

ANNUAL GENERAL MEETING OF BANCO COMERCIAL PORTUGUÊS, S.A.
(12/04/2010)

STATEMENT IN CONNECTION WITH ITEM 4 OF THE AGENDA
REMUNERATION POLICY
OF THE EXECUTIVE BOARD OF DIRECTORS

Whereas:

1. The General Meeting of Shareholders elected a Remunerations and Welfare Board in 2008 and the GM is the body responsible for electing the Executive Board of Directors, the Supervisory Board resolved, at its meeting held on 16 April 2009, that the definition of the EBD's remuneration and the approval of its retirement regime should pertain to the Remunerations and Welfare Board;
2. At its meeting of 13 December 2009, the Remunerations and Welfare Board resolved to approve a new remuneration policy for the Executive Board of Directors, bearing in mind that it needs to be simple and transparent and reflect the competitive position that the Millennium bcp Group occupies in Portugal and abroad, as well as the required alignment with the Bank's global remuneration policy, focusing on the creation of value for the shareholder. This remuneration policy must promote and reward the achievement of the Bank's short- and long-term objectives, supporting the implementation of the sustained growth strategy defined;

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

REMUNERATION MODEL
OF THE EXECUTIVE BOARD OF DIRECTORS

I.

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

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

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

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

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

II.

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

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

III.

a) The Annual Variable Remuneration cannot surpass 130% of the Annual Fixed Remuneration, which totals the 14 months of the Monthly Fixed Remuneration;

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

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

IV.

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

a) Chairman - autonomous remuneration;

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

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

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

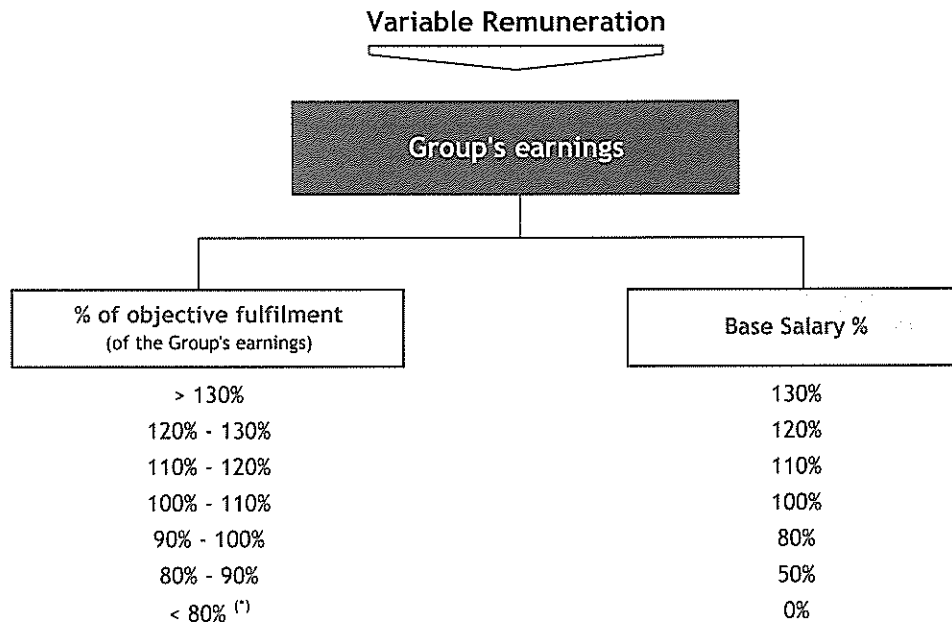
V.

The Annual Variable Remuneration of the Members of the Executive Board of Directors shall depend on the Group's earnings, resulting from the Group's economic performance, computed by the 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 downsizing reserves not foreseen when the objectives were defined, and decisions made by the shareholders may not be computed.

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

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

VI.

Pluriannual Variable Remuneration

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

Table 3

Performance Remuneration		Group Earnings			
Objectives for long-term incentives plan		EBD's approach to integrated performance			
Objective	Performance Indicator	Objective	Value	Evolution	Proportion
Growth	Operating income	Average fulfillment of the objectives in 2009 and 2010	15%		
Cost-to-income	Cost-to-income		15%		
Earnings	Net income		15%		If the percentage achieved is below 80% of the objective's evolution, it should be zero.
Profitability	ROE ⁽¹⁾		15%		
Value for the Shareholder	TSR ⁽²⁾	Relative growth considering the market benchmark	40%	Earnings / BeBanks Performance	

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

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

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

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

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

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

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

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

VII.

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

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

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

Company vehicles do not fall under the competence of the 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.

**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, the Remunerations and Welfare Board considers that it should be enshrined in the company's Articles of Association, being included in the proposal to alter the Articles of Association to be appraised by the General Meeting under item 11 of the Agenda.

Lisbon, 22 March 2010

**On behalf of the
REMUNERATIONS AND WELFARE BOARD**

**José M. R. Berardo
(Chairman)**