 18 April 2011, with the adaptations resulting from the changes to the Company's corporate governance, approved at the general meeting of 28 February 2012.

The Board also resolved to submit to the approval of the General Meeting the following statement-proposal:

WHEREAS:

1. Under the terms of the law and of the articles of association of Banco Comercial Português, S.A. (BCP) the Remunerations and Welfare Board is responsible for setting the remunerations of the members of the Bank's corporate bodies, as well as the social security schemes and other related supplementary payments;
2. The Annual General Meeting held on 18 April 2011 approved the remuneration policies of the members of management and supervision bodies of BCP, based on the proposal then presented by the Remunerations and Welfare Board;
3. On 28 February 2012 the General Meeting, which altered BCP's articles of association and its governance model, elected a new Remunerations and Welfare Board (RWB), to the term-of-office 2012/2014;
4. At its meeting held on 7 March 2012, the RWB resolved to select and hire an independent external consultant, to revise the remuneration policies in force, adapting

them to the new requirements of Decree-Law 88/2011, of 20 June and of Notice 10/2011 of Banco de Portugal;

5. After due process, the international consultant Mercer – Marsh & McLennan Companies was hired and the revision of the remuneration policies currently in effect is underway;
6. At its meeting of 26 April, the RWB discussed with the consultant hired the preliminary report then presented to it;
7. It was not possible, in such a short period of time, to draw up a proposal that could be approved by the RWB in due time for disclosure with the call notice of the Annual General Meeting;
8. The Policy presently in force, allowing for the necessary substitutions deriving from the changes to the company's corporate governance model approved by the General Meeting on 28 February, basically abides by the legal and regulatory provisos in effect,

The Remunerations and Welfare Board of BCP proposes keeping the statement on the remuneration policies of the members of management and supervision bodies hereto attached, which received the favourable opinion of the Annual General Meeting held on 18 April 2011, without prejudice to the analysis underway, so that the RWB is able to, until the end of this year, approve new remuneration policies for the management and supervision bodies, submitting the statement to the approval of the Shareholders and the next Annual General Meeting.

Lisbon, 26 April 2012

REMUNERATIONS AND WELFARE BOARD

Baptista Muhongo Sumbe

Chairman

ANNUAL GENERAL MEETING OF BANCO COMERCIAL PORTUGUÊS, S.A.

(2011/04/18)

PROPOSAL IN CONNECTION WITH **ITEM 9** OF THE AGENDA

REMUNERATION POLICY

FOR THE MEMBERS OF THE EXECUTIVE BOARD OF DIRECTORS

(NOTE 26.04.2012 – PRESENTLY THE EXECUTIVE MEMBERS OF THE BOARD OF DIRECTORS)

WHEREAS:

1. Under the terms of art. 12 (1) of the Articles of Association, the Remunerations and Welfare Board (**WRB**) is responsible for establishing the remuneration of the members of corporate bodies, as well as any social security plans and other supplementary benefits, except if the Supervisory Board resolves to appoint a remuneration commission, in which case the competences described will pertain to this commission;
2. On 15 January 2008 the General Meeting elected the RWB for the 2008/2010 term-of-office, which is composed by three members;
3. The WRB submitted to the appraisal of an independent entity, Towers Watson, the remuneration policy presently binding Banco Comercial Português, S.A., which was approved by the General Meeting on 12 April 2010;
4. At its meeting of 16 March 2011, the RWB resolved to approve a new remuneration policy for the Executive Board of Directors (**EBD**), bearing in mind that it needs not only to be simple and transparent and reflect the competitive position that the Millennium bcp Group occupies in Portugal and abroad, but also to ensure the required alignment with the Bank's global remuneration policy, focusing on the creation of value for the shareholder, promoting and rewarding the achievement of the Bank's short- and long-term objectives, supporting the implementation of the sustained growth strategy

defined, and to comply with the new governance rules recently approved by the supervision authorities that follow the Bank;

we hereby submit to the appraisal of the Annual General Meeting, for resolution, the remuneration policy of the Executive Board of Directors, transcribed below:

A) REMUNERATIONS MODEL FOR THE EXECUTIVE BOARD OF DIRECTORS (EBD)

I.

1) The remuneration of the Members of the Executive Board of Directors of Banco Comercial Português, S.A. (Millenium bcp) is composed by:

a) The Monthly Fixed Remuneration, paid 14 times a year and defined based on the Bank's position in comparison with a benchmark of Portuguese and European companies, composed by companies listed in PSI-20 with size or features similar to those of Millennium bcp and to other financial institutions located inside the European Union.

b) The Annual Variable Remuneration, to be paid in the way mentioned below.

2) This definition of this variable remuneration depends on a benchmark based on the practices of the European financial sector. According to the legal requirements imposed by the European Union and to the Portuguese recommendations, the payment of the Variable Remuneration is subject to certain conditions, namely deferment.

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

II.

The Remunerations and Welfare Board will approve the two components of the remuneration listed above.

III.

- a) The Annual Variable Remuneration cannot surpass 130% of the Annual Fixed Remuneration;
- b) 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.

IV.

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

- a) Chairman - autonomous remuneration;
- b) Vice-Chairmen – amount computed based on a percentage of the Chairman's Monthly Fixed Remuneration, varying between 70% and 80% of that remuneration; The Monthly Fixed Remuneration of each Vice-chairman may be the same or different, taking into consideration his seniority in the position and his performance assessment, to be approved by the Remunerations and Welfare Board pursuant to a proposal made by the Chairman of the Executive Board of Directors;
- c) Members – amount computed based on a percentage of the Chairman's Monthly Fixed Remuneration, varying between 60% and 70% of that remuneration, computed according to the criteria described in the previous paragraph for the Vice-Chairmen's Monthly Fixed Remuneration;
- d) The Monthly Fixed Remuneration of the Members of the Executive Board of Directors may be updated and/or raised pursuant to a proposal from the Remunerations and Welfare Board. These updates and/or rises must take into consideration the updates / rises given to Coordinating Managers.

V.

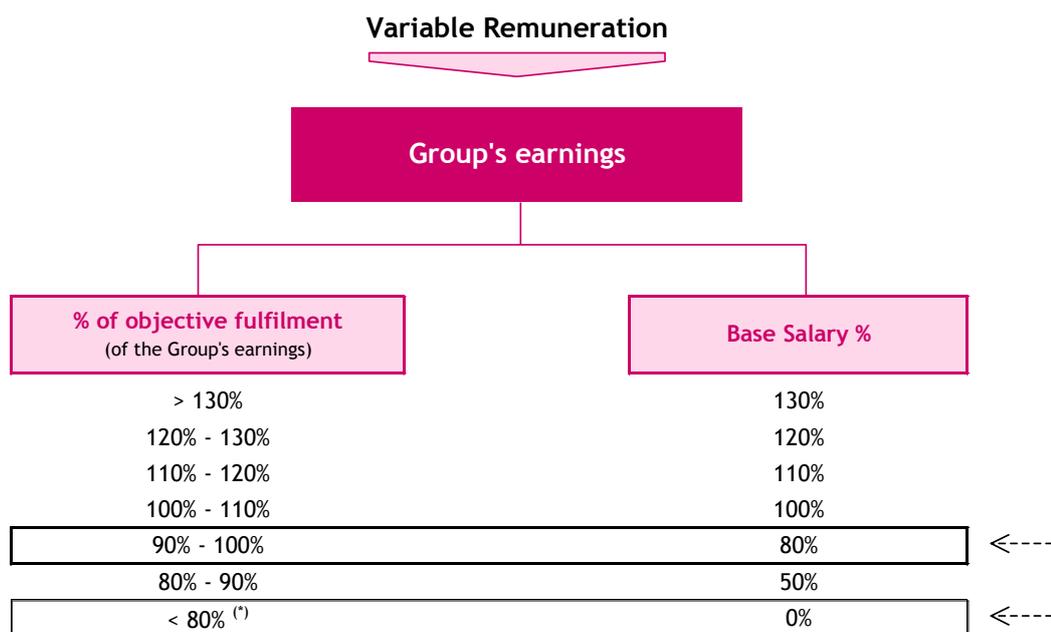
The Annual Variable Remuneration of the Members of the Executive Board of Directors shall depend on the earnings resulting from the Group's economic performance, and be established by the Remunerations and Welfare Board in the same manner for all the Members of the Executive Board of Directors.

The Annual Variable Remuneration is computed based on the degree of objective fulfilment of the Group's results, which will determine the percentage to be earned by the member of the Executive Board of Directors as follows:

TABLE 1

Performance Remuneration

Payment formula



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

a) Group's Income – for all the members of the Executive Board of Directors.

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

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

TABLE 2

Performance Remuneration				Group earnings		
Objectives for short-term incentives plan				EBD's approach to Integrated Performance		
Objective	Performance Indicator	Objective	Value	Period of time	Evolution (on the objective)	Proportion
Growth	Operating income	Budget	20%	Annual	Earnings / Budget	
Cost-to-income	Cost-to-income	Budget	20%	Annual	Earnings / Budget	
Earnings	Net income	Budget	20%	Annual	Earnings / Budget	If the percentage achieved is below 80% of the objective's evolution, it should be zero.
Profitability	ROE ⁽¹⁾	Budget	20%	Annual	Earnings / Budget	
Value for the Shareholder	TSR ⁽²⁾	Evolution of the BeBanks index With dividends	20%	Annual	BCP / BeBanks Index	

⁽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 the shareholders may not be computed.

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

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

b) It is hereby created a scheme that defers the payment of the variable remuneration for periods of 3 years, which corresponds to the duration of the directors' term-of-office. 50 % of the Annual Variable Remuneration shall be deferred.

The amount deferred shall be paid half in cash and half in shares. 1/3 of the total amount deferred shall be paid to the director at the completion of each year in office.

For one year after the date of the payment of the Variable Remuneration in shares the EBD members cannot transfer or encumber those shares. After that lock up period, the shares will be fully transferable.

The amount of the Variable Remuneration that is not deferred shall be paid 50% in cash immediately and 50% in shares that cannot be transferred or encumbered for one year;

c) The incentive system applicable to the members of the Executive Board of Directors subject to the deferred payment of the Variable Remuneration will incorporate provisions (bad actor provisions) for reduction or elimination of deferred variable pay as a result of the following actions carried out during the mandate of each director:

- Material misstatement of financial statements;
- Breach of the internal code of conduct;
- Poor financial performance of Millennium BCP;

These provisions and the impact they may have on releasing the deferred parts of the Variable Remuneration shall be evaluated by the Remunerations and Welfare Board on a yearly basis.

VI.

Every member of the Executive Board of Directors will sign a document in which he/she agrees not to enter into any hedging or risk-transfer agreements regarding any components of the deferred Variable remuneration that may minimise the effects of the risk underlying the remuneration system.

VII.

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

Hence, given that the remuneration of the Members of the Executive Board of Directors is aimed at the direct compensation of the activities they carry out at the Bank and that for all duties performed at companies or corporate bodies to which they have been nominated by indication or in representation of the Bank, in this last case, the net value of the remunerations received annually for such duties by each Member of the Executive Board of Directors will be deducted from their respective Annual Fixed

Remuneration. 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 health insurance, credit card and mobile phones remain in effect, being the Chairman of the Executive Board of Directors responsible for authorizing them.

Company vehicles do not fall under the competence of the Remunerations 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 Remunerations and Welfare Board must be previously informed of this value.

B
RETIREMENT REGULATIONS FOR MEMBERS OF THE EXECUTIVE BOARD OF DIRECTORS

Regarding the regulations for retirement on account of old age or disability of the Members of the Executive Board of Directors, they are presently enshrined in the company's Articles of Association and in the Regulations that execute it, both approved at the Annual General Meeting of 2010.

Lisbon, 23 March 2011

THE REMUNERATIONS AND WELFARE BOARD

[signature of:]

José M. R. Berardo
(Chairman)

ANNUAL GENERAL MEETING OF BANCO COMERCIAL PORTUGUÊS, S.A.
(2011/04/18)

PROPOSAL IN CONNECTION WITH ITEM 8 OF THE AGENDA

REMUNERATION POLICY

FOR THE MEMBERS OF THE SUPERVISORY BOARD

(NOTE 26.04.2012 – PRESENTLY THE NON-EXECUTIVE MEMBERS OF THE BOARD OF DIRECTORS)

WHEREAS:

1. Under the terms of art. 12 (1) of the Articles of Association, the Remuneration and Welfare Board (**WRB**) is responsible for establishing the remuneration of the members of corporate bodies, as well as any social security plans and other supplementary benefits;
2. On 27 May 2008 the General Meeting elected the RWB for the 2008/2010 term-of-office, which is composed by three members;
3. The WRB submitted to the appraisal of an independent entity, Towers Watson, the remuneration policy presently binding Banco Comercial Português, which was approved by the General Meeting on 12 April 2010;
4. At its meeting of 16 March 2011, the RWB resolved to approve a new remuneration policy for the Supervisory Board, bearing in mind that it needs not only to be simple and transparent and reflect the competitive position that the Millennium Group occupies in Portugal and abroad, but also to ensure the required alignment with the Bank's global remuneration policy, focusing on the creation of value for the shareholder, supporting the implementation of the sustained growth strategy defined, and to comply with the new governance rules recently approved by the supervision authorities that follow the Bank;

we hereby submit to the appraisal of the Annual General Meeting, for resolution, the remuneration policy of the Supervisory Board, transcribed bellow:

REMUNERATIONS MODEL FOR THE SUPERVISORY BOARD

1. The Remunerations Policy applicable to the corporate bodies of Banco Comercial Português, S.A. must be simple, transparent and competitive, thus ensuring the focus on the creation of added value for the shareholders and stakeholders.
2. Such remuneration must be set bearing in mind the effort towards greater alignment with the interests of Banco Comercial Português and of its shareholders.
3. Thus, bearing in mind the principles listed above, as well as the practices of large Portuguese companies and the European practices, 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:

3.1

The remuneration of the Supervisory Board shall be composed by a fixed annual amount, paid in twelve instalments. The remuneration of the remaining Members of the Supervisory Board shall be computed based on a percentage of the remuneration of the Chairman of the Supervisory Board, never surpassing it.

3.2

Chairman: autonomous remuneration;

Vice-Chairmen: between 50% and 75% of the Chairman's remuneration;

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

Other members of the Audit Committee: between 25% and 50% of the Chairman's remuneration;

Chairman of another Specialized Committee: between 25% and 75% of the Chairman's remuneration;

Other members of another Specialized Committee: between 10% and 25% of the Chairman's remuneration;

Other members of the Supervisory Board not part of a Specialized Committee: between 10% and 25% of the Chairman's remuneration;

The remuneration of the Supervisory Board does not include a variable remuneration or the attribution of shares as remuneration.

Lisbon, 23 March 2011

THE REMUNERATION AND WELFARE BOARD

[signature of:]

José M. R. Berardo
(Chairman)