CORPORATE GOVERNANCE REPORT

INTRODUCTION

Banco Comercial Português, S.A., (hereinafter “Company, Bank, BCP or Millennium bcp”) draws up its Corporate Governance Report aimed at disclosing, in a clear and transparent manner, the regulatory practices adopted on the subject of Corporate Governance, in observance of the legal and regulatory rules in force, namely the Companies Code, the Securities Code, CMVM Regulation number 1/2010 – Governance of Listed Companies, published on 1 February 2010 and the recommendations in the Corporate Governance Code of the CMVM/2010, of January 2010.

This Report was also prepared in compliance with Banco de Portugal’s Notice 10/2011 and taking into consideration the Individual information on the Level of Compliance with Recommendations on Corporate Governance based on the study conducted by Universidade Católica for AEM – Associação de Empresas Emitentes de Valores Cotados em Mercado (Association of Companies Issuing Listed Securities), under which the Bank was attributed the rating AAA.

As on 28 February 2012 the shareholders held a General Meeting that amended the Bank’s Articles of Association, including changes to the corporate governance model, we drew up an addition to this report, summarily presenting the corporate governance model currently in effect, which is now one-tiered with a Board of Directors that encompasses an Audit Committee and an Executive Committee.

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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 adopt are available to the public

In pursuing their corporate object, the Bank and all other companies of Group BCP (hereinafter: “Group”) observe the applicable legal and regulatory rules, namely those in the Companies Code, those issued by the Banco de Portugal (Portuguese Central Bank) and the Comissão do Mercado de Valores Mobiliários (CMVM, the Portuguese stock market regulator) and also adopt specific rules of procedure and of ethical nature, underlying management bound to the principles of diversification of risks and safety of investments, in respect of the interests of the depositors, investors and other Stakeholders.

In the preparation of the present Report, the Bank observed the recommendations in the Corporate Governance Code of the CMVM/2010 of January 2010 and CMVM Regulation number 1/2010, of 1 February, which can be consulted at:
http://www.cmvm.pt/CMVM/Legislacao_Regulamentos/Legislacao%20Complementar/Pages/default.aspx.

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

The Code of Conduct aggregates the principles and rules to be observed in banking and financial practice, and regarding securities or derivatives traded in organised markets, namely with respect to matters of conflict of interests, secrecy, incompatibilities and cooperation with the supervisory authorities. This code is disclosed to all Employees, who maintain permanent access to it through the Bank’s Internet site, on the page with the following address:

The Internal Regulations for 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 Internal Regulations are also available on the Bank’s Internet site, on the page with the following address:

The Regulations of the Executive Board of Directors and 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 their respective members, in accordance with the Bank’s Articles of Association, the Group’s Code of Conduct and the Internal Regulations for Financial Intermediation Activities. The abovementioned documents are disclosed on the internal portal and on the Bank’s Internet site, on the page with the following address:

These documents are also provided to the members of each of these governing bodies, on the occasion of their election or appointment.

The Compliance Policies include a series of sectorial documents addressing different matters of extremely relevant impact on the services provided by the Bank, for the purpose of ensuring that all the levels and activities of the Group achieve the highest standards of quality, adequacy, proficiency and suitability, when undertaken by the members of the Management and Supervisory Boards, directors and all other Employees and, to the extent applicable, Shareholders; Customers and the market in general.
The following documents are also part of the Compliance Policies: Customer Acceptance Policy, Customer Due Diligence Policy, Assessing and Monitoring High Risk Entities Policy, Anti-Money Laundering and Counter-Terrorism Financing Policy, Policy for Executing Orders, Conflicts of Interests Policy and New Product Approval Policy (General Principles).

The policy documents referred to above were disclosed internally through the Bank’s intranet, for the information of all Employees, and the first six are also available to the public in general at: http://www.millenniumbcp.pt/pubs/en/governance/organization_model/article.jhtml?articleID=612868.

With the implementation and disclosure of these Compliance policy documents, the Bank has significantly strengthened the standards adopted on matters of transparency, information and high demands in their respective performance.

Reference should also be made to the approval by the Supervisory Board of a document dedicated to the topic “Audit Services Approval Policy”.

A General Meeting of Shareholders was held on 28 February 2012 where a proposal was submitted for the amendment of the Articles of Association, which implied a change in the Corporate Governance model and subsequent election of a new Board of Directors and Remunerations and Welfare Board, therefore, on the date when the present report is made public and submitted to the Annual General Meeting, some of the documents identified above were already adjusted to the new governance model.

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 not adopted.

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<td>Chapter I – General Meeting</td>
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<tr>
<td>I.1. BOARD OF THE GENERAL MEETING</td>
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<tr>
<td>I.1.1. The chairman of the board of the general meeting must be provided with the supporting human and logistic resources appropriate to his needs, considering the economic situation of the company.</td>
<td>Adopted</td>
<td>Chapter I – General Meeting</td>
</tr>
<tr>
<td>I.1.2. The remuneration of the chairman of the board of the general meeting must be disclosed in the annual report on corporate governance.</td>
<td>Adopted</td>
<td>Chapter I – I.3.</td>
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<td>Chapter I – Participation in the Meeting</td>
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<tr>
<td>I.2.1. The period of time in advance imposed for the receipt, by the board, of the statements of deposit or blocking of shares for participation in the general meeting must not exceed 5 business days.</td>
<td>Derogated by Dec. Law nr: 49/2010, of 19 May</td>
<td>Chapter I – I.5.</td>
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<tr>
<td>I.2.2. In the case of the suspension of the general meeting, the company should not force the blocking to remain during the intermediate period until the session is resumed, with the period of time in advance required in the first session being sufficient.</td>
<td>Derogated by Dec. Law nr: 49/2010, of 19 May</td>
<td>Chapter I – I.5.</td>
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<tr>
<td>I.3.2. The statutory period of time in advance for the receipt of votes cast by correspondence must not exceed three business days.</td>
<td>Adopted</td>
<td>Chapter I – I.11.</td>
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(continues)
I.3.3. Companies must ensure proportionality between voting rights and shareholder participation, preferably through statutory provisions ensuring the correspondence of one vote to each share. Companies do not comply with proportionality when, namely, they: i) have shares that do not confer the right to vote; ii) establish that rights to vote above a certain number should not be counted, when cast by a single shareholder or by shareholders related to the former.

I.4. DELIBERATIVE QUORUM

I.4.1. Companies must not establish a deliberative quorum higher than that established by law.

I.5. MINUTES AND INFORMATION ON THE ADOPTED RESOLUTIONS

I.5.1. Extracts of minutes of general meetings or equivalent documents should be made available to the shareholders on the company’s Internet site within the period of five days, after the date of the general meeting even if they do not constitute privileged information. The disclosed information should cover the resolutions taken, the share capital represented and the 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 take-over offers should respect the interests of the company and its shareholders. Any articles of association of companies which, respecting that principle, 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 stipulate the commitment that every five years the maintenance of this statutory provision will be subject to resolution by the general meeting – without the requisites of a quorum larger than that legally established – and that in this resolution all the votes cast will count, without the application of that limitation.

I.6.2. Defensive measures must not be adopted if they cause an automatic and serious 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.
i) establishment of the strategic objectives of the company on matters of risk-taking; ii) identification of the main risks linked to the specific activity performed and events which might lead to risks; iii) analysis and measurement of the impact and probability of occurrence of each potential risk; iv) risk management with a view to the alignment of the risks effectively incurred through the strategic decision of the company regarding risk-taking; v) control mechanisms for the execution of the adopted risk management measures and their effectiveness; vi) adoption of internal training and communication mechanisms for the different components of the system and notification of risks; vi) periodic assessment of the implemented system and adoption of any modifications deemed necessary.

II.1.1.3. The management board should ensure the creation and operation of the internal control and risk management systems, with the supervisory board being responsible for the assessment of the operation of these systems and proposing their respective adjustment to the company’s needs.

II.1.1.4. Companies should, in their Annual Corporate Governance Report: 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 efficacy of the risk management system.

II.1.1.5. The management and supervisory boards must have operating regulations, which should be disclosed on the company’s Internet site.

II.1.2. Incompatibilities and independence

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.

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.

II.1.2.3. The assessment of the independence of its non-executive members made by the management board should take into account the legal and regulatory rules in force on independence requirements and the incompatibilities system applicable to the members of the governing bodies, ensuring systematic coherence over time in the application of the independence criteria to the entire company. A director should not be considered independent if, in another governing body he could not assume this capacity through force of the applicable rules.

II.1.3. Eligibility and appointment

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.

II.1.3.2. The process of selection of candidates for non-executive directors should be designed so as to ensure the non-interference of the executive directors.

II.1.4. Policy on communication of irregularities

II.1.4.1. The company must adopt a policy of communication of any alleged internal irregularities which might 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 given to the communications, including confidential treatment, if this is wished by the declarant.

II.1.4.2. The general guidelines of this policy must be disclosed in the Corporate Governance Report.
II.1.5. Remuneration

II.1.5.1. The remuneration of the members of the management board should be structured in order to enable the alignment of their interests with the company’s long term interests, based on performance assessment and discourage excessive risk-taking. For this purpose, the remunerations should be structured, namely, as follows:

i) The remuneration of directors with executive duties should include a variable component whose determination depends on performance assessment, carried out by the competent bodies of the company, pursuant to predefined measurable criteria, which considers the real growth of the company and the wealth effectively created for the shareholders, its long term sustainability and the risks taken, as well as compliance with the rules applicable to the company’s activity.

ii) The variable component of the remuneration should be reasonable, as a whole, in relation to the fixed component of the remuneration, and maximum limits should be established for all components.

iii) A significant portion of the variable remuneration should be deferred for a period of not less than three years, and its payment should be dependent on the continuation of the positive performance of the company over this period.

iv) The members of the management board should not sign contracts, either with the company or with third parties, which have the effect of mitigating the risk inherent to the variability of their remuneration established by the company.

v) Until the end of their term of office, executive directors must keep any company shares which have been acquired through variable remuneration schemes, up to the limit of twice the value of the annual total remuneration, with the exception of shares which need to be sold for the purpose of payment of taxes arising from the benefit of these same shares.

vi) When the variable remuneration includes the attribution of options, the beginning of the period of exercise should be deferred for a period of not less than three years.

vii) Suitable legal instruments should be established so as to ensure that the compensation stipulated for any form of unfair dismissal of a director is not paid if the dismissal or termination through agreement is due to the inadequate performance of the director.

viii) The remuneration of the non-executive members of the management board should not include any component whose value depends on the performance of the company.

II.1.5.2. The statement on the remuneration policy 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 stipulated therein, contain sufficient information: i) on the groups of companies whose remunerative policy and practices were taken as benchmarks for the establishment of remuneration; ii) on payments relative to the dismissal or termination through agreement of directorship duties.

II.1.5.3. The statement on the remuneration policy 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-B of the Securities Code and where this remuneration contains an important variable component. The statement should be detailed and the presented policy should take into account, namely the long term performance of the company, compliance with the rules applicable to the company’s activity and containment 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 share price variations, 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...
Recommendations of the CNMV contained
in the Corporate Governance Code
in force during the financial year of 2011

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<tr>
<th>Recommendation</th>
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<th>Statement</th>
<th>Statement of Adoption and Indication of information in the Report</th>
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<tr>
<td>II.1.5.6. At least one representative of the remuneration committee must attend the annual general meetings of shareholders.</td>
<td>Adopted</td>
<td>Chapter I – I.15.</td>
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<tr>
<td>II.1.5.7. The annual Corporate Governance Report must disclose the value of the remuneration received, as a whole and individually, from other companies of the group and the pension rights acquired during the financial year in question.</td>
<td>Adopted</td>
<td>Chapter II – II.31.</td>
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<td>II.2. BOARD OF DIRECTORS</td>
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<td>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 duties being identified in the annual Corporate Governance Report.</td>
<td>Adopted</td>
<td>Chapter II – II.3.</td>
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<td>II.2.2. The board of directors must ensure that the company acts in accordance with its objectives, and must not delegate its competence, namely, with respect to: i) the definition of the strategy and general policies of the company; ii) the definition of the group’s business structure; iii) decisions which should be considered strategic due to their amount, risk or special characteristics.</td>
<td>Not applicable</td>
<td>See Note 6 to the present table</td>
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<td>II.2.3. Should the chairman of the board of directors perform executive duties, the board of directors must find efficient mechanisms to coordinate the work of the non-executive members, to ensure, in particular, that they can make decisions in an independent and informed manner. The chairman should duly explain these mechanisms to the shareholders in the Corporate Governance Report.</td>
<td>Not applicable</td>
<td>See Note 7 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 applicable</td>
<td>See Note 8 to the present table</td>
<td></td>
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<td>II.2.5. The company should explain its policy on rotation of the areas of responsibility under the Board of Directors, namely of the person responsible for financial matters, and provide information on this in the annual Corporate Governance Report.</td>
<td>Adopted</td>
<td>See Note 9 to the present table</td>
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<td>II.3. CHIEF EXECUTIVE OFFICER, EXECUTIVE COMMITTEE AND EXECUTIVE BOARD OF DIRECTORS</td>
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<tr>
<td>II.3.1. When requested by other members of the governing bodies, the directors performing executive duties should provide, in due time and in a form appropriate to the request, any information requested by them.</td>
<td>Adopted</td>
<td>Volume II – Reports of the Supervisory Board and Audit Committee and opinions of the Statutory Auditor and External Auditor</td>
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<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>Not applicable</td>
<td>See Note 10 to the present table</td>
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<tr>
<td>II.3.3. The chairman of the executive board of directors should send to the chairman of the general and supervisory board and to the chairman of the financial matters committee, the call notices and minutes of the respective meetings.</td>
<td>Adopted</td>
<td>Chapter II – II.1.</td>
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</tbody>
</table>
II.4. GENERAL AND SUPERVISORY BOARD, FINANCIAL MATTERS COMMITTEE, AUDIT COMMITTEE AND SUPERVISORY BOARD

II.4.1. The general and supervisory board, in addition to performing the supervisory duties entrusted to it, should also play an advisory role and ensure the follow-up and continuous assessment of the company’s management by the executive board of directors. Amongst the matters on which the general and supervisory board should issue opinions, are the following: i) the definition of the strategy and general policies of the company; ii) the group’s business structure; and 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 general and supervisory board, financial matters committee, audit committee and supervisory board should be disclosed on the company’s Internet site, together with the financial statements.

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 general and supervisory board, 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 these services and respective 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 general and supervisory board, audit committee and supervisory board, according to the applicable model, should assess the external auditor on an annual basis and propose his dismissal to the general meeting whenever there are fair grounds for the effect.

II.4.6. The internal audit services and others striving for compliance with the rules applied to the company (compliance services), should report functionally to the audit committee, to the general and supervisory board.

II.5. SPECIALISED COMMISSIONS

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 commissions 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 commissions; ii) reflecting on the adopted governance system, verifying its efficacy and proposing to the competent bodies any measures to be taken with a view to their improvement; iii) identifying in due time potential candidates with the high profile required for the performance of directorship duties.

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

II.5.3. No natural or legal person who provides or has provided, over the last three years, services to any structure dependent on the board of directors, to the actual board of directors of the company or who has a current relationship with a consultant of the company should be contracted to support the remuneration commission in the performance of their duties. This recommendation is equally applicable to any natural or legal person related to the above through work or service contract.

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

(continuation)
III. INFORMATION AND AUDITS

III.1. GENERAL INFORMATION DUTIES

III.1.1. Companies should ensure the existence of 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 investor support office.

III.1.2. The following information available on the company’s Internet site should be disclosed in English: a) the firm’s status as a public company; head office and the other elements referred to in article 171 of the Companies Code; b) articles of Association; c) identity of the members of the governing bodies and the representative for market relations; d) investor Support Office, respective duties and means of access; e) 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 general meetings.

III.1.3. Companies should promote the rotation of the auditor at the end of two or three terms of office, according to whether they are of four or three years. The auditor’s maintenance beyond this period should be based on the grounds produced in a specific opinion issued by the supervisory board which explicitly weighs up the conditions of independence of the auditor and the advantages and costs of his replacement.

III.1.4. The external auditor should, under his duties, verify the application of the remuneration policies and systems, the efficacy and operation of the internal control mechanisms and report any failings to the supervisory board of the company.

III.1.5. The company should not contract from the external auditor, or from any entities which are in a holding relationship with it or are part of the same network, services other than audit services. Where there are motives for the contracting of such services – which should be approved by the supervisory board and explained in its annual Corporate Governance Report – they cannot represent a figure above 30% of the total value of the services provided to the company.

IV. CONFLICT OF INTEREST

IV.1. RELATIONS WITH SHAREHOLDERS

IV.1.1. Company business with shareholders owning qualifying holdings or entities that are in any relationship with them, under the terms of article 20 of the Securities Code, should be carried out under normal market conditions.

IV.1.2. Any business of significant importance with shareholders owning qualifying holdings or entities that are in any relationship with them, 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 significant importance of this business and other terms of its intervention.

GENERAL NOTE

When reading the preceding table it is important to bear in mind that CMVM Regulation 1/2010, 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 General Meetings, in particular regarding the rules concerning prior information, the right to request the inclusion of points in the agenda, the right to present proposals and the right to participate in the General Meeting and vote therein, which is no longer dependent on presentation of evidence of holding the shares on the day of the General Meeting, but henceforth dependent on presentation of evidence of shareholder capacity at 0 hours GMT on the 5th trading day prior to the date of the General Meeting.
It should also be noted that the Recommendations under the Corporate Governance Code, issued by the CMVM are based on the one-tier model, not considering, for the most part, the specificity of the two-tier model, adopted by Banco Comercial Português during the financial year of 2011, under analysis herein. This decision implies that many of the recommendations cannot, strictly speaking, be applied to companies that have adopted the two-tier model, where items are missing in relation to this last model.

In order to overcome these gaps, whenever possible, in this report we shall seek to indicate the practices which ensure compliance with the principles, when presented in recommendations applicable to the one-tier model that were not included in the recommendations addressing the two-tier model.

NOTE 1
The Bank’s Articles of Association do not include any rules with a view to preventing the success of public takeover offers. There is also no rule with the content expressed in the second part of the present recommendation and its inclusion has never been requested either by shareholders or members of the governing bodies. Under the terms of the law, any shareholder or Group of shareholders holding 2% or more of the share capital may request, at any time, that the suppression of the limit stipulated in article 26 of the Bank’s Articles of Association should be voted on at the general meeting. However, on the present date, as far as the Bank is aware, there are no shareholders covered by the abovementioned statutory provision. We underline that at the General Meeting held on 28 February 2012, which approved a profound change to the Bank’s Articles of Association, no one raised this issue, which may be interpreted as the shareholders having voted in 2012 the contents of the limits included in article 26 of the Bank’s by-laws.

NOTE 2
The Bank’s articles of association require majorities above those stipulated legally for three circumstances:

The first, relative to the requirement of a constitutive quorum of one third of the share capital to enable the Meeting to be held on first call, while the law requires this quorum only for Meetings resolving on amendment of the memorandum of association, merger; demerger; transformation, dissolution of the Company or other affairs for which the law requires a qualified majority, without their specification.

The Bank and Shareholders who approved the articles of association in force deemed that, since Banco Comercial Português is the company with the largest free float of the Portuguese Stock Exchange, it is important to ensure that, whatever the circumstances, and not only for the cases identified in the law, the Shareholders, independently of their respective representativeness, are certain that, on first call, the affairs taken to the General Meeting may only be decided if the share capital is minimally represented.

In truth, in a Company which, during 2011, saw 194% of the shares representative of its share capital involved in transactions on the Stock Exchange, the guarantee of a minimum representativeness of the shareholders is an essential condition for the defence of the interests of the actual Company, as well as its Customers, Employees and other Stakeholders.

Likewise, and in view of the dispersion of the Bank’s share capital, the requirement, on first call, of more than one third of the share capital does not prevent the Meeting being held only with the presence of minority shareholders.

The second and third are related to the majority required for the approval of operations concerning the merger; demerger or transformation of the Bank, for which the law requires two thirds of the votes cast and the Bank’s Articles of Association require three quarters of the votes cast, as well as for resolution on the dissolution of the Company where, under the terms of the article 55 of the Bank’s Articles of Association, a majority corresponding to three quarters of the paid-up share capital is required.

Also in this case, and view of the importance of the matters in question, the arguments presented in the previous case are considered valid, especially its last paragraph.

NOTE 3
The Bank’s Articles of Association do not include any rules with a view to preventing the success of public takeover offers. There is also no rule with the content expressed in the second part of the present recommendation, and its inclusion has never been requested either by shareholders or members of the governing bodies. Under the terms of the law, any Shareholder or Group of Shareholders holding 2% or more of the share capital may request, at any time, that the suppression of the limit stipulated in article 26 of the Bank’s Articles of Association should be voted on at the General Meeting.

Also in this case, please confer the last paragraph of note 1.
NOTE 4
In the corporate governance model adopted, under the terms of article 278, number 1 c) of the Companies Code, by Banco Comercial Português during 2011, the two-tier model, the supervision of the Company and of the activity of the Executive Directors is entrusted to an autonomous body called the Supervisory Board, statutorily constituted of a number of members higher than that of the Executive Board of Directors. In 2011 this body had 18 members, composed of a majority of independent members. Hence, the objectives targeted by this recommendation are fully achieved, although the text of the recommendation refers to a governance model that is different from the one adopted by the Company in 2011.

NOTE 5
Although this recommendation is not applicable to the corporate organisation model adopted by Banco Comercial Português during 2011, it is applied through the Supervisory Board, composed of a majority of independent members.

NOTE 6
Under the terms of the law and the Bank’s Articles of Association, and as a result of the two-tier governance model adopted during 2011, the matters identified in subparagraphs i), ii) and iii) are submitted to the opinion of the Supervisory Board.

NOTE 7
In companies that adopt the two-tier model, the majority of independent members of the Supervisory Board ensures compliance with this recommendation.

NOTE 8
The issues covered by the present recommendation are addressed in the Report of the Supervisory Board, published simultaneously with this Report.

NOTE 9
The member and also Vice-Chairman of the Executive Board of Directors responsible for financial matters in 2011 was appointed to this position on 18 April 2011.

NOTE 10
As a result of the governance model adopted by the Bank during 2011, the issues covered by the present recommendation are addressed in recommendation II.3.3.

NOTE 11
The Audit Committee is a specialised committee of the Supervisory Board (article 43, 44 and 45 of the Bank’s Articles of Association in effect in 2011).

NOTE 12
The information referred to by the present recommendation is available in English on the following website: http://www.millenniumbcp.pt/site/conteudos/en/.

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

The recommendations described in the table above and the detailed manner in which the issues are addressed in the following chapters are in conformity with the guiding principles of the Group’s corporate governance policy, where the degree of observance of the recommendations is considered to be comprehensive and complete, in particular according to their effective relevance and interests they seek to protect.
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 adopted, an explanation should be given of the parts of each code which are not complied with or which the company considers are not applicable, the respective grounds and other relevant observations, as well as clear indication of the part of the Report where the description of this situation can be found.

The answer required for this point is presented in the explanations given in the replies to the three preceding points. Notwithstanding this, the relevance of the issue requires a more detailed reference.

In fact, experience shows – not only in Portugal – that the alternative “comply or explain” formula has not been successful in practice, in conveying its underlying and indeed indispensable, equivalence. Hence, the compliance (or mere submission) has been more used and recognised than the legitimate alternative explanation, which has also unbalanced the respective compliance cost, making formal compliance simpler and more convenient (with or without concordance) than the effort of explaining, which is more cumbersome and less useful.

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

Nowadays, anyone wishing to base a group of recommendations upon the fundamental principle of comply or explain – as is, we repeat, the goal of the cited Directive 2006/46/EC and also the goal of most corporate governance codes of international companies – can no longer just state the principle without seeking to contribute to preserve its real meaning.

It is, therefore, crucial to stress the importance of a firm application of the principle of comply or explain in all its aspects, strongly underlining the real equivalence of both possibilities of the alternative.
CHAPTER I – GENERAL MEETING

The operation of the General Meeting of Banco Comercial Português, S.A., a public company, issuer of shares listed for trading on regulated markets, is ruled by the respective statutory rules and specific provisions of the Companies Code (CC) and Securities Code (SC).

The General Meeting, the highest governing body of the company, representing the entirety of the shareholders, is responsible for: electing and dismissing its own Board, as well as the Members of the management and supervisory boards, approving amendments to the articles of association; resolving on the management report and financial statements for the year and proposals for the appropriation of profit, resolving on any matters submitted at the request of the Management and Supervisory Bodies and, in general, resolving on all matters specifically attributed by the law or Articles of Association, or which are not included in the attributions of other governing bodies.

The chairman of the board of the general meeting has the supporting human and logistic resources appropriate to the preparation and undertaking of the General Meeting, and had the support of the Company Secretary and respective services over the entire year. The whole process of preparation and holding of the two General Meetings of the financial year was supported by a vast multidisciplinary team composed of senior staff and employees of the Operations, Information Technology, Direct Banking and Audit Departments as well as the representative for Market Relations.

It should be noted that an international Audit firm has always been 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 to hold a second term of office on 18 April 2011;

Vice-Chairman:    Manuel António de Castro Portugal Carneiro da Frada (Independent), elected to hold a second term of office on 18 April 2011.

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 keeps the historical record, in Portuguese and English, of the relevant information relative to the General Meetings held in the last five years, disclosing, namely: the total number of votes cast, the percentage share capital represented corresponding to the total number of votes cast, the number of shares corresponding to the total number of votes cast, the company’s identification, the name of the Chairman and Vice-Chairman of the Board, copy of the call notices, agendas, proposals and any other documents voted on.

These are available on the Bank’s Internet site, on the page with the following address: https://www.millenniumbcp.pt/pubs/en/governance/article.jhtml?articleID=548082.

Likewise, and independently of the number of shares owned, the Bank sends the minutes to shareholders who have participated in the General Meetings and request them, providing access to the attendance lists to shareholders who wish to validate their own registration on these lists.
I.2. Indication of the starting and end date of the respective terms of office

The Chairman and Vice-Chairman of the Board were elected at the General Meeting held on 18 April 2011, for the three-year period 2011/2013, and are holding a second term of office, continuously.

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 in 28 May 2007 by the Remuneration and Welfare Board elected by the General Meeting, with this value having remained unaltered since then.

While in office and always in observance of the rules of independence, the Chairman of the Board, with his considerable and recognised technical knowledge and legal strictness, has supported the different Governance and Corporate Bodies of the Bank in all matters of corporate governance and others on which he was consulted, having been primarily responsible for the writing of the complete amendment of the Bank’s articles of association, approved at the Annual General Meeting of 2011.

I.4. Indication of the time in advance required for the blocking of shares for participation in the general meeting

The Bank’s Articles of Association included the amendments to the Securities Code approved by Decree–Law number 49/2010, which imposed on the Portuguese legal system and for companies issuing shares listed for trading on regulated market, the rule of the “date of registration”.

This rule determines that the capacity to participate and vote in the General Meeting is assessed according to presentation of evidence of Shareholder capacity at 0 hours GMT on the 5th trading day prior to the date of the meeting. In the event of shares being sold during the period between the “date of registration” and date of the Meeting and of the shareholder wishing to participate therein, the shareholder must inform the CMVM and Chairman of the Board of the Meeting of this fact.

I.5. Indication of the rules applicable to the blocking of shares in the case of suspension of the general meeting

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

I.6. Number of shares corresponding to one vote

Under the Bank’s articles of association, each share 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 shareholders related to the former

Within the legal framework applicable to companies in general, and to credit institutions in particular, it is not possible to issue shares without voting rights; if these do not confer to their holders, namely, priority minimum dividends to be paid for using the distributable profit for the financial year.

Banco Comercial Português has never issued preferred shares without voting rights, in spite of enshrining this possibility in number 2 of article 4 of its Articles of Association, pursuant to the legislative framework of the Companies Code on this matter.

The preferred shares with such features of 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 voting rights that are indispensable and necessary for effective control of the Company.
Hence, with respect to this category of shares (or type of securities), the fact that they do not grant voting rights does not affect the proportionality of the voting rights. Besides, under the terms of the law, if their preferred dividend is not paid for two consecutive financial years, these shares will gain voting rights, restoring the corporate balance and allowing their holders to actively participate in the Company’s life.

If, by any chance, it were to be interpreted as abolishing the possibility of issuing preferred shares without voting rights, the recommendation of the CMVM would, in fact, collide with the provisions established in section V of Chapter II of the Companies Code, namely with the provisions in number 1 of article 341 and would ignore the content of article 384 of the same Code.

Regarding the provisions in article 26 of the Bank’s Articles of Association, 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 in relation to certain shareholders connected to the former, Banco Comercial Português considers that this article was created to ensure that small and medium-sized shareholders have greater influence on any decisions that might be submitted to the General Meeting. The limits to voting rights stipulated in the Articles of Association, reflected in the adoption of a maximum statutory voting ceiling, sought to restrict the rights of the largest shareholders, thus defending the interests of small and medium-sized shareholders, whose vote thus achieves greater weight and representativeness.

This statutory provision may be freely modified by the shareholders, at any time.

**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 clearly and objectively enshrine the rules for the exercise of voting rights.

Article 24 of the Bank’s Articles of Association establishes the requirement of a constitutive quorum of over one third of the share capital for the Meeting to be able to resolve on first call on most matters.

Regarding the quorum to adopt resolutions, the Articles of Association only diverge from the law with respect to resolutions on the merger, demerger and transformation of the company, which require approval by three quarters of the votes cast, and winding-up of the company where, under the terms of article 55 (presently 49) of the Articles of Association, a majority corresponding to three quarters of the paid-up share capital is required.

With the exception noted above in I.7., the Articles of Association do not establish limitations to the exercise of voting rights, nor do they stipulate any special voting or other rights.

**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:

- Shareholders who are present on a list drawn up with reference to a date as close as possible to that scheduled for the Meeting are sent a copy of the respective call notice, e-mail, as well as a letter from the Chairman of the Board of the General Meeting providing extensive information on the different ways to participate in the General Meeting and vote through physical attendance or by correspondence;

- As of the publication of the call notice, the Bank’s Internet site provides all the relevant information, such as the agenda, proposals and documents to be submitted to the Meeting, forms/e-mails for requests of information on the ownership of shares, intention to participate in the General Meeting, proxy letters, ballots for postal correspondence and how to use electronic means. This information is uploaded to a specific page of the General Meeting created on the Bank’s institutional Internet site, where, complying with the legal deadlines, it is not only possible to consult and print all the documentation which, being known to the company, is prepared for appraisal by the Shareholders, but also an explanatory note is also provided on how to participate, indicating the steps
which must be taken to ensure the Shareholder’s presence at the Meeting and exercise of the right to vote, namely by correspondence.


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

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

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

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 Internet site, on the page with the following address:


I.11. Requirement of a period of time between the receipt of votes cast by correspondence and the date of the general meeting

The Bank has established as the deadline for the receipt of votes cast by correspondence 17:00 hours of the penultimate business day before the date scheduled for the General Meeting, with this deadline coinciding with that established for the receipt of the rest of the documentation for the meeting, thus observing the rules in CMVM Regulation number 1/2010 – Governance of Listed Companies.

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

Under the terms of article 27 of the Bank’s Articles of Association, 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 confidentiality of votes cast in this manner.

As defined by the Bank, voting by correspondence through electronic means may be exercised by shareholders who have requested the respective code in due time.

The instructions for voting through electronic means are published at the same time as the call notice of the General Meeting on the Bank’s Internet 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 five days after the General Meeting

The Bank publishes, within a period of less than the recommended five days, the constitutive quorum, agenda, proposals and reports submitted to the Meeting, content of the resolutions taken and results of the voting, indicating the number of shareholders present at each voting session, number of shares and number of votes to which they correspond, the votes cast and result of the voting. The abovementioned publication is available on the Bank’s Internet site, on the page with the following direct address:

I.14. Existence of an historical record on the company's Internet site, with the resolutions taken at 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 provides 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 preceding number.

The abovementioned publication is available on the Bank's Internet site, on the page with the following address:


I.15. Indication of the representative(s) of the remuneration committee present at the General Meetings

Both the Chairman of the Remuneration and Welfare Board and at least one of its Members were present at the General Meetings held during the financial year of 2011.

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 staff

The General Meeting held on 18 April 2011 resolved, with a binding character, on the remuneration policies of the Chairman and Vice-Chairman of the Board of the General Meeting, Remuneration and Welfare Board, Supervisory Board, Executive Board of Directors and of other officers, senior staff and other employees. The respective proposals were approved by 99.94% of the votes cast and the meeting was attended by shareholders or their representatives holding 52.57% of the share capital.

The approved proposals are available on the Bank’s Internet site, on the page with the following address:


During 2011, the Head of the Office of the Chairman of the Executive Board of Directors, the Compliance Officer, Group Treasurer, Representative of Investor Relations, Risk Officer, Company Secretary as well as the Head of Internal Audits, Head of the Planning and Budget Control Department and the Head of the Supervisory Board Support Office were qualified as Officers of the Bank. Their respective remuneration does not contain any variable component, and is attributed casuistically by the Executive Board of Directors on an annual basis, and is not considered an acquired right. During the financial year to which this report refers, no sum was attributed as variable remuneration to the officers in observance of number 3 of article 248-B of the Securities Code.

The policy of establishment of remuneration of these Officers is precisely the same as that for all other Coordinating Managers of the Bank and Group, which was approved at the General Meeting of 18 April 2011.

The Annual General Meeting is responsible for making a general assessment of the company’s management and supervision, with the scope established by law, using for the effect the recommendation arising from the assessment made by the Supervisory Board in the respective report and opinion placed at the disposal of the Shareholders together with the rest of the documentation related to the financial statements.

I.17. Information on the intervention of the general meeting with respect to the proposal regarding the approval of plans to allocate shares and/or share purchase options, or based on share price variations, 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 on elements exempt from the general meeting with a view to a correct assessment of these plans

There are no valid plans to allocate shares and/or shares call options or plans based on share price variations.
I.18. Information on the intervention of the general meeting regarding the approval of the main characteristics of the retirement benefits system extended to members of the management and supervisory boards and other directors, in observance with number 3 of article 248-B of the Securities Code

The retirement or disability benefit system of the members of the management board is stipulated in article 17 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 and by the Annual General Meeting held on 18 April 2011, where the Remuneration and Welfare Board, on this issue and relative to the financial year of 2011, made the decision described in the table presented in paragraph II.33.o) of this Report, the financial impact of which cannot be altered.

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 rules stipulating the limitation of the number of votes which may be held or exercised by a single shareholder individually or in a concerted manner with other shareholders

There is no rule in the Bank’s Articles of Association with the content expressed in the present recommendation and its inclusion has never been requested or proposed either by shareholders or members of the corporate bodies.

Under the terms of the law, any shareholder or Group of Shareholders holding 2% or more of the share capital may request, at any time, that the limit stipulated in number 1 of article 26 of the Bank's Articles of Association should be submitted to the appraisal of the General Meeting, where a majority of two thirds of the votes cast is required in order for this resolution to be approved at the General Meeting, that is, the majority legally required for amendment of the articles of association.

Notwithstanding the above, it is important to recall that the limitation of votes was effectively submitted to the General Meeting on 27 August 2007, 18 April 2011 and 28 February 2012.

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

The Company’s Articles of Association stipulate no measures with these characteristics.

I.21. Significant agreements in which the company is a party and which enter into force are altered or cease 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 to the company, except if the company is specifically obliged to disclose this information due to other legal requirements

There are no agreements with these characteristics.

I.22. Agreements between the company and members of the management board and directors, in observance of number 3 of article 248-B of the Securities Code which establish compensation in the case of resignation, unfair dismissal or termination of the work relation following a change in the control of the company

The Company signed no agreements with these characteristics.
CHAPTER II – MANAGEMENT AND SUPERVISORY BOARDS

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

Six 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 model, the Board of Directors believes that this model enabled strict separation between management and supervision in different bodies, and no constraints have been detected in its respective operation.

Yet on matters of corporate governance, the Anglo-Saxon model, one of the one-tier models stipulated in the Companies Code, is currently deemed suitable for a Group with the scale and object of the BCP Group, enabling greater proximity and organic identity, which, within the current context, is deemed best to uphold the company’s interests.

SECTION I – GENERAL ISSUES

II.1. Identification and composition of the Corporate Bodies

In accordance with the said corporate governance model adopted by Banco Comercial Português in 2011, its management and supervision was structured as follows:

- Executive Board of Directors;
- Supervisory Board, which includes, amongst others, an Audit Committee;
- Statutory Auditor.

The General Meeting also decided to delegate the duties of establishment of the remuneration of the governing bodies to a Remuneration and Welfare Board.

The Group also uses a company of external auditors to audit the individual and consolidated accounts of Banco Comercial Português and different companies controlled by it, which was appointed at the General Meeting through proposal subscribed by the Supervisory Board.

A) Executive Board of Directors

The Executive Board of Directors was responsible for the administration of the Company.

The Executive Board of Directors currently in office was elected by the General Meeting held on 18 April 2011 for the three-year period 2011/2013.

On 20 June 2011, Paulo Moita Macedo, Vice-Chairman, resigned from this position, following his appointment for the position of Minister of Health.

Under the terms of the Articles of Association in effect until 28 February 2012, the Executive Board of Directors was composed of a minimum of five and maximum of thirteen members, elected by the General Meeting for a period of three years, who may be re-elected one or more times. The Chairman or whoever is replacing him at any given time has the casting vote.
The Executive Board of Directors was given ample competence established in the law and Articles of Association of the Company, which covered, amongst others, the following duties:

- Management of the Bank, carrying out all acts and operations permitted by law and pertinent to its corporate object;
- Acquisition, encumbrance and disposal of any assets and rights, movable or immovable, whenever deemed convenient for the Company;
- Decision, in compliance with the legal and regulatory stipulations, on Company holdings in companies with any corporate object or regulated by special legislation or in incorporated or unincorporated joint ventures or in any other form of association of companies;
- Contracting of employees, establishment of their salaries, benefits and other pecuniary considerations and exercise of the corresponding directive and disciplinary power;
- Preparation of the financial statements;
- Preparation of the documents forecasting the Bank’s activity and corresponding implementation reports;
- Mobilisation of financial resources and engagement in credit operations which are not prohibited by law;
- Appointment of attorneys to carry out specific acts;
- Complying and ensuring compliance with legal and statutory stipulations and with the resolutions of the General Meeting;
- Definition and organisation of the Bank’s working methods, drawing up of regulations and determination of any instructions deemed convenient;
- Resolution on decision-making levels with competence to assess credit operations;
- Representation of the Bank in and out of court, as plaintiff or defendant;
- Resolution or proposal, with grounds, one or more times, of share capital increases, in the first case always in observance of the limits of the authorisation of the General Meeting and after the prior opinion of the Supervisory Board has been obtained;
- Close cooperation with the Supervisory Board and other bodies of the Bank, pursuant to good practices of corporate governance.

The Bank’s Executive Board of Directors was, as at 31 December 2011, composed of the following members:

**Chairman:** Carlos Jorge Ramalho dos Santos Ferreira (63 years old)

**Vice-Chairmen:**
- Vítor Manuel Lopes Fernandes (48 years old)
- António Manuel Palma Ramalho (51 years old) (appointed Vice-Chairman on 6 September 2011, following the resignation of Paulo José de Ribeiro Moita de Macedo)

**Members:**
- Luís Maria França de Castro Pereira Coutinho (50 years old)
- Miguel Maya Dias Pinheiro (47 years old)
- José Jacinto Iglésias Soares (51 years old)
- Rui Manuel da Silva Teixeira (51 years old)
All the Directors had technical competence, knowledge and professional experience appropriate to the performance of their respective duties and areas of responsibility under the internal organisation, as may be concluded from the analysis of the curricula presented in Annex I to this report. During the performance of their duties, all the Directors exercised management with diligence, showing thoroughness and accuracy, observing duties of loyalty, acting in the best interest of the company and in consideration of the long term interests of the Shareholders and other Stakeholders.

Pursuant to the provisos of the Bank’s Articles of Association and Regulations of the Executive Board of Directors, all the Directors are prevented from performing duties of any nature through appointment or corporate office or work contract in any other company in which the Group led by Banco Comercial Português has no interests, unless prior authorisation, explicit and founded, of the Supervisory Board has been obtained for such.

B) Supervisory Board

The Supervisory Board is a supervision body, being 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 providing it with advice and assistance;
- Ensuring observance of the law and Articles of Association;
- Ensuring the continuous follow-up of the systems and procedures for the company’s financial reporting and risks management, and 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 independence requirements and other relations with the Company, as well as their respective exoneration, a decision which, to the extent permitted by the law, will be binding, implying that the Corporate Bodies must proceed in conformity;
- Assessing and monitoring the internal procedures relative to accounting matters, the effectiveness of the risk management system, internal control system and internal audit system, including the receipt and processing of related complaints and doubts, whether derived from employees or not;
- Issuing opinions on the management report and financial statements for the year;
- Monitoring and assessing issues relative to corporate governance, sustainability, codes of ethics and conduct and systems for the assessment and settlement of conflicts of interest;
- Contracting services rendered by experts who assist one or more of its members in the performance of their duties;
- Receiving communications of irregularities submitted by shareholders, company employees and others;
- Preparing an activity report annually.

The Supervisory Board in office in 2011 was composed of eighteen permanent members. In view of the nature of the governance model adopted by the Bank, all the members of this Board were non-executive and the majority was qualified as independent. Relative to the members of the Supervisory Board as at 31 December 2011, four members did not meet the independence requirements due to being related to entities with holdings above 2% of the Bank’s share capital. All the members complied with the rules on incompatibility established in number 1 of article 414-A, by virtue of article 434, number 4 of the Companies Code and performed their respective duties observing the duties of zeal, care and loyalty, pursuant to high standards of professional diligence.
The Supervisory Board was elected at the General Meeting of 18 April 2011 and, as at 31 December, had the following composition:

**Chairperson:** António Vítor Martins Monteiro (68 years old) (Independent)

**Vice-Chairpersons:**
- Manuel Domingos Vicente (55 years old) (Not Independent, due to being bound to an entity owning a qualifying holding) (1)
- Maria Leonor C. Pizarro Beleza de Mendonça Tavares (63 years old) (Independent)

**Members:**
- Álvaro Roque de Pinho Bissaia Barreto (76 years old) (Independent)
- António Henriques Pinho Cardão (68 years old) (Independent)
- António Luís Guerra Nunes Mexia (54 years old) (Not Independent, due to being bound to an entity owning a qualifying holding)
- António Manuel Costeira Faustino (54 years old) (Independent)
- Carlos José da Silva (46 years old) (Not Independent, due to being bound to an entity owning a qualifying holding)
- Daniel Bessa Fernandes Coelho (63 years old) (Independent)
- João Manuel de Matos Loureiro (52 years old) (Independent)
- José Guilherme Xavier de Basto (73 years old) (Independent)
- José Vieira dos Reis (64 years old) (Independent)
- Josep Oliu Creus (62 years old) (Not Independent, due to being bound to an entity owning a qualifying holding)
- Luís de Mello Champalimaud (60 years old) (Independent) (2)
- Manuel Alfredo da Cunha José de Mello (63 years old) (Independent)
- Pansy Catilina Ho Chiu King (49 years old) (Independent)
- Thomas de Mello Paes de Vasconcelos (54 years old) (Independent)
- Vasco Esteves Fraga (62 years old) (Independent)

The term of office of the Supervisory Board began on 18 April 2011 and its members were elected for the three-year period 2011/2013.

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

**C) Statutory Auditor and External Auditors**

**Statutory Auditor**

In the corporate governance model adopted by Banco Comercial Português during 2011, the Statutory Auditor was elected by the General Meeting under proposal of the Supervisory Board, for a three-year term of office. The Statutory Auditor is responsible for the examination of the company’s accounts, pursuant to article 446 of the Companies Code, and namely:

- Verifying the regularity of the accounting ledgers and records;
- Verifying that the accounting policies and valuation criteria adopted lead to the correct assessment of net worth and net income;
- Verifying the accuracy of the financial statements;
- Auditing the accounts and other relevant services;
- Preparing a monthly report on its supervisory action;
- Participating in the meetings of the Executive Board of Directors and Supervisory Board whenever its presence is deemed relevant, namely, at the time of the approval of the company’s accounts.

(1) Renounced the position on 3 February 2012.
(2) Renounced the position on 3 February 2012.
The Statutory Auditors, permanent and alternate, elected at the General Meeting held on 18 April 2011, to hold office for the three-year period of 2011/2013, are:

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

**Alternate:** KPMG & Associados – Sociedade de Revisores Oficiais de Contas, S.A., represented by João Albino Cordeiro Augusto, ROC, number 632.

As with all other members of the Bank’s Governing Bodies, the Statutory Auditor is also bound to continue in office up to the General Meeting that elects a new Statutory Auditor.

**External Auditor of the Group**

Under the terms of the competence entrusted by article 41, subparagraph n) of the Bank’s Articles of Association, the Supervisory Board, under proposal prepared by the Audit Committee proposed to the Bank’s General Meeting, on 18 April 2011, the election of KPMG & Associados – Sociedade de Revisores Oficiais de Contas, S.A. (SROC number 189) as External Auditor of the Group, for the three-year period 2011/2013, which was approved.

**D) Remuneration and Welfare Board**

The Remuneration and Welfare Board, in which the General Meeting delegated, for the three year period 2011/2013, the competence to resolve on the remuneration of the members of the corporate bodies, as at 31 December 2011, had the following composition:

**Chairman:** José Manuel Rodrigues Berardo (68 years old)

**Members:** António Vítor Martins Monteiro (68 years old)

Luís de Mello Champalimaud (60 years old)

Manuel Pinto Barbosa (68 years old)

The Members of the Remuneration and Welfare Board were independent from the members of the management board and, with the exception of the Chairman, were also independent in relation to the company as confirmed by the respective curricula attached to the present report.

During the financial year of 2011, the Remuneration and Welfare Board held six meetings.

At the request of its Chairman, the Chairman of the Executive Board of Directors attended some of these meetings.

André Luiz Gomes (lawyer) was the expert of the Remuneration and Welfare Board and the Company Secretary acted as secretary to the Board.

**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 its supervision duties, the Supervisory Board constituted, at its meeting of 18 May 2011, under the terms of the law, articles of association and its own Regulations, the following four specialised committees. The Audit Committee had already been elected at the General Meeting.

Below is a summarised description of the duties, competences and composition of each of these committees.
A) Audit Committee
This Committee is stipulated in number 2 of article 444 of the Companies Code, where, in observance of the said provision and the Regulations of the Supervisory Board, it is entrusted, namely, with the matters of supervision of the Risk Management Systems or potential financial, operating, legal or corporate risks that may result in significant direct or indirect losses; the supervision of the Internal Control and Internal Audit systems; issue of opinions on the management report and financial statements for the year; issue of shares, bonds or other securities or on the Bank’s Risk Manual, advising the Supervisory Board on the content of the opinions it issues on financial matters; verification of the regularity of the accounting ledgers and records and their supporting documents, as well as the accounting policies, valuation criteria that are adopted and process of preparation and disclosure of financial information, recommendation to the Supervisory Board on the selection of the Statutory Auditor and External Auditor, as well as supervision of their respective activity and independence, in particular regarding the provision of additional services, supervision of internal audit activity, receipt of communications of irregularities submitted by shareholders, employees or others, ensuring their follow-up by the Internal Audit Department or Client Ombudsman’s Office.

This Committee was also responsible for issuing opinions on loan contracts, under any form or modality, granted by the Bank or any company of the Group to members of their corporate bodies, or shareholders owning qualifying holdings, as well as with entities that, 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 Chief Financial Officer, Risk Officer, Compliance Officer and Head of the Internal Audit Department and has the power to summon any Coordinating Manager it wishes to hear. The Audit Committee selects the Statutory Auditor and External Auditor, whose election and contracting are proposed to the General Meeting by the Supervisory Board, also approving the remunerations and conditions for the suitable performance of duties by the Statutory Auditor and External Auditors.

During the financial year of 2011, 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 Melo Pais de Vasconcelos (Independent)

All the members of this Committee were, pursuant to the legal and statutory criteria, qualified as independent, having the appropriate competences and professional experience for the performance of their respective duties, as confirmed by the respective curricula attached to the present report.

This Committee received logistic and technical support from the Supervisory Board Support Office and the Head of this Office acts as secretary to the Committee.

During the financial year of 2011, the Audit Committee held sixteen meetings.

B) Corporate Governance Committee
This Committee was responsible for the assessment and continuous monitoring of matters relative to corporate governance, namely, coordinating the work of reflection on the Bank’s governance model, so as to recommend solutions which are best suited to the Company’s management needs, culture and strategy.
During the financial year of 2011, the Corporate Governance Committee had the following composition:

**Chairman:** António Vítor Martins Monteiro (Independent)

**Members:**
- Carlos José da Silva (Not Independent, due to being bound to an entity owning a qualifying holding)
- António Luís Guerra Nunes Mexia (Not Independent, due to being bound to an entity owning a qualifying holding)
- António Manuel Costeira Faustino (Independent)

João Soares da Silva (lawyer) was the expert of this Committee and the Company Secretary acts as secretary to the Committee.

During the financial year of 2011, the Corporate Governance Committee held four meetings.

### C) Nominations Committee

This Committee was responsible for assisting and advising the Supervisory Board on the formulation of the opinion on the annual vote of confidence in the Management Board.

Likewise, it also advised the Supervisory Board, issuing an opinion on the appointment of Coordinating Managers (reporting directly to the Executive Board of Directors), of individuals appointed for management or supervisory duties in participated companies, whether controlled or not, and on the prior agreement required for directors to accept positions in corporate bodies outside the Group.

During the financial year of 2011, the Nominations Committee had the following composition:

**Chairman:** Manuel Alfredo da Cunha José de Mello (Independent)

**Members:**
- António Henriques Pinho Cardão (Independent)
- Vasco Esteves Fraga (Independent)

During the financial year of 2011, the Nominations Committee held six meetings.

The Company Secretary acts as secretary to the Committee.

### D) Risk Assessment Committee

This Committee was responsible for advising the Supervisory Board and Executive Board of Directors on matters related to the definition of risk strategy, capital and liquidity management and market risk management, whose execution it monitors.

During the financial year of 2011, the Risk Assessment Committee had the following composition:

**Chairman:** Daniel Bessa Fernandes Coelho (Independent)

**Members:**
- Álvaro Roque de Pinho Bissaia Barreto (Independent)
- Manuel Alfredo da Cunha José de Mello (Independent)

During the financial year of 2011, the Risk Assessment Committee held one meeting.

The Head of the Supervisory Board Support Office acts as secretary to the Committee.
E) Ethics and Professional Conduct Committee

This Committee was responsible for assessing the compliance function and, at the same time, appraising compliance with the ethical and professional conduct principles set forth in the various internal regulations.

The Ethics and Professional Conduct Committee had the following composition:

**Chairman:** Álvaro Roque de Pinho Bissaia Barreto (Independent)

**Members:** António Henriques Pinho Cardão (Independent)
Vasco Esteves Fraga (Independent)

During the financial year of 2011, the Ethics and Professional Conduct Committee held two meetings.

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

The diagram below represents the Corporate Governance Model structure of Millennium bcp in 2011:
Since the competences of the General Meeting, the Supervisory Board and its specialised committees, and the Remuneration and Welfare Board have been addressed in detail in the points above, this number shall describe only the scope of action of the Client Ombudsman’s Office, the distribution of areas of responsibility of the Executive Board of Directors and the main structures that report to them.

CLIENT OMBUDSMAN’S OFFICE

The Client Ombudsman’s Office of Millennium bcp ensures that the Bank’s Customers receive an independent service relative to the institution’s governance and hierarchical structures, so as to guarantee impartiality in the analysis and settlement of any claims submitted by them, related to the bank and financial services provided by Millennium bcp. The Client Ombudsman’s Office acts in conformity with specific Regulations, basing its conduct on the applicable imperative legal provisions, the Bank’s Code of Conduct and other binding internal procedures and may adopt judgements of fairness with a view to obtaining the most suitable solutions.

The position of Ombudsman is held by Francisco José Anjos Salema Garcia, a person of recognised competence and very considerable experience in the banking business, with no employment ties with Banco Comercial Português, S.A. or any Company or institution controlled by the Bank. The Client Ombudsman’s Office has its own office and operating structures, with four exclusively dedicated Employees.

The professional curriculum of the Ombudsman is available on the Bank’s Internet site, on the page with the following address:

During 2011, the Client Ombudsman’s Office received 1,542 communications from Customers, of which 81 were reported as appeals, 1,099 recorded as claims and 362 as requests.

Of the 81 appeals that were filed and appraised, 80 were concluded, with the average time of response having stood at 15 business days (equivalent to 22 calendar days), representing a rate of conclusion in due time of 99% and the percentage of claims upheld was 24% (19 case files). Two recommendations were made to the Executive Committee of Millennium bcp Ageas Grupo Segurador, which concurred with them.

The processing of the 1,099 appeals was ensured with the collaboration of the Customer Support Service, of which 1,037 were concluded in 2011, with an average time of response of 14 business days (equivalent to 20 calendar days), representing a rate of conclusion in due time of 94% and 53% of the decisions were favourable to the claimants (552 case files).

EXECUTIVE BOARD OF DIRECTORS

Since this is an Executive Body, there is no delegation of competences in the real sense of the term, but rather a clear distribution of areas of responsibility amongst the different Directors, who were assisted by various Committees, Commissions and Departments in 2011.
The distribution of areas of responsibility amongst members of the Executive Board of Directors as at 31 December 2011 was as follows:

**EXECUTIVE BOARD OF DIRECTORS**

**Areas of Responsibility and Alternate Directors**

<table>
<thead>
<tr>
<th>CARLOS SANTOS FERREIRA (CSF)</th>
<th>VÍTOR FERNANDES (VF)</th>
<th>ANTONÍO RAMANHO (AR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office of the Chairman of the Executive Committee (VF)</td>
<td>Information and Technology Department (AR)</td>
<td>Treasury &amp; Markets Department (VF)</td>
</tr>
<tr>
<td>Company Secretary (VF)</td>
<td>Operations Department (AR)</td>
<td>ALM (VF)</td>
</tr>
<tr>
<td>Fundação Millennium bcp (VF)</td>
<td>Staff Management Support Department (**)</td>
<td>International Department (***) (VF)</td>
</tr>
<tr>
<td>Audit Department (VF)</td>
<td>Specialised Credit Department (AR)</td>
<td>Valuation Department (VF)</td>
</tr>
<tr>
<td>Millennium Angola (VF)</td>
<td>Credit Department (AR)</td>
<td>Planning and Budget Control Department (VF)</td>
</tr>
<tr>
<td>Staff Management Support Department (VF)</td>
<td>Marketing Department (RMT)</td>
<td>Accounting and Consolidation Department (VF)</td>
</tr>
<tr>
<td>ActivoBank (VF)</td>
<td>Management Information Department (AR)</td>
<td>Investors Relations Department (VF)</td>
</tr>
<tr>
<td>Communication Department (VF)</td>
<td>Risk Office (AR)</td>
<td>Research Office (VF)</td>
</tr>
<tr>
<td></td>
<td>Rating Department (AR)</td>
<td>Real Estate Business Development (VF)</td>
</tr>
<tr>
<td></td>
<td>Insurance (AR)</td>
<td>Tax Advising Department (VF)</td>
</tr>
</tbody>
</table>

**LUÍS PEREIRA COUTINHO (LPC)**

<table>
<thead>
<tr>
<th>Private Banking (IS)</th>
<th>Companies Banking (RMT)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Millennium bcp Banque Privée (Switzerland) (IS)</td>
<td>Corporate Department I (RMT)</td>
</tr>
<tr>
<td>Bank Millennium (Poland) (VF)</td>
<td>Corporate Department II (RMT)</td>
</tr>
<tr>
<td>Bank Millennium (Greece) (VF)</td>
<td>Investment Banking Department (RMT)</td>
</tr>
<tr>
<td>Banca Millennium (Romania) (VF)</td>
<td>Millennium bim (CSF)</td>
</tr>
<tr>
<td>Banque BCP (France) (IS)</td>
<td>Millennium Angola (**)</td>
</tr>
<tr>
<td>Asset Management (IS)</td>
<td>Specialised Recovery Department (RMT)</td>
</tr>
<tr>
<td>Asian Desk (IS)</td>
<td>Litigations Department (RMT)</td>
</tr>
</tbody>
</table>

**IGLÉSIAS SOARES (IS)**

<table>
<thead>
<tr>
<th>Audit Department (**)</th>
<th>Retail Banking Department (MM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal Department (LPC)</td>
<td>Network Support Department (MM)</td>
</tr>
<tr>
<td>General Secretariat (LPC)</td>
<td>Madeira and Azores Regional Departments (MM)</td>
</tr>
<tr>
<td>Quality Department (LPC)</td>
<td>Direct Banking Department (MM)</td>
</tr>
<tr>
<td>Microcredit Department (LPC)</td>
<td>Cards Department (MM)</td>
</tr>
<tr>
<td>Financial Holdings Office (LPC)</td>
<td>Standardised Recovery Department (MM)</td>
</tr>
<tr>
<td>Prevention and Safety Office (LPC)</td>
<td></td>
</tr>
<tr>
<td>Administrative and Logistics Department (LPC)</td>
<td></td>
</tr>
<tr>
<td>Compliance Office (LPC)</td>
<td></td>
</tr>
</tbody>
</table>

(*) Alternate member.
(**) Direct responsibility.
(***) Includes a representation office in Brazil.

**COMPANY SECRETARY**

The Company Secretary and Alternate are appointed by the Executive Board of Directors, with their duties ending upon termination of the term of office of the Board for which they have been elected, and both were re-elected by the Board of Directors presently in office. Both have Law degrees and recognised experience to perform the duties required by the position.

The duties of the Company Secretary include providing support to the Bank’s corporate bodies and respective committees in legal, administrative and logistics areas, ensuring their effective operation. The Company Secretary provides advice to the Bank and companies of the Group, on corporate matters and governance, and is responsible for ensuring the registrations of the respective acts, both regarding the Supervisory Authorities and Commercial Registers.

The Company Secretary is entrusted with the promotion and preparation of the General Meeting of Shareholders of the Bank and companies of the Group, with answering requests made by shareholders and with the preparation of the Corporate Governance Report.

The Company Secretary contributes to and collaborates with all the Bank’s areas, both drawing up and validating acts or documents, and also ensures the disclosure of internal institutional communications.

**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 and decision-making structure, in 2011, it is important to note the existence of a series of Committees and Commissions directly appointed by the Executive Board of Directors which, apart from the Directors who have been specifically entrusted with the monitoring of matters within their scope of action, also included the Employees of the Bank or Group who are the senior persons in charge of their respective areas.

As at 31 December 2011, there were five Coordination Committees, aimed at facilitating the coordination of current managerial decisions, involving the senior management of the units included in each Business Area, with a view to reconciling perspectives and supporting the managerial decision-making process of the Executive Board of Directors.

Retail Committee
The Retail Committee composed of ten permanent members and three non-permanent members who participated in meetings only when justified by the topic under discussion. In addition to the Directors with the related areas of responsibility, Vítor Fernandes, Miguel Maya and Rui Manuel Teixeira, the following were part of this Committee as permanent members: the Heads of the Retail Banking Department, Direct Banking Department, Marketing Department, who acted as secretary, Cards Department, Network Support Department, Communication Department, Management Information Department and, as non-permanent members: the Heads of the Real Estate Business Department, Private Banking Department and Staff Management Support Department.

The main mission of this Committee was the monitoring and management of Retail Customers, with the objective of analysing the Bank’s activity in this area and finding the best solutions for growth and enhancement of loyalty in the different segments.

The duties of this committee involved monitoring the activity and results related to Individual and Business Customers and analysis of compliance with the objectives, definition of the priorities of the commercial action, approval of products and services for Retail Customers; analysis of the business context and proposal of commercial actions so as to respond to this aspect, analysis of the main risk indicators associated to the Individual and Business segments and analysis of the models of coordination of the Individuals segment regarding their migration in the value proposition and networks of the Bank.

Companies Committee
The Companies Committee composed of twelve permanent members and one non-permanent member who participated in meetings only when justified by the topic under discussion. In addition to the Directors with the related areas of responsibility, Vítor Fernandes, Miguel Maya and Rui Manuel Teixeira, the following were part of this Committee as permanent members: the Heads of the Companies Banking Department, Corporate I Department, Corporate II Department, Investment Banking Department, Specialised Credit Department, Real Estate Business Department, Marketing Department (DMKT), who acted as secretary, Management Information Department and Specialised Recovery Department and as non-permanent member: the Head of the Staff Management Support Department.

This Committee ensured the analysis, preparation and planning of the monitoring and development of the Bank’s business in the small and medium-sized enterprises (SME), Corporate and Investment Banking segments.

This committee was entrusted with the monitoring of the activity related to Company and Corporate Customers and analysis of compliance with the objectives, definition of the priorities of the commercial action, approval of the products and services to be launched; analysis of the business context and proposal of commercial action so as to respond to this aspect, analysis of the main risk indicators associated to the business and analysis of the models of coordination of the business regarding their migration in the value proposition and their interconnection with the Bank’s networks.

Asset Management and Private Banking Committee
The Asset Management and Private Banking Committee composed of ten permanent members and one non-permanent member who participates in meetings only when justified by the topic under discussion. In addition to the Directors with the related areas of responsibility, António Ramalho, Luís Pereira Coutinho and Rui Manuel Teixeira, the following were part of this Committee as permanent members: the Heads of Millennium bcp Gestão
de Activos, the Treasury and Markets Department, Market Research, Marketing Department, Private Banking Department, Banque Privée BCP (Switzerland), Wealth Management Unit (WMU), who acted as secretary, and, as a non-permanent member: one person in charge of the insurance area.

This Committee ensured the discussion and preparation of investment processes, investment policies, benchmarks and guidelines of investment products managed and/or distributed by the Bank. Its mission also included the high level definition of scenarios of market evolution by relevant geographical area.

**European Business Committee**

Composed of five members, including, apart from the Directors with related areas of responsibility, Vítor Fernandes and Luís Pereira Coutinho, the Heads of the Group’s Banks in Poland, Greece and Romania.

This Committee ensured the monitoring of the activity of the Group’s operations on European territory.

This Committee was entrusted with the analysis of the evolution of the activity in the different European operations, searching for the best solutions to control costs, increasing efficiency and streamlining the activity of the different Banks, monitoring the Process Management model and governance structure of the different operations and defining the main policies on actions and guidelines.

**Banking Processes and Services Committee**

The Banking Processes and Services Committee was composed of nine permanent members. Apart from the two Directors with the related areas of responsibility, Vítor Fernandes and Iglésias Soares, the members of this Committee also include the Heads of the Information Technology Department, Operations Department, Administrative and Logistics Department, Quality Department, Prevention and Safety Department, Staff Management Support Department and Budget Planning and Control Department.

This Committee was entrusted with the monitoring of activity in the major areas of support to the Bank’s front-end services, search for mechanisms and processes to enhance efficiency, reduce costs and improve the business processes and monitoring of the management structure and processes implemented at the Bank, analysis of the evolution of the activities of areas involving the Committee, study of the best solutions to control costs, enhance efficiency and streamline the Bank’s activity, monitoring of the Process Management model, creation of new processes, definition and strengthening of the duties and competences of process owners, approval of proposals of innovation in the management of the Bank’s resources and optimisation of their use, definition of policies regarding monitoring, procurement, control and contracting of outsourcing services to be used by the Bank and definition of the analytical measurements and evolution of controllable variables by the Committee’s areas, so as to ensure the continuous measurement of resource efficiency and productivity levels.

**COMMISSIONS**

There were six Commissions in 2011, which were all reappointed by the current Board of Directors, under 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 action of the Bank and Group.

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

The main duties of this Commission are the monitoring and management of market risks associated to the asset and liability structure, the planning and allocation of capital and definition of suitable policies for liquidity and market risk management, for the Group as a whole. Five members of the Executive Board of Directors are part of this Commission, as well as a Vice-Chairman and the Heads of the Treasury and Markets Department, Management Information Department, Budget Planning and Control Department, Research Office, Financial Holdings Department, Assets and Liabilities Management, who acts as secretary, Corporate Department, Marketing Department, the Risk Officer and Chief Economist.

**Credit Commission**

This Commission, with the composition and competences stipulated in the Credit Granting, Monitoring and Recovery Regulations, resolves on the granting of loans and advances to customers (integrated or not in economic groups), whenever this involves an increase of exposure above 20 million euros, or, for situations where the Bank’s exposure is above 50 million euros, for occasional operations above 10 million euros and for proposals of renewal or review of credit lines and ceilings which are within the preceding values.

The Credit 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 by the Risk Officer of the Group. This Commission also includes, according to the specific operations to be assessed and/or their nature, the Coordinating Managers of the Commercial Areas, Investment Banking Department, Specialised Credit Department, Real Estate Business Department and Corporate II Department and the Level 3 Credit Managers and the Compliance Officer.

**Risk Commission**

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

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

Two Sub-Commissions operate under the Risk Commission, the Pension Fund Risk Sub-Commission and the Credit Risk Monitoring Sub-Commission.

The Pension Fund Risk Sub-Commission is responsible for monitoring the performance and risk of the Group’s Pension Funds and defining suitable hedging and investment policy strategies.

This sub-commission is composed of two Vice-Chairmen of the Executive Board of Directors as well as one F&C representative, the General Manager of Pensões gere and the Heads of the Budget Planning and Control Department, Assets and Liabilities Management Department, Staff Management Support Department and the Risk Officer, who acts as secretary.

The Credit Risk Monitoring Sub-Commission is responsible for monitoring the evolution of credit exposure and of the contracting process, as well as the quality of the portfolio and key performance and risk indicators, counterparty risk, risk of concentration of the highest exposures and the evolution of impairment and the main cases analysed at an individual level. This sub-commission also analyses the performance of the recovery processes and supervises the divestment of the real estate portfolio. It submits proposals for the definition of credit concession policies and regulations, PD and LGD models and the models underlying the calculation of impairment as well as the automatic decision-making and credit recovery processes.

This sub-commission is composed of Vítor Fernandes and António Ramalho, Vice-Chairmen of the Executive Board of Directors, and Miguel Maya and Rui Manuel Teixeira, members of the Executive Board of Directors, as well as the Risk Officer, who acts as secretary, the Heads of the Budget Planning and Control Department, Credit Department, Rating Department, Specialised Credit Recovery Department, Standardised Credit Department, Corporate Department, Real Estate Business Department and Marketing Department.

**Pension Fund Monitoring Commission**

The mission of this Commission is the monitoring of the management of the Pension Funds. This Commission issues opinions on proposals to amend the respective constitutive contracts and was established under the terms of article 53 of Decree-Law 12/2006, of 20 January, as amended by Decree-Law 180/2007, of 9 May.

This Commission is composed of two members of the Executive Board of Directors, one being the Vice-Chairman of the Executive Board of Directors, Vítor Fernandes, the Risk Officer, the Heads of the Staff Management Support Department, who acts as secretary, Budget Planning and Control Department, and one representative of Pensões gere (Pension Fund manager). The Bank invited the Workers Committee to send a representative to this Commission, for this reason assigning one of the two places to which it was entitled. This Commission also includes three representatives of Bank Sector Unions.
**Sustainability Commission**

This Commission is responsible for submitting proposals for decision-making on topics related to the action plan based on the sustainability policy, as well as monitoring and reporting on the degree of achievement of the approved initiatives and supervision of the preparation of reports and other communication formats in the area of sustainability.

This Commission is composed of António Ramalho and Igélias Soares, Vice-Chairman and member of the Executive Board of Directors, respectively, and the Heads of the Communication Department, Quality Department, Assets and Logistics Department, Marketing Department, Staff Management Support Department, Research Office, who acts as secretary, and a representative of Fundação Millennium bcp.

**Stakeholders Commission**

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

Some of its members are persons of high and publicly recognised merit and prestige, without ties to the Bank, and are invited from amongst the main Stakeholders, namely shareholders, employees, customers and civil society.

This Commission is composed of the Chairman of the Executive Board of Directors, Carlos Santos Ferreira, the Vice-Chairman of the Board of the Directors, António Ramalho, the Chairman of the Board of the Bank’s General Meeting, the Ombudsman of Millennium bcp, a representative of the Workers Commission, Luís Aréezas, a representative of Fundação Millennium bcp, Luís Mota Freitas, a representative of the Customers, DECO, represented by Jorge Morgado, the Suppliers, represented by IBM (embodied by José Joaquim Oliveira), Patrick Wing Ming Huen, Vice-Chairman of ICBC-Industrial and Commercial Bank of China, Macau, and in representation of the Universities, Luís Campos e Cunha. The Head of the Support Office of the Chairman of the Executive Board of Directors acts as secretary to the Commission.

**BUSINESS AREAS AND SUPPORT UNITS**

The chart below presents the Bank’s organisation relative to business activity and support in 2011 and presently.

---

**BUSINESS IN PORTUGAL**

- **Retail**
  - Retail Banking (South, Centre South, Centre North, North)
  - Madeira and Azores Regional Departments
  - Direct Banking
  - Cards Department
  - Network Support Department
  - ActivoBank
- **Companies**
  - Companies Banking (South, North)
  - Corporate I and II Investment Banking Department
  - Tax Advisory Services – Investment Banking
  - Specialized Credit Department
  - Real Estate Business Department
  - International Department
  - Microcredit
- **Private Banking & Asset Management**
  - Millennium bcp Gestão de Ativos
  - Treasury and Markets Department
  - Private Banking Department

**PROCESSES AND BANKING SERVICES**

- **IT Department**
- **Operations Department**
- **Credit Department**
- **Standardized Recovery Department**
- **Specialized Recovery Department**
- **Compliance Office**
- **Planning & Budget Control Department**
- **Research Office**
- **Management Information Department**
- **Accounting and Consolidation Department**
- **Investors Relations Department**
- **Audit Department**
- **Legal Department**
- **Tax Advisory Department**
- **General Secretariat**
- **Fundação Millennium bcp**

**CORPORATE AREAS**

- **Ligations Department**
- **Administrative and Logistics Department**
- **Prevention and Safety Office**
- **Quality Department**
- **Communication Department**
- **Company Secretary’s Office**
- **Office of the Chairman of the EC**
- **FBSU – Foreign Business Support Unit**
- **Staff Management Support Department**
- **Risk Office**
- **Rating Department**
- **Financial Holding Department**
- **Assets and Liabilities Management Department**
- **Support Office of the Board of Directors**

**INTERNATIONAL BUSINESS**

- **EUROPE**
  - Bank Millennium (Poland)
  - Millennium Bank (Greece)
  - Banca Millennium (Romania)
  - Millennium bcp Banque Privéée (Switzerland)
  - Banque BCP (France and Luxembourg)

- **AFRICA**
  - Millennium bim (Mozambique)
  - Banco Millennium Angola

- **OTHERS**
  - Millennium bcp Bank & Trust (Cayman Islands)
  - Asian Desk – Macau/China
  - Brazil (***)

(*) The Marketing Management Department acts as secretary for both Committees.
(*** ) Consolidated by the equity method
(****) Partnership agreement with Private Bank Atlântico, S.A. for the creation/acquisition of a bank in Brazil aiming to exploit the Brazilian market.
Note the Internal Organization Model is structured according to the criterion of geographic segmentation (Business in Portugal vs. International Business).
Amongst the corporate areas, in view of the respective duties, it is considered that more detailed information should be presented relative to the Compliance Office, Audit Department and Risk Office.

**Compliance Office**

The mission of the Compliance Office is to ensure that the management bodies, functional structures and all the employees of Banco Comercial Português Group comply with the legislation, rules and regulations (internal and external) which guide the activity of the Bank and of its associates. In the performance of its duties, the Compliance Office worked with the Executive Board of Directors, of which it depended, as well as with the Audit Committee of the Supervisory Board, to which it reported directly. Presently this office reports to the Executive Committee and, in the matters defined by the latter; to the Audit Committee.

The Compliance Office, in pursuing its objective of compliance and ensuring compliance with the applicable legal and regulatory provisions, including professional and ethical provisions and practices, internal and statutory rules, rules of conduct and Customer relations, guidelines of the governing bodies and recommendations of the banking and financial supervisory authorities, performs its duties in an independent, continuous and effective manner.

This Office is entrusted with the monitoring and regular assessment of the adequacy and efficacy of the measures and procedures adopted for the detection of any risk of non-compliance with the legal obligations and duties to which the institution is subject, through the provision of advice to the management and supervisory boards, including information on indication of breach of legal obligations, rules of conduct and Customer relations which might place the Institution at risk of incurring in administrative or criminal offences. It is also responsible for monitoring and assessing the internal control procedures and for the preparation and submission to the management and supervisory boards of reports, at least on an annual basis, identifying any non-compliance observed and the measures adopted to correct them.

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 combat against the financing of terrorism, the policy of acceptance of Customers and policy on conflicts of interest, also participating actively in the policy on employee training, through the creation of compliance training actions for the entire Group, the maintenance of a high level of knowledge on topics related to compliance and the development of a culture of internal control within the Group, amongst others.

The policies, principles and procedures of the Compliance Office are extended to all of the Group’s international operations, through the action of the local Compliance Officers whose functional coordination ensures the alignment of strategies and the control and coordination of the compliance action plan.

**Head of Group Compliance:** Carlos António Torroaes Albuquerque in 2011.

Presently this office is held by António Pedro Nunes de Oliveira.

**Audit Department**

The Audit Department is responsible for the Internal Audit function of Banco Comercial Português. This Department carries out its mission by adopting principles of internal auditing which are internationally recognised and accepted, issuing recommendations based on the outcome of the assessments made, aimed at adding value to the organisation and improving the control and quality of the Bank’s operations, contributing to the achievement of its strategic interests and ensuring that:

- The risks are duly identified and managed and the implemented controls are correct and proportional to the risks;
- The system of assessment of the Bank’s capital is adequate in relation to its level of exposure to risk;
- The different governing bodies interact in an adequate, effective and efficient manner;
- The operations are recorded correctly and the operational, financial and managerial information is rigorous, reliable and timely;
The safeguarding and security of the interests and assets of the Bank and Group or of those which were entrusted to them are duly ensured;

The employees perform their duties in conformity with the internal policies, codes of conduct, internal rules and procedures and with the legislation and other applicable regulations;

The resources are economically acquired, efficiently used and adequately protected;

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 Audit Department’s mission also includes the prevention, detection and control of fraud.

The activity of the Audit Department contributes to the pursuit of the objectives defined in Banco de Portugal’s Notice number 5/2008 for the internal control system of institutions covered by the General Framework for 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, of which it depends, as well as the Audit Committee of the Supervisory Board, to which it reports directly.

Head: António Pedro Nunes de Oliveira in 2011.

Presently this office is held by Mário António Pinho Gaspar Neves.

Risk Office
The main function of the Risk Office is to support the Executive Board of Directors in the development and implementation of risk management and control processes, as described in greater detail in point II.5.

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

Risk Officer: José Miguel Bensiliman 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 to be disclosed on the company’s Internet site, together with the financial statements

The description of the supervisory activity carried out by the Supervisory Board and the Audit Committee are in the annual reports published together with the financial statements, which are disclosed on the Bank’s Internet site, on the page with the following direct address:
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 efficacy

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:

- Efficient and profitable performance of the activity, in the medium and long term, ensuring the effective use of the assets and resources, the continuity of the business and actual survival of the Group, namely through the adequate management and control of the risks of the activity, prudent and correct assessment of the assets and liabilities, as well as 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 terrorism financing, as well as professional and ethical standards and practices, internal and statutory rules, codes of conduct and customer relations, guidelines of the governing bodies and recommendations of the Basel Committee on Banking Supervision and European Banking Authority (EBA), 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 has been established based on the Compliance function, Risk Management function and Internal Audit function, which are exercised by centralised Departments and operate transversally across the Group. The persons in charge of these three Departments were appointed by the Bank’s Executive Board of Directors, with the favourable opinion of the Supervisory Board, and maintain direct and assiduous relations with the respective Audit Committee. In the governance model presently in effect, they are appointed by the Board of Directors.

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 Group’s activities;

- 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 Institution’s activity and risks;

- An effective monitoring process, implemented with a view to ensuring the adequacy and efficacy of the actual internal control system over time, to ensure, namely the immediate identification of any failings (defined as the group of existing, potential or real insufficiencies, or opportunities for the introduction of improvements to permit strengthening the internal control system), including the triggering of corrective action; 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 directorship positions, including members of the management board, ensuring, namely, compliance with the Group’s Code of Conduct and other codes of conduct to which banking, financial, insurance and brokerage of securities or derivative product activities are subject.
THE RISK MANAGEMENT SYSTEM, INFORMATION AND REPORTING SYSTEM AND MONITORING OF THE INTERNAL CONTROL SYSTEM

The Internal Control System includes the following subsystems: the Risk Management System, Information and Reporting System and the Process of Monitoring of the Internal Control System.

The Risk Management System corresponds to the series of integrated and continuous processes which enable the identification, assessment, monitoring and control of all material risks, derived internally or externally, to which the Group’s Institutions are exposed, in order to keep them at levels that are predefined by the management and supervisory boards, and takes into consideration risks related to credit, markets, interest rates, exchange rates, liquidity, compliance, operating, information systems, strategy and reputation, as well as all other risks which, in view of the specific situation of the Group’s institutions, could become materially relevant.

This system is suitably planned, reviewed and documented and is supported by risk identification, assessment, monitoring and control processes, which include 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 previously identified risks.

The Information and Reporting System ensures the existence of information which is substantive, up-to-date, understandable, consistent, timely and reliable, so as to enable 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 prospective evolution of 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 action and assessment developed with a view to ensuring the efficacy and adequacy of the internal control system, namely, through the identification of failings in the system, whether in terms of design, implementation or use. Implemented on a continuous basis and as an integral part of the Group’s routines, the control and monitoring action is complemented with autonomous assessments, periodic or exceptional. Any failings of material impact which might 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 on a permanent and independent basis, assessing, at all times and pursuant to the established plan, the adequacy and efficacy of the different components of the internal control system as a whole, issuing recommendations based on the outcome of the assessments carried out.

These subsystems of the Internal Control System are managed in the Risk Management area by the Risk Ofﬁce and Compliance Ofﬁce and, in the Information and Reporting area by the Budget Planning and Control Department, Accounts and Consolidation Department and areas responsible for accounting in the various 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 to all Institutions of the Group, in terms of applicable compliance policies, with observance of the legal speciﬁcities of each jurisdiction. The Accounting and Consolidation Department and the Budget Planning and Control Department receive and centralise the financial information of all the subsidiary companies. The Audit Department is responsible for in loco monitoring of the internal control system, performing this duty transversally.

Hence, the Risk Ofﬁce, Compliance Ofﬁce, Accounting and Consolidation Department, Budget Planning and Control Department and Audit Department ensure the implementation of the procedures and means required to obtain all the relevant data for the information consolidation process at Group level, both of accounting nature, as well as relative to management support and risk monitoring and control, 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 management board, 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 consistent 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 and relative terms.

**II.6. Responsibility of the management board and supervisory board in the creation and operation of the company’s internal control and risk management systems, as well as in the assessment of their operation 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, until 27 February 2012 and the Board of Directors after that date, must ensure that it had adequate knowledge of the types of risks to which the institution is exposed and of the processes used to identify, assess, monitor and control these risks, as well as the legal obligations and duties to which the institution is subject, being responsible for the development and maintenance of an appropriate and effective risk management system.

Hence, the management board of Banco Comercial Portugués:

- 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, assessment, monitoring and control of the risks to which the institution is exposed, ensuring their implementation and compliance;

- 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 efficacy and continuous adequacy to the institution’s activity, so as to enable the detection and correction of any failings;

- Requests and appraises precise and complete periodic reports 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 units, namely, on the recommendations for the adoption of corrective measures.

The management board is also responsible for ensuring the implementation and maintenance of information and reporting processes which are suitable to the institution’s activity and risks, for defining the accounting policies to be adopted, for establishing the guidelines and for defining the decisions which, in the context of such policies, must be taken, in order to ensure the reliability of the financial reporting. Therefore, and at a more operational level, it is responsible for approving the reporting or external disclosure outputs produced for this effect.
RESPONSIBILITIES OF THE AUDIT COMMITTEE AND STATUTORY AUDITOR IN THE CONTEXT OF THE INTERNAL CONTROL SYSTEM

Regarding the Internal Control System and pursuant to Banco de Portugal’s Notice number 5/2008, the responsibilities of the supervisory board and Statutory Auditor are as follows:

On an individual basis: issue of a detailed opinion by the supervisory board on the efficacy/adequacy of the Internal Control System and issue of an opinion by the statutory auditor on the process of preparation and disclosure of individual financial information (Financial Reporting); and

On a consolidated basis: issue of an opinion by the supervisory board of the parent company of the Group, which should include, at least, appraisal of the consistency of the internal control systems of the subsidiaries, including subsidiaries abroad and off-shore establishments. This opinion may be based on the respective opinions prepared for the effect by the supervisory boards of each subsidiary, and issue of an opinion by the statutory auditor on the process of preparation and disclosure of consolidated 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 on the maximum number of positions which can be accumulated, and place where they may be consulted

In addition to the legal and regulatory provisions to which these bodies and their members are subject on this matter, the supervisory board and management board also have their own working Regulations, which may be consulted on the Bank’s Internet site, on the page with the following direct address: http://www.millenniumbcp.pt/pubs/en/governance/rules/board_directors_code/jsessionid=ZIKVU3ULL5PNLQFI AMGCF0GAVABQY4.

In general terms, the incompatibilities system stipulated in the Companies Code, pursuant to the Bank’s governance model during 2011, was applicable to the Supervisory Board and prohibited from being members persons who had interests in the Company that might place in question the impartiality which should guide the action of members of a body with responsibility in the supervision of management.

Hence, and under the terms of articles 434 and 414-A of the Companies Code, the following could not be members of the Supervisory Board:

- Beneficiaries of particular advantages of the actual Company;
- Persons holding managerial positions in the actual Company;
- Members of Management Bodies of Companies controlled by the supervised company or in the same group;
- Partners of legal persons controlled by the supervised company or in the same group;
- Persons who, directly or indirectly, provide services or establish significant commercial relations with the supervised company or company controlled by the supervised company or in the same group;
- Persons who hold positions in a competitor and act in representation or on behalf of it, or are in any other form bound to the interests of the competitor – applicable only to members of the Audit Committee;
- The spouse, relatives and relatives of the spouse (parents, siblings, uncles, nephews, nieces and all their spouses) of person prevented through force of the provisions in subparagraphs a), b), c), d) and f), as well as the spouses of persons covered by the provisions in subparagraph e);
- Persons who hold managerial or supervisory positions in five Companies, with the exception of law firms, audit firms and statutory auditors;
- Statutory auditors in relation to whom there are any other incompatibilities stipulated in the respective legislation;
- Persons who are under judicial restraint, declared disabled, insolvent, bankrupt and condemned to sentences which imply disqualification, even if temporary, from holding public office.
On this matter, the Articles of Association reveal, in article 12, number 1, under the title “independence”, that “for the purposes of these Articles of Association, the persons not associated to any group of specific interests within the Bank, nor in any situation that may affect their independence in terms of analysis and decision, are deemed independent”.

Furthermore, performance of duties in the Supervisory Board was subject to specific rules, established in article 5 of the respective regulations, transcribed below:

“ARTICLE 5
(Incompatibilities)

1. The exercise of the functions as member of the SB is subject to the incompatibilities regime established by the Law and each member must provide to the Chairperson, within 90 days after the election, a statement verifying the absence of incompatibilities.

2. Any SB member who has doubts regarding an incompatibility situation, regarding him/herself or another SB member should present the situation to the Chairperson of the Supervisory Board, who will proceed to verify the matter with the Supervisory Board or the Committee created for that purpose, so as to issue a duly grounded resolution on the matter.

3. If, after the election, even if due to a change in the personal circumstances of any SB member, an incompatibility described in the law occurs, the nomination of the SB member shall immediately terminate and he/she must immediately inform in writing the Chairperson of the SB.”

On this issue, it is important to recall that, at the time of the election of the members of the Supervisory Board in office at 31 December 2011, the General Meeting resolved:

“1. Grant the authorization foreseen in article 434 (5) and (6) of the Companies Code relating to all members of the Supervisory Board elected and identified above that exercise or will exercise, on their own account or on the account of third parties, an activity competing with the one of the company, namely the exercise of function in a competing company;

2. Define, without damaging further development or fulfillment objectives that may be adopted by the Supervisory Board, the following principles of the regime ruling the access to inside information by members of the Supervisory Board comprised within the authorization mentioned in number 3 above, that, in any moment whatsoever are, on their own account or on the account of third parties, exercising an activity that competes with the activity of the company:

i) the members of the Supervisory Board that, in the course of their term of office, are exercising an activity that competes with the activity performed by the Company in accordance with the provisos of the law must not (a) have access to information, or (b) participate in decision-making processes on issues relating to strategic development plans of banking business areas object of relevant competition in Portugal or in other markets where the Bank develops activities and where the member of the Supervisory Board also exercise a competing activity on their own account or on account of third parties, or issues that, due to their particular relevance within the competitive context of the banking activity pursued by the company, are deemed to be sensitive for those purposes by means of a resolution adopted by the Supervisory Board;

ii) the qualification of a determined information as sensitive for the purposes of the final part of the previous paragraph must be object of a resolution approved by a two-thirds majority and the SB member(s) that exercises a competing activity will not be entitled to vote.”
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 so as to ensure the independent and informed character of their decisions

In the two-tier governance model, adopted by Banco Comercial Português in 2011, the Executive Board of Directors was composed exclusively of executive members, with the Supervisory Board being entrusted with specific supervisory and monitoring competences, which in the Anglo-Saxon or one-tier model are entrusted to the non-executive members of the Board of Directors.

At Banco Comercial Português, the duties of the Chairman of the Executive Board of Directors and Chairman of the Supervisory Board were imperatively performed by different persons, and the Audit Committee were under the Supervisory Board.

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 2011 Annual Report, Volume I – Chapters – Risk Management and Main Risk Factors.

II.10. Powers of the management board, namely with respect to resolutions to increase share capital

Under the terms of the Bank’s Articles of Association, the Executive Board of Directors could, when deemed convenient and after having received the favourable opinion of the Supervisory Board, increase the share capital, one or more times, up to the limit of two fifths of the value of the share capital on the date when the authorisation was granted or on the date of each of its renewals, if applicable.

The last authorisation to resolve on a share capital increase was granted at the General Meeting held on 18 April 2011 and the amount used in 2011 was of 259,852,986.00 euros. This authorization was renewed by the General Meeting on 28 February 2012 in favour of the Board of Directors.

Moreover, the Bank’s Articles of Association stipulate that, exclusively with respect to any possible increase or increases of share capital that might be resolved by the Executive Board of Directors, with the favourable opinion of the Supervisory Board, through conversion of credit to which the State might be entitled as a result of execution of guarantees provided under Law number 60-A/2008, of 20 October and which are legally considered share capital increases in cash, the authorisation stipulated above must have a maximum, autonomous and additional limit, equal to the current share capital the Bank or existing share capital at the time of any renewal of this authorisation, where any possible increases through conversion of State credit do not count for the purposes of the maximum amount established above and any shares to be issued may be preferred shares under the legal and statutory terms.

Regarding all other competences of the Executive Board of Directors, see Chapter II.1. subparagraph A) of this Report where they have been enumerated briefly.

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

The management teams are chosen as a whole and with special focus on their respective cohesion, taking into account the capacities, qualifications and professional experience of each member and considering 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 of the characteristics and personal and professional experience of each Executive Director, to proceed with the rotations deemed suitable to safeguard the interests of the Company. Therefore, the rotation of areas of responsibility has occurred with some regularity, requiring submission to the Supervisory Board, presently to the Board of Directors in office.
The Chief Financial Officer as at 31 December 2011 was appointed on 18 April 2011.

The Members of the Supervisory Board and the Statutory Auditor were elected by the General Meeting and in the event of the occurrence of vacancies which could not be filled by the elected alternate members, only the General Meeting could proceed with their respective appointment through a new election. Therefore, any rotation was entrusted solely to the shareholders.

Regarding the members of the Executive Board of Directors, which were also elected at the General Meeting, in the event of the absence or temporary impediment of any of these members, the Supervisory Board was responsible for appointing an alternate member. The appointment of directors under the circumstances described above had to, imperatively, be ratified at the first General Meeting after the appointment.

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

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 sending, 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 the financial year of 2011, the Supervisory Board held thirteen meetings, with an attendance rate of 84.02%. All absences were duly and previously justified.

During the financial year of 2011, the Executive Board of Directors held 51 meetings, with an attendance rate of 92.17%. All absences were duly and previously justified with the vast majority having been due to commitments related to the performance of duties and representation of the Bank, as well as use of the right to holidays.

As a rule, the Executive Board of Directors held a weekly meeting.

During the financial year of 2011, the Audit Committee held sixteen meetings with an attendance rate of 98.4%. All absences were justified in due time.

Minutes were drawn up of all the meetings of the Supervisory Board, Executive Board of Directors and Audit Committee.

The supporting documentation of each meeting of the Executive Board of Directors, including agendas, supporting documents and draft minutes for approval, was sent by the Company Secretary, as a rule, two business days in advance, to the members of the Executive Board of Directors and to the Supervisory Board Support Office, 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 on incompatibilities established in number 1 of article 414-A of the Companies Code were applicable to them, with the exception stipulated in subparagraph b), and the independence criteria established in number 5 of article 414, both of the Companies Code**

The present paragraph is not applicable to the two-tier model adopted by Banco Comercial Português in 2011.

Since, as noted above, some corporate governance issues regarding non-executive directors of the one-tier and Anglo-Saxon models refer to the members of the Supervisory Board, the qualification of their respective independence has been reported in point II.1.B) of this Report. In this regard, it should be noted that the adopted qualification of independence incorporates all the requirements stipulated in number 5 of article 414 of the Companies Code, as well as those of number 2 of the Corporate Governance Recommendation presented in the Circular Letter from Banco de Portugal number 24/2009/DSB, of 27 February 2009.
Concerning the Supervisory Board, the adopted independence criteria are stipulated in the articles of association and precepts referred to above, under which the majority of the members of this body 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**

The present paragraph is not applicable to the two-tier model adopted by Banco Comercial Português in 2011. Concerning the Supervisory Board, the adopted independence rules and criteria are stipulated in the articles of association, in number 5 of article 414 of the Companies Code and in number 2 of the Corporate Governance Recommendation presented in the Circular Letter from Banco de 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 in 2011, there were no non-executive directors, therefore the present point was 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 might have been detected**

Based on the governance model adopted by Banco Comercial Português in 2011, the present point was not applicable.

Since there were no non-executive directors, and considering the correlation indicated above, it should be clarified that the report of the Supervisory Board and Audit Committee, which are disclosed together with this Corporate Governance Report and are an integral part of the financial statements, provide the description of the activities developed by their members.

**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 their first appointment and date of term of office**

Annexes I and V to the present report indicate the qualifications and professional activities carried out by the members of the Executive Board of Directors, as well as the number of Company shares they own as at 31 December 2011.

The members of the Executive Board of Directors, in office until 28 February 2012, were elected at the General Meeting held on 18 April 2011.

On 20 June 2011, Paulo José de Ribeiro Moita de Macedo resigned from the position of member and Vice-Chairman of the Executive Board of Directors, due to having accepted taking office in the XIX Constitutional Government of the Portuguese Republic as Minister of Health.

**II.19. Positions held by members of the management board 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 of the Group, in the interest of the Group or outside the Group, are indicated in Annex I to the present Report. This information pertaining to the Board of Directors in effect on the date this Report is approved can be found in the Bank’s website.
SECTION III – GENERAL AND SUPERVISORY BOARD, FINANCIAL MATTERS COMMITTEE AND BOARD OF AUDITORS

As applicable:

II.21. to II.24.

Not applicable.

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

See point II.1. above on this matter:

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

See point II.1. above on this matter:

Based on the information gathered from the members of the Supervisory Board, the Corporate Governance Committee and the 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 appointment and date of term of office

Annexes II and V to the present report present the curricula of the different members of the Supervisory Board, indicating their respective qualifications, professional activities 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 to the present report.

II.29. Description of the remuneration policy, including, namely, that of the directors in observance of number 3 of article 248-B of the Securities 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

On 18 April 2011, the Executive Board of Directors submitted to the General Meeting, for resolution with a binding character, the policy on the remuneration of managers and officers, as defined by number 3 of article 248-B of the Securities Code, and other Employees, prepared by it and approved pursuant to the principles enumerated in Circular Letter number 2/10/DSBDR, of 1 February 2010, which established the recommendations
and criteria to be followed in the definition of the remuneration policy to be adopted by the institutions covered by number 1 of article 1 of Banco de Portugal’s Notice number 1/2010, of 26 January 2010.

The document in question received the approval of 99.94% of the votes cast, where shareholders owning 52.57% of the share capital attended the meeting or were represented therein.

**“REMUNERATION POLICY**

**Framework**

I. The Conselho Nacional de Supervisores Financeiros (CNSF) (Portuguese Board of Financial Supervisors) recognizing the need to establish a common practice in what concerns remuneration policies, aligned with international recommendations and principles, promoted an initiative aimed at ensuring an appropriate and consistent compliance by the financial institutions with healthy and prudent remuneration policies.

Within this context, the Notice nr. 1/2010, dated 26 January of Banco de Portugal, established the information that must be disclosed on the remuneration policy of the Members of management and supervision bodies and of employees that, though they are not members of management and supervision bodies, earn a variable remuneration and exercise control functions subject to Notice nr. 5/2008 dated 1 July of Banco de Portugal, exercise other professions that may have a material impact on the company’s risk profile or have regular access to privileged information and take part in the management and strategy decisions of the company.

In addition, the Circular Letter nr. 2/10/DSBDR dated 1 February 2010 established the recommendations and criteria to observe in the definition of the remuneration policy to be adopted by the institutions ruled by Article 1(1) of the Notice nr. 1/2010 of Banco de Portugal, from a “comply or explain” perspective, implying that the failure to adopt those recommendations and criteria by the supervised institutions must be duly explained.

**General Principle**

2. The Remuneration Policy of Banco Comercial Português must be consistent with an efficient risk management control, avoiding excessive exposure to risk and also be coherent with the long-term objectives, values and interests of the institution, namely with its prospects in terms of sustained growth and profitability and with the protection of the interests of both customers and investors.

The Remuneration Policy also took into account the transparency and adequacy goals set in what regards the evaluation and supervision requisites established by Banco de Portugal.

The Staff Management Support Department coordinated the definition of the Remuneration Policy, which involved the participation of the people in charge of the control function. The opinion issued by external consultants was also taken into consideration.

**Remuneration Policy Criteria**

3. The Remuneration Policy of Banco Comercial Português complies with all the criteria set forth by the Circular Letter nr. 2/10/DSBDR dated 1 February 2010, and therefore establishes the following:

3.a) The fixed remuneration of the senior executives has to represent a sufficiently high proportion of the total remuneration so as to enable the application of an extremely flexible policy on the variable portion of the remuneration, admitting the possibility of not paying any variable component;

3.b) The variable component of the remuneration of the senior executives is subject to a ceiling;

3.c) The payment of a significant portion of the variable remuneration component must be made by means of financial instruments, whose valuation is connected to the medium- and long-term performance of the institution;

3.d) The quantification of the variable component of the remuneration must additionally depend on non financial criteria and must partially derive from the collective performance of the unit where the Employee works;
3.e) The variable remuneration must be attributed according to pre-determined measurable criteria and be based on a pluri-annual framework;

3.f) The payment of part of the variable remuneration must be deferred;

3.g) The amount of the variable remuneration of the Employees that exercise control functions depends on the fulfilment of the objectives related to their respective functions and not those of the areas controlled by them.

**Composition of the Remuneration and Relation between the Fixed Remuneration and the Variable Remuneration**

4. The Employees of Banco Comercial Português earn a fixed Monthly Remuneration, paid 14 times/year based on the amounts defined in the employment agreement. The nature of each function and the respective level of demand and responsibility determine the attribution of other remuneration components, namely a supplement and/or exemption of work schedule, which must be approved by the Executive Board of Directors or by those empowered for that purpose by the EBD.

5. The criteria approved for the Remuneration Policy of all Employees in general also apply when determining the variable annual component of the remuneration of Coordinating Managers, Heads of units that report directly to the Executive Board of Directors, Employees of the second structure level of the Audit Department, Compliance Office, Risk Office, Rating Department, Credit Department and Treasury and Markets Department, to other Employees who have regular access to privileged information and other Employees who earn a fixed remuneration of 100,000 €/year or more.

6. The variable portion of the remuneration of the above mentioned Employees should not exceed 37.5% of the total annual remuneration.

The Executive Board of Directors may review this ceiling every year, based on the guidelines stated in the Circular Letter nr. 2/10/DSBDR.

7. The exact amount of the variable portion shall vary each year in view of the institution’s earnings, the performance of the Unit where the Employee works and the fulfilment degree of the individual annual objectives, in accordance with the performance evaluation system in effect in Banco Comercial Português.

**Payment of the Variable Remuneration**

8. 45% of the variable remuneration shall be paid in cash, when applicable, in the year immediately after the results reference date, after the approval of the earnings of the financial year.

**Deferment of the Variable Remuneration**

9. The remaining 55% of the Variable Remuneration shall be paid with securities that will be subject to a pre-defined lock out period of at least 3 years.

**Other components of the Remuneration**

10. These Employees also receive, as everyone else, the benefits prescribed by the collective work agreements signed by the Bank and by the supplementary pension regime, the terms and conditions of which are stated in instruments that have been duly approved and disclosed by the Instituto de Seguros de Portugal (Portuguese Insurance Regulator)."
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 corporate governance model adopted by the Bank in 2011, the establishment of the remuneration of the Executive Directors is entrusted to the Remuneration and Welfare Board, although it is important to bear in mind, not only the legal and supervisory provisions in force during the financial year (including Banco de Portugal's Notice number 1/2010, of 26 January 2010, and Banco de Portugal's Circular Letter number 2/2010, of 1 February 2010), but also the statutory provisions which determine that the remuneration of the Executive Board of Directors may be composed of a fixed portion and a variable portion.

The Remuneration and Welfare Board submitted to the General Meeting held on 18 April 2011, with a binding character, the Remuneration Model of the Executive Board of Directors, transcribed below, which was approved with 99.94% of the votes cast, and where the meeting was attended by shareholders or their representatives holding 52.57% of the share capital.

“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 deferral.

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 Remuneration 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 Remuneration 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 Remuneration 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 Remuneration and Welfare Board in the same manner for all the Members of the Executive Board of Directors.

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

**TABLE I**

### PERFORMANCE REMUNERATION

Payment formula

<table>
<thead>
<tr>
<th>% of objective fulfilment (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 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**

**Objectives for short-term incentives plan**

<table>
<thead>
<tr>
<th>OBJECTIVE</th>
<th>PERFORMANCE INDICATOR</th>
<th>OBJECTIVE</th>
<th>VALUE</th>
<th>PERIOD OF TIME</th>
<th>EVOLUTION (ON THE OBJECTIVE)</th>
<th>PROPORTION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GROWTH</strong></td>
<td>Operating income</td>
<td><strong>GROUP EARNINGS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Budget</td>
<td><strong>EBD’s approach to integrated performance</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>OBJECTIVE</strong></td>
<td><strong>INDICATOR OBJECTIVE VALUE PERIOD OF TIME</strong></td>
<td><strong>PROPORTION</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Budget</td>
<td>20%</td>
<td>Annual</td>
<td>Earnings /Budget</td>
<td></td>
</tr>
<tr>
<td><strong>COST-TO-INCOME</strong></td>
<td>Cost-to-income</td>
<td>Budget</td>
<td>20%</td>
<td>Annual</td>
<td>Earnings /Budget</td>
<td></td>
</tr>
<tr>
<td><strong>EARNINGS</strong></td>
<td>Net income</td>
<td>Budget</td>
<td>20%</td>
<td>Annual</td>
<td>Earnings /Budget</td>
<td></td>
</tr>
<tr>
<td><strong>PROFITABILITY</strong></td>
<td>ROE (1)</td>
<td>Budget</td>
<td>20%</td>
<td>Annual</td>
<td>Earnings /Budget</td>
<td></td>
</tr>
<tr>
<td><strong>VALUE FOR THE SHAREHOLDER</strong></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>
<td></td>
</tr>
</tbody>
</table>

(1) This objective presumes a Core Tier 1 ratio above 5.5%. Extraneous 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 extraneous situations (i.e. public offerings) the TSR computation must be adjusted accordingly.

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

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 Remuneration 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 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.

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."

The Model of Remuneration of the Members of the Supervisory Board, also transcribed below, was also submitted with a binding character to the General Meeting held on 18 April 2011, and was also approved by a majority of 99.94% of the votes cast, and where the meeting was attended by shareholders or their representatives holding 52.57% of the share capital.

“Supervisory board remuneration model

1. The Remuneration 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 Chairperson of the Supervisory Board, never surpassing it.
3.2 Chairperson: autonomous remuneration;

Vice-Chairpersons: between 50% and 75% of the Chairperson’s remuneration;

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

Other members of the Audit Committee: between 25% and 50% of the Chairperson’s remuneration;

Chairperson of another Specialized Committee: between 25% and 75% of the Chairperson’s remuneration;

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

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

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

II.31. Indication of the annual value of the remuneration earned individually by the members of the management and supervisory boards of the company, including fixed and variable remuneration and, relative to it, reference to its different components, the deferred portion and portion which has already been paid

During the current financial year, no annual or pluriannual variable remuneration was attributed to the Executive Board of Directors.

In view of the provisions in 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 tables below.

<table>
<thead>
<tr>
<th>Members of the EBD</th>
<th>BCP</th>
<th>Other Companies</th>
<th>Total</th>
<th>Income Tax withheld</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carlos Jorge Ramalho dos Santos Ferreira</td>
<td>473,108.53</td>
<td>176,897.47</td>
<td>650,006.00</td>
<td>189,236.00</td>
</tr>
<tr>
<td>Vítor Manuel Lopes Fernandes</td>
<td>486,557.01</td>
<td>33,444.99</td>
<td>520,002.00</td>
<td>194,620.00</td>
</tr>
<tr>
<td>António Manuel Palma Ramalho</td>
<td>472,150.73</td>
<td>10,707.27</td>
<td>482,858.00</td>
<td>175,701.00</td>
</tr>
<tr>
<td>Miguel Maya Dias Pinheiro</td>
<td>455,000.00</td>
<td>455,000.00</td>
<td>182,000.00</td>
<td></td>
</tr>
<tr>
<td>Luís Maria França de Castro Pereira Coutinho</td>
<td>426,237.08</td>
<td>28,762.92</td>
<td>455,000.00</td>
<td>170,493.00</td>
</tr>
<tr>
<td>José Jacinto Iglesias Soares (1)</td>
<td>326,300.00</td>
<td>326,300.00</td>
<td>123,578.00</td>
<td></td>
</tr>
<tr>
<td>Rui Manuel da Silva Teixeira (2)</td>
<td>305,500.00</td>
<td>305,500.00</td>
<td>119,340.00</td>
<td></td>
</tr>
<tr>
<td>Paulo José de Ribeiro Moita de Macedo (2)</td>
<td>275,629.46</td>
<td>44,363.40</td>
<td>319,992.86</td>
<td>110,248.00</td>
</tr>
<tr>
<td>Nelson Ricardo Bessa Machado (3)</td>
<td>121,731.03</td>
<td>27,768.97</td>
<td>149,500.00</td>
<td>48,694.00</td>
</tr>
<tr>
<td>José João Guilherme (3)</td>
<td>149,500.00</td>
<td>149,500.00</td>
<td>56,810.00</td>
<td></td>
</tr>
</tbody>
</table>

(1) Began exercising functions on 18 April 2011.
(2) Resigned from office on 20 June, due to being appointed as Health Minister.
(3) Stopped exercising functions on 18 April 2011.
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 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 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 was carried out by the Supervisory Board, which is assisted in this task by the Corporate Governance Committee, Nominations Committee and Audit Committee.
c) Indication of the predetermined criteria for the assessment of the performance of the Executive Directors.
On this issue, see the remuneration policy of the Executive Board of Directors, reproduced in point II.30.

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

The Bank’s Articles of Association, in article 15 (3), establish a limitation to the variable component of the remuneration of the Executive Board of Directors, according to which it cannot exceed 2% of the distributable profit for the financial year.

e) Indication of the deferral of the payment of the variable component of the remuneration, indicating the period of deferral.
On this issue, see the remuneration policy of the Executive Board of Directors, reproduced in point II.30.

f) Explanation on the way the payment of the variable remuneration is subject to the continuation of the positive performance of the Company over the period of deferral.
On this issue, see the remuneration policy of the Executive Board of Directors, reproduced in point II.30.

g) Sufficient information on the criteria underlying the attribution of variable remuneration in shares as well as on the holding, by the executive directors, of the company shares which have been accessed, on any signing of contracts relative to these shares, namely, hedging or risk transfer contracts, the respective limit, and their relation to the value of the annual total remuneration.
On this issue, see the remuneration policy of the Executive Board of Directors, reproduced in point II.30.

h) Sufficient information on the criteria underlying the attribution of variable remuneration in options and indication of the deferral period and price for exercise of the option.
On this issue, see the remuneration policy of the Executive Board of Directors, reproduced in 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 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.
As in 2008, 2009 and 2010, during 2011 there was also no payment of any remuneration on this basis.

k) Compensation paid or owed to former executive directors relative to their termination of office during the financial year.
During 2011, there was no payment of compensation on this basis, with Paulo Moita Macedo having received only the values to which he was entitled, in his capacity of employee with an employment contract with the Bank.
m) Reference to the contractual limitation established for the compensation payable for the unfair dismissal 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, 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, shall be deducted from the values of the respective annual fixed remuneration, see the first table of point II.31., in which, when this occurred, such deductions are clearly quantified.

o) Description of the main characteristics of the schemes for the supplementary pension or early retirement of the directors, indicating if they were, or not, subject to the appraisal of the General Meeting.

Under the terms of the Retirement Regulations transcribed in II.30.-B, the costs recorded by the Company for 2011 related to supplementary pensions and compulsory social security contributions of Members of the Executive Board of Directors were as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Social Sec. Regime</th>
<th>Supplementary</th>
<th>Mandatory</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Open-end Pension Fund</td>
<td>Capitalization Insurance</td>
</tr>
<tr>
<td>Carlos Jorge R. dos Santos Ferreira</td>
<td>Statutory Bodies Regime</td>
<td>135,616.81</td>
<td>12,254.64</td>
</tr>
<tr>
<td>Vítor Manuel Lopes Fernandes</td>
<td>Statutory Bodies Regime</td>
<td>105,715.89</td>
<td>12,254.64</td>
</tr>
<tr>
<td>António Manuel Palma Ramalho</td>
<td>General Reg. (former CAFEB)</td>
<td>97,172.77</td>
<td>12,254.64</td>
</tr>
<tr>
<td>Miguel Maya Dias Pinheiro</td>
<td>General Reg. (former CAFEB)</td>
<td>87,728.88</td>
<td>107,380.00</td>
</tr>
<tr>
<td>Luís Maria Franca C. Pereira Coutinho</td>
<td>General Reg. (former CAFEB)</td>
<td>87,728.88</td>
<td>100,591.95</td>
</tr>
<tr>
<td>José Jacinto Iglesias Soares (1)</td>
<td>General Reg. (former CAFEB)</td>
<td>62,914.14</td>
<td>77,006.80</td>
</tr>
<tr>
<td>Rui Manuel da Silva Teixeira (2)</td>
<td>General Reg. (former CAFEB)</td>
<td>58,903.68</td>
<td>72,098.00</td>
</tr>
<tr>
<td>Paulo José de Ribeiro Moita de Macedo (3)</td>
<td>General Reg. (former CAFEB)</td>
<td>63,185.63</td>
<td>68,198.57</td>
</tr>
<tr>
<td>José João Guilherme (3)</td>
<td>General Reg. (former CAFEB)</td>
<td>28,825.20</td>
<td>35,282.00</td>
</tr>
<tr>
<td>Nelson Ricardo Bessa Machado (3)</td>
<td>General Reg. (former CAFEB)</td>
<td>28,825.20</td>
<td>28,728.52</td>
</tr>
</tbody>
</table>

(1) Began exercising functions on 18 April 2011.
(2) Renounced to the office on 20 June, due to being appointed as Health Minister.
(3) Stopped exercising functions on 18 April 2011.
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 had access to the Internal and External Audit reports), provided mechanisms that are sufficient and adequate to the achievement of the objective considered in this point.

Although the inclusion of the information provided below is not compulsory in this Report, Banco Comercial Português believes that, since it is an integral part of the financial statements, this is the most appropriate place to disclose the information referred to in Banco de Portugal’s Notice number 10/2011, when it is not presented in other numbers of this Report.

Hence, we disclose that:

1 – No provisions have been constituted for the payment of variable remuneration to members of the Executive Board of Directors.

2 – The table below indicates the fixed and variable remunerations paid to Employees:

<table>
<thead>
<tr>
<th>Company</th>
<th>Nr. of employees</th>
<th>Remuneration</th>
<th>Income tax withheld</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Fixed</td>
<td>Variable</td>
</tr>
<tr>
<td>Banco Comercial Português</td>
<td>10,046</td>
<td>352,769,978.28</td>
<td>5,954,657.06</td>
</tr>
</tbody>
</table>

This information refers to all the Employees who provided services at the Bank during the financial year of 2011. As at 31 December 2011, the number of Employees reached 9,959.

3 – The provisions recorded as at 31 December 2011 for future payments regarding sums owed for the variable remuneration of Employees relative to the fourth quarter of the financial year reached 1,419,228.34 euros.

4 – During 2011, 41 new open-ended employment contracts were signed.

5 – During 2011, 71 contracts were terminated, which implied the payment of severance pay which reached 6,566,207.66 euros, where the highest compensation, standing at 2,500,000.00 euros, was paid to a General Manager.

6 – The number of Employees and the total remunerations paid to them during 2011, distributed by different areas of activity, are presented in the table below.
7 – Regarding the employees covered by Notice 5/2008, Compliance Officer; Group Auditor; Risk Officer; as well as the Group Treasurer; Head of the Assets and Liabilities Management Department and Head of the Credit Department, the remunerations paid reached 1,207,433.92 Euros, which corresponded to personal income tax withholdings of 458,055.00 Euros and charges related to Pension funds of 61,479.73 Euros. It should be noted that these values have already been included in the amounts disclosed in points 2 and 6 above. In 2011 these Employees did not receive a variable remuneration.

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 Bank’s Articles of Association, 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)

Any Employee of Banco Comercial Português (or Companies included in the Group) who becomes aware of any situation or action that might indicate irregularities is responsible for reporting such events to the head of the organic unit of the Employee(s) in question, who shall simultaneously inform the hierarchy, leading to their joint appraisal of the occurrence and resolution on its forwarding to the Audit Department of Banco Comercial Português, for the pursuit of all measures deemed necessary.

Whenever the detected irregularities concern Employees of the Audit Department, the reporting must be made directly to the Chairman of the Executive Board of Directors, who will pursue their investigation through means outside this Department, which shall be communicated to the Supervisory Board.

For the purpose of adopting the best corporate governance practices and strengthening the culture of responsibility and compliance that has always guided the Group’s action, a system has been established for the communication of irregularities, namely for situations where communication via hierarchy might not achieve the intended objectives, which replaces the employee and relieves this Employee from reporting the irregularity to the head of the department of the Employee(s) in question.

<table>
<thead>
<tr>
<th>Company</th>
<th>Segment</th>
<th>Nr. of Employees</th>
<th>Total Remuneration Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Services</td>
<td>2,736</td>
<td>122,174,481.77</td>
<td></td>
</tr>
<tr>
<td>Asset Management &amp; Private Banking</td>
<td>277</td>
<td>15,081,587.24</td>
<td></td>
</tr>
<tr>
<td>Corporate and Investment Banking</td>
<td>213</td>
<td>11,134,396.86</td>
<td></td>
</tr>
<tr>
<td>Companies, Specialised Credit, Real Estate Business</td>
<td>442</td>
<td>20,199,642.32</td>
<td></td>
</tr>
<tr>
<td>Retail Banking</td>
<td>6,387</td>
<td>196,700,734.81</td>
<td></td>
</tr>
</tbody>
</table>
For this purpose, an electronic mail address has been specifically created, exclusively to receive the communication of alleged irregularities (comunicar.irregularidade@millenniumbcp.pt) that have occurred within the Group, whose management and forwarding is the responsibility of 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 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 and the Audit Department decide on the treatment given to the communications received, namely concerning the need for additional investigation or submission of 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 governance system adopted by the company and identification of potential candidates with the profile for the position of director

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

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

See point II.2.

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

The curricula and professional activities of the members of the Remuneration and Welfare Board in office in 2011, presented in Annex III, show their respective experience and knowledge.

On this issue, it should be noted that the Remuneration and Welfare Board, in order to resolve on the policies approved by it and submitted to the Annual General Meeting held on 18 April 2011, contracted the firm Towers Watson, of recognised reputation, nationally and internationally.

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

At the time of the contracting of Towers Watson promoted by the Remuneration and Welfare Board, the Executive Board of Directors together with the Remuneration and Welfare Board resolved to request from this firm the analysis of the policy on remuneration of the Officers of the Bank, for the purpose of ensuring consistency in the policies to be implemented and streamlining of costs related to consultants.

For this reason, and since neither this consultant nor any of its senior staff maintain any privileged relations with the Executive Board of Directors or any of its members, it is deemed that its contracting for the provision of the service with the broad scope referred to in the preceding paragraph can in no manner affect the independence of this consultant in relation to the Bank or its Executive Board of Directors.
CHAPTER III – INFORMATION AND AUDITS

III.1. Share capital structure, including indication of non-tradable shares, different categories of shares, their inherent rights and duties and percentage of share capital represented by each category.

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 Code

As at 31 December 2011, the shareholders with holdings above 2% of the share capital of Banco Comercial Português, calculated under the terms of article 20 of the Securities Code and according to the Bank’s information, were as follows:

<table>
<thead>
<tr>
<th>Shareholder</th>
<th>Nr. shares</th>
<th>% of share capital</th>
<th>% voting rights</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sonangol – Sociedade Nacional de Combustíveis de Angola, EP</td>
<td>794,930,620</td>
<td>11.03%</td>
<td>11.04%</td>
</tr>
<tr>
<td>Members of the management and supervisory bodies</td>
<td>1,159</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>TOTAL OF SONANGOL GROUP</td>
<td>794,931,779</td>
<td>11.03%</td>
<td>11.04%</td>
</tr>
<tr>
<td>Teixeira Duarte – Sociedade Gestora de Participações Sociais, S.A.</td>
<td>340,563,541</td>
<td>4.73%</td>
<td>4.73%</td>
</tr>
<tr>
<td>Teixeira Duarte – Gestão de Participações e Investimentos Imobiliários, S.A.</td>
<td>53,647,851</td>
<td>0.74%</td>
<td>0.74%</td>
</tr>
<tr>
<td>Members of the management and supervisory bodies</td>
<td>844,627</td>
<td>0.01%</td>
<td>0.01%</td>
</tr>
<tr>
<td>TOTAL OF TEIXEIRA DUARTE GROUP</td>
<td>395,056,019</td>
<td>5.48%</td>
<td>5.48%</td>
</tr>
<tr>
<td>Fundação José Berardo</td>
<td>238,066,347</td>
<td>3.30%</td>
<td>3.31%</td>
</tr>
<tr>
<td>Metalgest – Sociedade de Gestão, S.G.P.S., S.A.</td>
<td>66,114,248</td>
<td>0.92%</td>
<td>0.92%</td>
</tr>
<tr>
<td>Kendon Properties</td>
<td>846,154</td>
<td>0.01%</td>
<td>0.01%</td>
</tr>
<tr>
<td>Moagens Associadas, S.A.</td>
<td>13,827</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>Cotralcorta – Comércio e Transformação de Cereais, S.A.</td>
<td>13,827</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>Bacalhôa, Vinhos de Portugal, S.A.</td>
<td>11,062</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>Members of the management and supervisory bodies</td>
<td>20,404</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>TOTAL OF BERARDO GROUP</td>
<td>305,085,869</td>
<td>4.23%</td>
<td>4.24%</td>
</tr>
<tr>
<td>Bansabadell Holding, S.L.</td>
<td>253,578,691</td>
<td>3.52%</td>
<td>3.52%</td>
</tr>
<tr>
<td>Banco de Sabadell, S.A.</td>
<td>44,454,342</td>
<td>0.62%</td>
<td>0.62%</td>
</tr>
<tr>
<td>Members of the management and supervisory bodies</td>
<td>15,083</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>TOTAL OF SABADELL GROUP</td>
<td>298,048,116</td>
<td>4.14%</td>
<td>4.14%</td>
</tr>
<tr>
<td>PENSÕESGERE – SOCIEDADE GESTORA DE FUNDOS DE PENSÕES, S.A.</td>
<td>278,739,200</td>
<td>3.87%</td>
<td>3.87%</td>
</tr>
<tr>
<td>Caixa Geral de Depósitos, S.A.</td>
<td>185,382,556</td>
<td>2.57%</td>
<td>2.57%</td>
</tr>
<tr>
<td>Companhia de Seguros Fidelidade Mundial, S.A.</td>
<td>25,275,788</td>
<td>0.35%</td>
<td>0.35%</td>
</tr>
<tr>
<td>Companhia de Seguros Império Bonança, S.A.</td>
<td>1,042,763</td>
<td>0.01%</td>
<td>0.01%</td>
</tr>
<tr>
<td>Parcaixa, S.G.P.S., S.A.</td>
<td>5,300,000</td>
<td>0.07%</td>
<td>0.07%</td>
</tr>
<tr>
<td>TOTAL OF CAIXA GERAL DE DEPÓSITOS GROUP</td>
<td>217,006,274</td>
<td>3.01%</td>
<td>3.01%</td>
</tr>
<tr>
<td>EDP – Imobiliária e Participações, S.A.</td>
<td>144,592,140</td>
<td>2.01%</td>
<td>2.01%</td>
</tr>
<tr>
<td>Fundo de Pensões EDP</td>
<td>70,755,665</td>
<td>0.98%</td>
<td>0.98%</td>
</tr>
<tr>
<td>Members of the management and supervisory bodies</td>
<td>219,321</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>TOTAL OF EDP GROUP</td>
<td>215,567,126</td>
<td>2.99%</td>
<td>2.99%</td>
</tr>
<tr>
<td>TOTAL QUALIFIED SHAREHOLDINGS</td>
<td>2,504,434,383</td>
<td>34.75%</td>
<td>34.77%</td>
</tr>
</tbody>
</table>
The voting rights reported above arise from direct and indirect holdings of the Shareholders in the share capital of Banco Comercial Português, with no other imputations of voting rights pursuant to article 20 of the Securities Code having been communicated or calculated.

III.3. Identification of shareholders with special rights and description of these rights.

There are no shareholders with special rights.

III.4. Any restrictions to the transferability 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 transfer of shares.

III.5. Shareholders’ agreements that are known to the company and could lead to restrictions on matters of the transfer 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 24 of the Articles of Association
The General Meeting may resolve, on first call, when shareholders holding more than one third of the share capital are either present or represented.

On second call, the General Meeting may resolve regardless of the number of shareholders present or represented and of the amount of share capital they hold.

b) Deliberative quorum – Article 25 of the Articles of Association
The deliberative quorum required under the Bank’s Articles of association corresponds to the legal requirement, that is, whether the Meeting is held on first or second call, any amendments to the articles of association must be approved by two thirds of the votes cast. Under the terms of article 55 of the articles of association, a majority of three quarters of the paid-up share capital is required for resolution on the winding up of the Company.

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. The Workers holding shares are not discriminated, due to their capacity as such, and hence benefit from the same rights as any other shareholder.

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

a) The issuance of shares or other securities extending entitlement to the subscription or acquisition of shares
During 2011, 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 to the present report.

The table below summarises the main events of 2011, the change of the share price the next day and during the subsequent five days, as well as its relative evolution compared to the main benchmark indices during the indicated periods.
1 01-02-2011 4th quarter 2010 results of Bank Millennium (Poland) 0.5% 0.2% -0.3% 5.2% 3.4% 3.1%
2 02-02-2011 Consolidated results 2010 -0.8% -0.4% -0.5% 4.5% 2.3% 3.4%
3 11-03-2011 Sonangol participation 3.5% 2.6% 3.2% 2.8% 3.3% 5.6%
4 15-03-2011 Moody's rating decision for the Republic of Portugal -1.2% -0.2% 1.4% -1.2% -1.1% -1.9%
5 24-03-2011 Fitch rating decision for the Republic of Portugal -1.9% -1.7% -1.5% -8.3% -6.8% -4.8%
6 25-03-2011 Standard and Poor's rating decision for the Republic of Portugal -1.5% -1.1% -1.9% -5.4% -5.5% -4.5%
7 28-03-2011 Standard and Poor's rating decision for BCP -2.3% -2.1% -1.2% -4.3% -4.8% -2.2%
8 29-03-2011 Disclosure of the proposal for the capital increase -0.3% -0.9% -0.3% -4.6% -4.2% -3.5%
9 31-03-2011 Fitch rating decision for BCP 1.2% -0.2% -1.0% 6.6% 4.6% 2.3%
10 01-04-2011 Fitch rating decision for the Republic of Portugal -0.3% -0.4% 0.4% 3.8% 3.1% 1.6%
11 02-04-2011 Moody's rating decision for BCP 4.2% 3.9% 2.3% 3.7% 3.8% 2.3%
12 06-04-2011 Announcement of the external aid request by the Portuguese Government and Moody's rating decision for BCP 4.1% 2.9% 3.0% -0.3% -1.2% -0.4%
13 11-04-2011 Resolution of the Management Board of the Portuguese Supreme Audit Office (Tribunal de Contas), Moody's rating decision for BCP 0.4% -0.2% 0.4% 0.6% 0.1% -1.7%
14 15-04-2011 Conclusion of the Annual General Meeting 0.4% -0.2% 0.4% 0.6% 0.1% -1.7%
15 19-04-2011 Resolutions adopted at the Annual General Meeting and notice of share capital increase by incorporation of reserves -2.3% -2.7% -2.9% 0.3% 0.3% -2.1%
16 20-04-2011 Change of publication date of 1st quarter 2011 results and Underwriting Agreement 2.3% 2.5% 0.8% 4.0% 4.0% 2.1%
17 27-04-2011 1st quarter 2011 results of Bank Millennium (Poland) and Consolidated results of BCP 0.6% 0.1% 0.1% 1.7% 1.2% 2.9%
18 28-04-2011 Beginning of the incorporation rights negotiation period -0.7% -1.1% -1.0% 4.2% 3.0% 7.0%
19 04-05-2011 Beginning of the Exchange Public Offer -1.5% -0.8% -1.0% 2.2% 1.5% 5.0%
20 16-05-2011 Results of the public offer for the acquisition of Perpetual Subordinated Securities with conditional interest -1.1% -0.9% -0.5% -4.7% -2.9% -1.9%
21 19-05-2011 Notice for the exercise of subscription rights -2.2% -1.7% -1.4% -1.5% -0.2% -0.2%
22 24-05-2011 Request for the State guarantee for debt issuance 3.9% 3.0% 1.8% -5.9% -3.4% -9.9%
23 27-05-2011 Beginning of negotiation of subscription rights -6.6% -5.7% -6.1% -3.0% -2.6% -1.4%
24 03-06-2011 Exercise of disposal rights over REN shares -3.3% -2.1% -1.8% -10.3% -6.1% -6.4%
25 10-06-2011 Change of incorporation rights and Underwriting Agreement 2.3% 2.5% 0.8% 4.0% 4.0% 2.1%
26 13-06-2011 Commercial registry of share capital increase 1.1% 0.4% 0.0% -5.7% -4.6% -6.9%
27 15-06-2011 Commercial registry of capital increase and Standard and Poor's rating decision 1.2% 1.8% 1.4% -1.9% -1.3% -2.9%
28 19-06-2011 Acknowledgement of the capital increase and Standard and Poor's rating decision 0.2% -1.3% -1.0% 3.5% 3.0% 7.0%
29 28-06-2011 Listing of capital increase shares and resignation of the Vice-Chairman of the Executive Board of Directors 0.2% -1.5% -2.0% -5.4% -3.2% -1.7%
30 27-06-2011 Conclusion of the General Meeting of Shareholders -0.8% -0.8% -2.1% 3.4% -3.1% -3.9%
31 07-07-2011 Moody's rating decision for BCP 4.2% -2.1% -1.2% -11.3% -4.5% -5.5%
32 15-07-2011 Moody's rating decision for BCP 4.2% -2.1% -1.2% -11.3% -4.5% -5.5%
33 19-07-2011 Commercial registry of capital increase and Standard and Poor's rating decision 1.2% 1.8% 1.4% -1.9% -1.3% -2.9%
34 07-09-2011 Partnership for the Brazilian market and nomination of the Vice-Chairman and the distribution of areas of responsibility of the Executive Board of Directors 0.0% -1.1% -0.9% -9.0% -5.4% -4.0%
35 14-09-2011 Clarification of media reports regarding Poland 0.5% -0.5% -0.5% -8.9% -4.6% -9.6%
36 22-09-2011 Announcement regarding the offer for exchange of securities 0.0% 1.0% -3.5% 9.3% 6.1% -6.3%
37 03-10-2011 Extension of the duration regarding the offer for exchange of securities -5.6% -3.0% -2.9% -11.8% -13.2% -13.5%
38 04-10-2011 Authorization to increase the amount for exchange of securities 4.6% 1.8% 0.0% 0.0% -6.7% -11.9%
39 07-10-2011 Results of the offer for exchange of securities and rating decisions for BCP 1.7% -0.6% -0.6% -1.2% -4.0% -2.4%
40 20-10-2011 DBRS rating decision for BCP 3.1% 1.7% -0.7% 3.1% 1.7% -10.3%
41 31-10-2011 3rd quarter 2011 results of Bank Millennium (Poland) -1.2% -0.9% -2.9% -4.2% -3.4% -13.3%
42 27-11-2011 EBA exercise regarding exposure to sovereign debt -4.2% -3.4% -4.1% -24.0% -20.8% -15.6%
43 02-12-2011 3rd quarter 2011 Consolidated Earnings -3.1% -6.0% -5.0% -16.0% -16.6% -13.1%
44 21-01-2012 Fitch rating decision for BCP 1.6% -1.3% -4.1% -1.6% -8.8% -15.4%
45 22-01-2012 EBA exercise regarding exposure to sovereign debt -4.2% -3.4% -4.1% -24.0% -20.8% -15.6%
46 16-12-2011 Results of Special Inspections Programme by the Bank of Portugal and Standard and Poor's rating decision for BCP -1.8% -2.0% -1.6% 6.4% 4.8% 1.5%
47 19-12-2011 Commitment with the organic growth of Bank Millennium (Poland) 0.9% 0.5% -2.3% 16.7% 14.2% 12.3%
The following graph illustrates the performance of BCP shares in 2011:

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

Taking into account, on the one hand, the principles of prudence in capital management and, on the other hand, the implementation of the new rules on capital which could lead to the temporary suspension of the payment of dividends, Millennium bcp, with this constraint, reiterates its policy on the distribution of dividends, whereby, in principle, its objective is to distribute approximately 40% of profit.

The values of the dividends distributed by Millennium bcp 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 (5)</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>2004</td>
<td></td>
<td>Iterim Dividend</td>
<td>0.030</td>
<td>0.026</td>
<td>0.023</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Final Dividend</td>
<td>0.035</td>
<td>0.030</td>
<td>0.026</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total Dividend</td>
<td>0.065</td>
<td>0.055</td>
<td>0.049</td>
</tr>
<tr>
<td>2005</td>
<td></td>
<td>Iterim Dividend</td>
<td>0.033</td>
<td>0.028</td>
<td>0.025</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Final Dividend</td>
<td>0.037</td>
<td>0.031</td>
<td>0.028</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total Dividend</td>
<td>0.070</td>
<td>0.060</td>
<td>0.053</td>
</tr>
<tr>
<td>2006</td>
<td></td>
<td>Iterim Dividend</td>
<td>0.037</td>
<td>0.030</td>
<td>0.030</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Final Dividend</td>
<td>0.048</td>
<td>0.038</td>
<td>0.038</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total Dividend</td>
<td>0.085</td>
<td>0.068</td>
<td>0.068</td>
</tr>
<tr>
<td>2007</td>
<td></td>
<td>Iterim Dividend</td>
<td>0.037</td>
<td>0.030</td>
<td>0.030</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Final Dividend</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total Dividend</td>
<td>0.037</td>
<td>0.030</td>
<td>0.030</td>
</tr>
<tr>
<td>2008</td>
<td></td>
<td>2009</td>
<td>0.017</td>
<td>0.014</td>
<td>0.014</td>
</tr>
<tr>
<td>2009</td>
<td></td>
<td>2010</td>
<td>0.019</td>
<td>0.015</td>
<td>0.015</td>
</tr>
<tr>
<td>2010 (5)</td>
<td>2011</td>
<td>scrip (6)</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) 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.
(6) 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

See the preceding number.

III.10. Description of the main characteristics of plans to attribute shares and 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 shares and 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

Currently, there are no plans to attribute shares or share call options.

III.11. Description of the main elements of the business 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 business 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 opinion of the Audit Committee.

III.12. Description of the fundamental elements of the business 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 opinion 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 Code

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

During 2011, the Audit Department analysed proposals of credit operations relative to members of the corporate bodies and owners of qualifying holdings and entities related to them. The opinions issued by the Audit Department were included in the respective processes of approval of the Executive Board of Directors and issue of opinions by the Audit Committee, a supervisory body of the Bank, to which such operations are subject. Over this same period, the Executive Board of Directors approved 28 proposals on the said credit operations, with the supervisory board having issued opinions on them. All the operations were conducted under normal market conditions. The average value of the 28 proposals was 110.9 million euros and the individual maximum value was 653.8 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 encountered, together with the financial statements

The reports referred to in this point are presented in the beginning of Volume II with the financial statements, where this volume is an integral part of this Report, and are available on the Bank’s Internet site, on the page with the following direct address: http://www.millenniumbcp.pt/pubs/en/investorrelations/financials/annualreports/ar2011/;jsessionid=DFNNLVSDT3BkJQFIAFSFE4AVABQW4.

III.16. Reference to the existence of an investor support office or other similar service, mentioning:

The Investor Relations Department helps the Bank establish a permanent dialogue with the financial world – 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:

- Promotion of comprehensive, rigorous, transparent, efficient and available relations with investors and analysts, as well as with the financial markets in general and respective regulatory entities;

- Monitoring of the trading of securities issued by the Group with a view to updating the evolution of the Institution’s shareholder structure;

- Collaboration with the areas responsible for the Group’s debt issuance and investor relations areas of subsidiary companies, namely by providing information and coordinating activities;

- Cooperation with the different areas of the Bank in the provision of institutional information and disclosure of the Group’s activity.

b) Type of information provided by the Investor Relations Department

During 2011, as in previous years, the Bank pursued broad activity related to communication with the market, adopting the recommendations of the CMVM (Portuguese stock market regulator) and the best international practices in terms of financial and institutional communication.
In compliance with its legal and regulatory reporting obligations, the Bank discloses information on its results and business activity on a quarterly basis. The Bank held press conferences and conference calls with Analysts and Investors, which were attended by members of the Executive Board of Directors.

The Bank assiduously holds press conferences and conference calls with Analysts and Investors, and also discloses its Annual Report, a half-year report and quarterly information, publishing all the relevant and compulsory information through the information disclosure system of the CMVM. In 2011, the Bank issued 1,825 press releases for the stock market, of which 292 were related to privileged information.

During the year, the Bank took part in various events, including six roadshows in two major world financial centres – London and Paris –, and participated in ten investors’ conferences organised by other banks such as HSBC, Morgan Stanley, Goldman Sachs and Santander. Euronext Portuguese Day in New York, Nomura, BBVA, KBW, Merrill Lynch and JP Morgan, where it made institutional presentations and held one-to-one meetings with investors. During 2011, 303 meetings were held with investors, corresponding to a 50% increase relative to 2010. Note should be made of the significant increase in contacts with investors holding the Bank’s debt in 2011.

All the information of institutional nature that is public and relevant is available on the Bank’s Internet site, in Portuguese and in the English version, on the page with the following address:

www.millenniumbcp.pt

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
The Bank’s representative for market relations is Rui Pedro da Conceição Coimbra Fernandes, also Head of the Investor Relations Department.

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, as well as 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 respective election and appointment at the General Meeting, issuing its opinion on the Auditor’s independence and other relations with the Group.

As was the case in previous years, the abovementioned monitoring is achieved through regular contact with KPMG, which includes the participation of the Statutory Auditor in the monthly meetings of the Audit Committee and enables the timely discussion by the Supervisory Board and Audit Committee of situations and criteria arising from the audit work.

Remuneration
During the financial year of 2011, Banco Comercial Português, S.A. and/or legal persons controlled by the Bank or part of the same group contracted services from the KPMG Network (in Portugal and Abroad), the fees of which reached a total of 4,704,105 euros (2010: 6,616,143 euros), distributed as follows through the different types of services provided:

A description is presented below of the main services included in each category of services provided by KPMG, relative to 31 December 2011.

1. AUDIT SERVICES

Legal accounts review services
Include the fees charged by KPMG for 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 as at 31 December and the limited review as at 30 June.

Other guarantee and reliability services
Include the fees charged by KPMG relative to the provision of services that, in view of their characteristics, are related 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 pursuant to Notice number 5/2008, safeguarding of assets pursuant to the provisions of the CMVM, services related to verification of the sustainability report and other permitted accounting services).

<table>
<thead>
<tr>
<th>Service Type</th>
<th>Portugal</th>
<th>Abroad</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal accounts review services</td>
<td>1,874,300</td>
<td>823,100</td>
<td>2,697,400</td>
<td>70%</td>
</tr>
<tr>
<td>Other guarantee and reliability services</td>
<td>768,140</td>
<td>412,980</td>
<td>1,181,120</td>
<td>30%</td>
</tr>
<tr>
<td><strong>1. TOTAL AUDIT SERVICES</strong></td>
<td><strong>2,642,440</strong></td>
<td><strong>1,236,080</strong></td>
<td><strong>3,878,520</strong></td>
<td><strong>82%</strong></td>
</tr>
<tr>
<td>Tax consultancy services</td>
<td>1,900</td>
<td>18,230</td>
<td>20,130</td>
<td>2%</td>
</tr>
<tr>
<td>Services other than legal accounts review</td>
<td>674,430</td>
<td>131,025</td>
<td>805,455</td>
<td>98%</td>
</tr>
<tr>
<td><strong>2. TOTAL OTHER SERVICES</strong></td>
<td><strong>676,330</strong></td>
<td><strong>149,255</strong></td>
<td><strong>825,585</strong></td>
<td><strong>18%</strong></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>3,318,770</strong></td>
<td><strong>1,385,335</strong></td>
<td><strong>4,704,105</strong></td>
<td></td>
</tr>
</tbody>
</table>

(Euros)
2. OTHER SERVICES

Tax consultancy services
Includes the fees charged by KPMG for tax advisory services provided to the Group for the review of the tax obligations of the different companies abroad.

Services other than legal accounts review
Includes the fees charged by KPMG for 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 prevent any conflicts of interest in the use of the services of its external auditors. As auditor of the BCP Group, KPMG complies with the rules on independence defined by the Group, including those established by the 8th Council Directive, revised by Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006, transposed partially 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.

In order to safeguard the independence of the Auditor, and pursuant to the national and international good practices and standards, the Supervisory Board, through the Bank’s Audit Committee, and KPMG have approved a series of regulatory principles, as described below:

- KPMG and the companies or legal persons belonging to it (Network) cannot provide services to the Bank or Group, which are deemed forbidden under the rules referred to above;

- The contracting of the remaining non-forbidden services, on the part of any Organic Unit of the Bank or company in which the Bank has a stake, requires the prior approval by the Bank’s Audit Committee. The abovementioned approval is issued for a predefined set of services, for a renewable period of 12 months. Specific approval by the Audit Committee is required for all other services not approved previously.

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 requirements on the auditor’s independence are determined based on a combination of the BCP Group’s policies for 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 Audit Committee on all the measures established to safeguard its independence as auditor of the BCP Group.

KPMG has implemented a system 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 to which the service in question is requested must obtain previous authorisation from the said Global Lead Partner. This request includes the presentation of justifications for the work requested, in particular the factors which enable assessment of compliance with the applicable risk management rules and, consequently, of the independence of KPMG.
The “Global Lead Partner” is also responsible for verifying that the service proposals presented through “Sentinel” comply with service pre-approval rules and, when applicable, undertakes any necessary measures with the Audit Committee, with a view to strict compliance with the applicable independence rulings.

All the employees of KPMG undertake to comply with the rules on independence defined in the Risk Management Manual of KPMG International, and 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.

All KPMG professionals are responsible for maintaining their independence, being obliged to review their financial interests regularly, as well as their personal and professional relationships on a regular basis, so as to ensure strict compliance with the requirements on the independence of KPMG and their profession. KPMG employees are forbidden from collaborating with any other entities or organisations (customers or not), such as directors, executives, 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 on independence, a search engine to access the list of restricted entities, in which its employees cannot hold financial interests and a reporting system for the financial investments of its employees, where each professional records the name of the financial interests owned. In this way, this application meets the requirements of AICPA (American Institute of Certified Public Accountants) 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’s 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 its activities, which essentially consists of the following aspects:

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

- Annual review, by a team of KPMG’s more experienced professionals, of a representative sample of its customers’ documents, with a view to ensuring that the planning of the work was conducted 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.

**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 assessment 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 timely discussion by the Supervisory Board and Audit Committee of situations and criteria arising from the audit work.

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

Decree-Law number 224/2008, of 20 November, in number 2 of article 54, establishes that the maximum period for the performance of audit duties by the Partner responsible for the supervision or direct implementation of the legal certification of accounts is seven years, counting from the date of his appointment. On the other hand, the recommendation of the CMVM Corporate Governance Code stipulates that the maintenance of the External Auditor beyond the rotation period should be justified in a specific opinion of the supervisory board which explicitly weighs up the conditions of independence of the auditor and advantages and costs of his replacement, an opinion that was issued and submitted to the appraisal of the elective Annual General Meeting held on 18 April 2011.

The internal supervision conducted by the Audit Committee concerning the independence of the External Auditor, namely with respect to the provision of additional services, as well as the respective assessment of his performance over the term of office, concluded that the duties of the External Auditor were performed adequately, showing professionalism and quality in the work carried out.
ADDITIONAL INFORMATION ON THE CORPORATE GOVERNANCE MODEL CURRENTLY IN EFFECT

1. Information on the current corporate governance model in effect at Banco Comercial Português, S.A.

At the General Meeting held on 28 February 2012, the shareholders approved by a majority of 99.21% of the votes cast the changes to the Articles of Association of Banco Comercial Português, adopting a new corporate governance model. As a consequence, the management and supervision structure was translated into one board of directors, within which there are an audit committee, solely composed of non-executive directors, and an executive committee, plus a statutory auditor.

For purposes of ensuring the development of the strategy for the Bank and the Group’s international expansion, the a.m. General Meeting also elected a Board for International Strategy, responsible for analysing and pondering on said strategy, monitoring its evolution and application.

2. Organisational chart of the company’s corporate governance model

The following chart represents the current Corporate Governance Model of Banco Comercial Português:

[Diagram of Corporate Governance Model]

- General Meeting
- Remuneration and Welfare Board
- Board of Directors
- Client Ombudsman
- Statutory Auditor
- Audit Committee
- Executive Committee
- Coordination Committees
- Specialised Commissions
- Company Secretary

- Nominations and Evaluation Committee
- Corporate Governance Committee
- Risk Assessment Committee
- Ethics and Professional Conduct Committee
- Stakeholders Commission
- Capital, Assets and Liabilities Management Commission
- Credit Commission
- Risk Commission
  - Credit Risk Monitoring Subcommission
  - Pension Fund Risk Subcommission
  - Pension Fund Monitoring Commission
  - Sustainability Coordination Commission

- Retail
- Companies
- European Business
- Processes and Banking Services
- Human Resources
3. Identification and composition of the corporate bodies

In accordance with the management and supervision corporate governance model adopted by the Bank on 28 February 2012, the management and supervision are structured as follows:

a) Board of Directors:

- Audit Committee;
- Executive Committee;

b) Statutory Auditor;

c) Remuneration and Welfare Board;

d) Board for International Strategy.

A) COMPOSITION OF THE BOARD OF DIRECTORS:

The Board of Directors presently in office, elected by the Shareholders at the General Meeting held on 28 February 2012 by a majority of 98.39% of the votes cast, to the 2012/2014 term of office, is composed of the following members:

**Board of Directors:**

**Chairman:** António Vítor Martins Monteiro

**Vice-Chairmen:**

- Carlos José da Silva
- Nuno Manuel da Silva Amado
- Pedro Maria Calainho Teixeira Duarte

**Members:**

- António Luís Guerra Nunes Mexia
- João Bernardo Bastos Mendes Resende
- António Manuel Costeira Faustino
- Álvaro Roque de Pinho Bissaia Barreto
- António Heníques de Pinho Cardão
- César Paxi Manuel João Pedro
- José Jacinto Iglésias Soares
- André Luiz Gomes
- João Manuel de Matos Loureiro
- José Guilherme Xavier de Basto
- Jaime de Macedo Santos Bastos
- Maria da Conceição Mota Soares de Oliveira Calé Lucas
- Miguel de Campos Pereira de Bragança
- Miguel Maya Dias Pinheiro
- Luís Maria Franca de Castro Pereira Coutinho
- Rui Manuel da Silva Teixeira

**Audit Committee**

The Audit Committee was elected by the Shareholders at the General Meeting held on 28 February 2012 and is composed as follows:

**Chairman:** João Manuel de Matos Loureiro

**Members:**

- José Guilherme Xavier de Basto
- Jaime de Macedo Santos Bastos
Executive Committee
On 29 February 2012, the Board of Directors appointed, from amongst its members, the Executive Committee, the Bank’s day-to-day management body. It is composed as follows:

Chairman: Nuno Manuel da Silva Amado
Vice-Chairmen: Miguel Maya Dias Pinheiro, Miguel de Campos Pereira de Bragança
Members: José Jacinto Iglesias Soares, Luís Maria França de Castro Pereira Coutinho, Maria da Conceição Mota Soares de Oliveira Callé Lucas, Rui Manuel da Silva Teixeira

B) STATUTORY AUDITOR
The Statutory Auditor, whose term-of-office is 2011/2013, is KPMG & Associados, Sociedade de Revisores Oficiais de Contas, SA, represented by Ana Cristina Dourado.

C) COMPOSITION OF THE REMUNERATION AND WELFARE BOARD
The Remuneration and Welfare Board foi was elected by the Shareholders at the General Meeting held on 28 February 2012 for the 2012/2014 term-of-office, and is composed as follows:

Chairman: Baptista Muhongo Sumbe
Members: Manuel Soares Pinto Barbosa, José Manuel Archer Galvão Teles, José Luciano Vaz Marcos

D) COMPOSITION OF THE BOARD FOR INTERNATIONAL STRATEGY
The Board for International Strategy was elected by the Shareholders at the General Meeting held on 28 February 2012 for the 2012/2014 term-of-office, and is composed as follows:

Chairman: Carlos Jorge Ramalho dos Santos Ferreira
Members: Francisco Lemos José Maria, Josep Oliu Creus
4. Identification and composition of other commissions of the company

The Board of Directors, so as to ensure and contribute to the good performance of the management functions committed to it, appointed the following Commissions on 29 February 2012:

**Commission for Corporate Governance**

**Chairman:** António Vítor Martins Monteiro  
**Members:** António Luís Guerra Nunes Mexia  
César Paxi Manuel João Pedro

**Commission for Nominations and Evaluations**

**Chairman:** Carlos José da Silva  
**Members:** Nuno Manuel da Silva Amado  
Álvaro Roque de Pinho Bissaia Barreto

This Commission is also responsible for the liabilities established by Article 7 of Notice of Banco de Portugal nr. 10/2011 of 09.01.2012, among others.

**Commission for Risk Assessment**

**Chairman:** Pedro Maria Calainho Teixeira Duarte  
**Members:** António Henriques de Pinho Cardão  
João Bernardo Bastos Mendes Resende

**Commission for Ethics and Professional Conduct**

**Chairman:** António Manuel Costeira Faustino  
**Members:** Álvaro Roque de Pinho Bissaia Barreto  
António Henriques de Pinho Cardão

The stakes of the share capital of Banco Comercial Português, S.A, held by the members of the Board of Directors and their technical expertise, knowledge, professional experience for the performance of their functions, as well as the curricula of the members of the Committees and Commissions above are provided at the Bank’s webpage with the following address:

5. Directors’ areas of responsibility

The areas of responsibility were divided as follows among the members of the Board of Directors on the date this additional information was prepared:

**BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE**

**Areas of Responsibility and Alternate Directors**

**BOARD OF DIRECTORS**

ANTÓNIO MONTEIRO

- Support Office of the Board of Directors (NA)
- Company Secretary’s Office (NA)
- Fundacao Millennium bcp (NA)
- Client Ombudsman (NA)

**EXECUTIVE COMMITTEE**

NUNO AMADO (NA)

- Office of the Chairman of the Executive Committee (MM)
- Communication Department (MM)
- Staff Management Support Department (MM)
- Audit Department (*) (IS)

MIGUEL BRAGANÇA (MB)

- Treasury & Markets Department (MM)
- Assets and Liabilities Management Department (MM)
- International Department (MM)
- Planning and Budget Control Department (MM)
- Accounting and Consolidation Department (MM)
- Investors Relations Department (MM)
- Tax Advisory Department (MM)
- Management Information Department (MM)
- Financial Holdings Department (MM)

**MIGUEL MAYA (MM)**

- Credit Department (MB)
- Specialized Credit Department (MB)
- Standardised Credit Recovery Department (MB)
- Specialized Credit Recovery Department (MB)
- Corporate Department II (MB)
- Risk Office (MB)
- Rating Department (MB)
- Litigations Department (MB)
- Real Estate Business Department (MB)

**LUÍS PEREIRA COUTINHO (LPC)**

- Retail Banking (LPC)
- Companies Banking (LPC)
- Madeira and Azores (LPC)
- Regional Departments (LPC)
- Marketing Department (LPC)
- Network Support Department (LPC)
- Direct Banking (LPC)
- Cards Department (LPC)

- Private Banking Department (RMT)
- Millennium bcp Banque Privée (Switzerland) (RMT)
- Millennium Bank (Poland) (RMT)
- Banca Millennium (Greece) (RMT)
- Banca Millennium (Romania) (RMT)
- Banque BCP (France) (RMT)
- Banque BCP (Luxembourg) (RMT)
- FBSU – Foreign Business Support Unit (RMT)
- ActivoBank (RMT)

**CONCEIÇÃO LUCAS (CL)**

- Corporate Department I (IS)
- Investment Banking Department (IS)
- Millennium bmi (IS)
- Millennium Angola (IS)
- Asian Desk (IS)
- Millennium bcp Gestão de Ativos (IS)
- Research Office (IS)
- Millenniumbcp Ageas (IS)

**IGLÉSIAS SOARES (IS)**

- IT Department (CL)
- Operations Department (CL)
- Administrative and Logistics Department (CL)
- Quality Department (CL)
- Prevention and Safety Office (CL)
- Legal Department (CL)
- General Secretariat (CL)
- Microcredit Department (CL)
- Compliance Office (CL)

6. Articles of Association of Banco Comercial Português, S.A.

The current Articles of Association of Banco Comercial Português, S.A. were approved at the General Meeting held on 28 February 2012 by a majority of 99.21% of the votes cast, and are available at the Bank’s webpage with the following address:

ANNEX I

CURRICULA OF THE MEMBERS OF THE EXECUTIVE BOARD OF DIRECTORS OF BANCO COMERCIAL PORTUGUÊS, S.A.

Carlos Jorge Ramalho dos Santos Ferreira

Personal data:
■ Date of birth: 23 February 1949;
■ Place of birth: Lisbon;
■ Nationality: Portuguese;
■ Position: Chairman of the Executive Board of Directors (until 28 February 2012, when the corporate governance model was altered);
■ Beginning of Duties: 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, as representative of Banco Comercial Português S.A.;
■ Member of the Supervisory Board of EDP – Energias de Portugal, S.A.

Duties within the Organisational Model of the Group:
■ Stakeholders Commission.

Direct responsibilities:
■ Fundação Millennium bcp;
■ Office of the Chairman;
■ Company Secretary’s Office;
■ ActivoBank, S.A.;
■ Millennium Angola;
■ Audit Department;
■ Communication Department;
■ Staff Management Support Department.
Academic education:
- 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.

Other Professional experience:
- 1976/1977 – Member of Parliament for the Socialist Party and Vice-Chairman of the Parliamentary Committee for Security and Health;
- 1977/1987 – Member of the Management Board of the State-Owned Company Aeroportos e Navegação Aérea – ANA;
- 1984/1988 – Member of the Tax Reform Commission;
- 1987/1989 – Chairman of the Board of Directors of Fundição de Oeiras;
- 1989/1991 – Chairman of the Board of Directors of Companhia do Aeroporto de Macau;
- 1992/1999 – In the Champalimaud Group, Director and subsequently Chairman of the Board of Directors of Companhia de Seguros Mundial Confiança and Chairman of the Board of the General Meeting of Banco Pinto & Sotto Mayor;
- 1999/2001 – Vice-Chairman of the Board of the General Meeting of Estoril-Sol;
- 1999/2003 – In the BCP Group, Director of the then 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 Bonação, of Pensõesgere – Sociedade Gestora de Fundos de Pensões, S.A., of Companhias de Seguros Ocidental e Ocidental (Ramo Vida), of Seguro Direto, of ICI – Império Comércio Indústria, of Companhia Portuguesa de Seguros de Saúde and of Autogere – Companhia Portuguesa de Seguros;
- 1999 and 2003 – Director of Eureko, B.V.;
- 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 to March 2009 – Chairman of the Board of Directors of Millennium bcp – Prestação de Serviços, ACE.
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 (until 28 February 2012, when the corporate governance model was altered);
- Beginning of Duties: 16 January 2008;

Positions presently held in Companies of the Group:

In Portugal:
- Vice-Chairman of the Board of Directors of Fundação Millennium bcp;
- Chairman of the Board of Directors of Millennium bcp – Prestação de Serviços, ACE;
- Chairman of the Board of Directors of Banco ActivoBank, S.A.;
- Vice-Chairman of the Board of Directors of Millennium bcp Ages – Grupo Segurador S.G.P.S., S.A.;
- Vice-Chairman of the Board of Directors of Méis – 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 PensõesGere – Sociedade Gestora de Fundos de Pensões, S.A.

Abroad:
- Member of the Board of Directors of Banca Millennium, S.A. (Romania);
- Vice-Chairman of the Board of Directors of Millennium Bank, S.A. (Greece).

Current positions outside the Group:
- Member of the Board of Directors of SIBS, S.G.P.S., S.A., formerly named SIBS – Sociedade Interbancária de Serviços, S.A., as representative of Banco Comercial Português, S.A.;
- Member of the Board of Directors of SIBS Forward Payment Solutions, S.A., formerly named SIBS Informática – Tecnologias deInformação, S.A., as representative of Banco Comercial Português, S.A.;
- Member of the Remuneration Committee of UNICRE – Instituição Financeira de Crédito, S.A., as representative of Banco Comercial Português, S.A.

Duties within the Organisational Model of the Group:
- Companies Committee;
- European Business Committee;
- Banking Processes and Services Committee;
- Retail Committee;
- Credit Commission;
- Risk Commission;
- Credit Risk Monitoring Sub-Commission;
- Pension Fund Risk Sub-Commission;
- Pension Fund Monitoring Commission.
Direct responsibilities:
- Credit Department;
- Specialised Credit Department;
- Management Information Department;
- Information Technology Department;
- Marketing Department;
- Operations Department;
- Rating Department;
- Risk Office;
- Insurance.

Academic education:
- 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.

Other professional experience:
- 1986/1992 – Arthur Andersen, S.A., having held the position of Manager between 1990 and 1992;
- 1992/September 2002 – Companhia de Seguros Mundial-Confiança:
  - July/October 1992 – Advisor to the Board of Directors;
  - October 1992/June 1993 – Head of Audit;
  - 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 Companhia de Seguros Fidelidade;
- April 2001/September 2002 – Chairman of Companhia de Seguros Fidelidade;
- 2002/2007 – Chairman of Companhia de Seguros Fidelidade Mundial, 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., presently Banco ActivoBank, S.A.
António Manuel Palma Ramalho

Personal data:
- Date of birth: 20 August 1960;
- Place of birth: Lisbon;
- Nationality: Portuguese;
- Vice-Chairman of the Executive Board of Directors (07.09.2011) (until 28 February 2012, when the corporate governance model was altered);
- Beginning of Duties: 13 April 2010;

Positions presently held in Companies of the Group:

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

Abroad:
- Member of the Board of Directors of the Fund PVCI-Portugal Venture Capital Initiative as representative of Millennium bcp Participações, S.G.P.S., Sociedade Unipessoal, Lda., formerly named BCP Internacional II, Sociedade Unipessoal, S.G.P.S., Lda.;
- Chairman of the Board of Directors of BII Investimentos Internacional S.A. (Luxemburgo).

Current positions outside the Group:
- Vice-Chairman of AIP – Associação Industrial Portuguesa;
- Member of the Board of CIP – Confederação Empresarial de Portugal;
- Member of the Remuneration Committee of SIBS, S.G.P.S., S.A. and SIBS Forward Payment Solutions, S.A., formerly named SIBS – Sociedade Interbancária de Serviços, S.A., as representative of Banco Comercial Português, S.A.;
- Non-Executive Member of the Remuneration Committee of UNICRE – Instituição Financeira de Crédito, S.A., as representative of Banco Comercial Português, S.A.;
- Member of the Supervisory Board of Euronext N.V.

Duties within the Organisational Model of the Group:
- Asset Management Committee and Private Banking;
- Credit Commission;
- Capital Assets and Liabilities Management Commission (CALCO);
- Risk Commission;
- Credit Risk Monitoring Sub-Commission;
- Pension Fund Risk Sub-Commission;
- Stakeholders Commission;
- Sustainability Commission.
Direct responsibilities:
- Tax Advisory Services Department;
- Assets and Liabilities Management Department;
- Communication Department;
- Accounting and Consolidation Department;
- International Department;
- Real Estate Business Department;
- Shareholdings Department;
- Planning and Budget Control Department;
- Investor Relations Department;
- Treasury and Markets Department;
- Research Office.

Academic education:
- Licentiate degree in Law from Universidade Católica Portuguesa;
- Executive Masters degree 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.

Other professional experience:
- 1990/1997 – Employee of Banco Pinto & Sotto Mayor:
  - 1990/1993 – Responsible for the area of capital markets and subsequently financial manager;
  - 1993/1995 – Chief Financial Officer;
  - 1995/1997 – Responsible for the areas of strategic planning, management control, marketing and means of payment;
- 1995/2000 – Director and Chairman of the Board of Directors of UNICRE, as representative of the Banks of the Mundial-Confiança Group;
- 1995/2000 – Director of SIBS, as representative of 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), being responsible for the areas of strategic planning, operating marketing and management control;
- 2000/2003 – Director of the Santander & Totta Group;
- 2000/2003 – Member of the Executive Committee of Santander & Totta 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, responsible for the supplementary networks and international retail network (non-residents);
- January 2004/September 2004 – Chief Financial Officer of Rave, S.A., responsible for the entire financial area and development of the business model for the implementation of the high speed railway system in Portugal;
- September 2004/July 2006 – Chief Executive Officer of CP – Companhia de Caminhos de Ferro Portugueses, EP, 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 Audits, General Coordination and Institutional Relations;
- April 2009/April 2010 – Non-Executive Director of Portugal Telecom, S.A.;
- May 2009/April 2011 – Member of the Board of Directors of Visa Europe.
**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 (until 28 February 2012, when the corporate governance model was altered);
- Beginning of Duties: 16 January 2008;

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

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

**Abroad:**
- Chairman of the Board of Directors of Banque Privée BCP (Suisse), S.A. (Switzerland);
- Member of the Board of Directors of Millennium Bank, S.A. (Greece);
- Chairman of the Board of Directors of Banca Millennium, S.A. (Romania).

**Duties within the Organisational Model of the Group:**
- Asset Management and Private Banking Committee;
- European Business Committee;
- Credit Commission;
- Capital Assets and Liabilities Management Commission (CALCO);
- Risk Commission.

**Direct responsibilities:**
- Banca Millennium (Romania);
- Bank Millennium (Poland);
- Banque BCP (France);
- Banque Privée BCP (Switzerland);
- Asian Desk;
- Assets and Liabilities Management Department;
- Private Banking Department;
- Millennium Bank (Greece).
**Academic education:**
- 1984 – Licentiate degree in Economics from Universidade Católica Portuguesa.

**Other 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, S.A. (Poland);
- May 2003/March 2009 – Member of the Supervisory Board of Millennium Lease Sp. Z. o. O. (Poland);
- May 2003/March 2009 – Member of the Supervisory Board of Millennium Dom Maklerski S.A. (Poland);
- May 2003/March 2009 – Member of the Supervisory Board of Millennium Lease Sp. Z. o. O. (Poland);
- February 2008/March 2009 – Manager of BCP Internacional II, Sociedade Unipessoal, SGPS, 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., presently Banco ActivoBank, S.A.;
- May 2008/May 2010 – Vice-Chairman of the Board of Directors of Millennium Bank, S.A. (Greece);
- July 2008/October 2010 – Chairman 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 (until 28 February 2012, when the corporate governance model was altered);
- Beginning of Duties: 26 November 2009;

Positions presently held in Companies of the Group:

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

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

Duties within the Organisational Model of the Group:
- Companies Committee;
- Retail Committee;
- Credit Commission;
- Capital Assets and Liabilities Management Commission (CALCO);
- Risk Commission;
- Credit Risk Monitoring Sub-Commission.

Direct responsibilities:
- Companies Commercial Department;
- Investment Banking Department;
- Litigation Department;
- Corporate I Department;
- Corporate II Department;
- Specialised Credit Recovery Department;
- Millennium Angola;
- Millennium bim.
**Academic education:**
- Licentiate degree in Corporate Organisation and Management from Instituto Superior das Ciências do Trabalho e da Empresa (ISCTE);
- Corporate Senior Management Programme (PADE) from AESE (Business Management School);
- Advanced Management Programme – INSEAD.

**Other professional experience:**
- 1987/1990 – Duties in the Commercial and Financial area in SME of the industrial sector;
- 1990/1995 – Employee of Banco Português de Atlântico, with duties in the commercial area, companies segment, and responsible for coordinating the central economic and financial research office. During this period of time, he was guest lecturer at IFB (Bank Training Institute);
- Since 1996 – Employee of Grupo Banco Comercial Português, participating in the teams that incorporated BPA into BCP, responsible for coordinating the integration project and defining the value proposition for the companies segment;
- 1997/1999 – Head of the Companies Marketing Department of Banco Comercial Português. Collaboration in Steering Committees of the Banco de Portugal;
- 2001/2003 – Deployed in Barcelona, Spain, performing the duties of CEO of Managerland, S.A. (Internet banking operations of the BCP Group and Sabadell);
- Director of ActivoBank and ActivoBank7;
- 2003/2005 – General Manager, responsible for the Contact Centre (Internet, Phone Banking and Customer Centre operations) of Banco Comercial Português/Serviabanca;
- Director of Millenniumbcp Teleserviços, Serviços de Comércio Electrónico, S.A.;
- 2005/September 2007 – General Manager of Banco Comercial Português, S.A., Member of the Retail Executive Committee;
- Head of the Innovation and Commercial Promotion Department of BCP;
- Director of Millenniumbcp Gestão de Fundos de Investimentos, S.A.;
- Chairman of Millenniumbcp Teleserviços, Serviços de Comércio Electrónico, S.A.;
- Manager of AF Internacional, S.G.P.S., Sociedade Unipessoal, Lda.;
- Member of the Executive Committee of CISP;
- August 2007/November 2009 – Head of the Office of the Chairman of the Executive Board of Directors of Millennium bcp;
- Since 25 February 2009 – Member of the Board of Directors of Banco Millennium Angola, S.A.
José Jacinto Iglésias Soares

Personal details:
- Date of birth: 25 June 1960;
- Place of birth: Luanda;
- Nationality: Portuguese and Angolan;
- Position: Member of the Executive Board of Directors (until 28 February 2012, when the corporate governance model was altered);
- Beginning of Duties: 18 April 2011;

Positions presently held in Companies of the Group:

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

Duties within the Organisational Model of the Group:
- Banking Processes and Services Committee;
- Pension Fund Monitoring Commission;
- Credit Commission;
- Capital Assets and Liabilities Management Commission (CALCO);
- Risk Commission;
- Sustainability Commission.

Direct responsibilities:
- Compliance Office;
- Administrative and Logistics Department;
- Audit Department;
- Legal Department;
- Microcredit Department;
- Shareholdings Department;
- Quality Department;
- Prevention and Safety Office;
- General Secretariat.
Academic education:
- Licentiate degree in Law from the Faculty of Law of Lisbon University;
- Monitor at the Faculty of Law of Lisbon University;
- Post-graduate degree in Commercial Law and Commercial Companies from Universidade Católica de Lisboa;
- Corporate Senior Management Programme from AESE (Business Management School);
- Post-graduate degree in Accounting and Finance from Universidade Católica de Lisboa.

Other professional experience:
- 1986/2004 – Employee of Banco Comercial Português, S.A., having performed the following duties:
  - Account manager at the Av. 5 de Outubro Branch, Lisbon;
  - Manager of the Cascais Branch;
  - Deputy Coordinating Manager of the Network of individuals;
  - Commercial Manager at Nova Rede and Atlântico;
  - Manager at the Legal Department.
- 2004/2005 – Chairman of Instituto Português de Apoio ao Desenvolvimento (IPAD);
- 2008/2009 – Managing Director of the External Relations Division of Banco Privado Atlântico (Angola);
- 2009/2011 – Executive Director of Banco Privado Atlântico – Europe, responsible for the areas of Compliance, Legal Advisory Services and Internal Audits.
Rui Manuel da Silva Teixeira

Personal data:
- Date of birth: 4 September 1960;
- Place of birth: Porto;
- Nationality: Portuguese;
- Position: Member of the Executive Board of Directors (until 28 February 2012, when the corporate governance model was altered);
- Beginning of Duties: 18 April 2011;

Positions presently held in Companies of the Group:

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

Duties within the Organisational Model of the Group:
- Asset Management and Private Banking Committee;
- Companies Committee;
- Retail Committee;
- Credit Commission;
- Capital Assets and Liabilities Management Commission (CALCO);
- Risk Commission;
- Credit Risk Monitoring Sub-Commission.

Direct responsibilities:
- Network Support Department;
- Retail Banking Department;
- Direct Banking Department;
- Cards Department;
- Standardised Credit Recovery Department;
- Madeira and Azores Regional Department.
Academic education:
- Licentiate degree in Electrotechnical Engineering from the Faculty of Engineering of Porto University;
- Specialisation Course in “Industrial Management” from INEGI of FEUP.

Other professional experience:
- 1984/1987 – Technical and quality management duties at a Multinational manufacturer of semiconductors;
- Since 1987 – Employee of Banco Comercial Português, manager since 1990, member of the Senior Management of the Group since 1994 and General Manager since 2006, having performed the following duties:
  - 1989/1989 – Technician at the Individuals Marketing Department;
  - 1989/1989 – Technical Adviser to the Coordinating Manager of Individuals & Business;
  - 1991/1995 – Head of the Telemarketing Systems Department, having led the Customer Information & Telemarketing Project and participated in the Project Team launching Banco 7;
  - 1995/1998 – Head of the Quality Department of the BCP Group;
  - 1999/2000 – Deputy Coordinating Manager at Nova Rede (Retail – North);
  - 2000/2001 – Head of the Commercial Dynamics Department of Nova Rede;
  - 2001/2003 – Head of the Mortgage Loan Product Unit;
  - 2003 – Head of the Retail Marketing Department at Bank Millennium S.A. (Poland);
  - 2003/2006 – Executive Director of Bank Millennium S.A. (Poland) and member of the Supervisory Boards of Millennium Dom Maklerski S.A., BEL Leasing Sp Zoo and FORIN Sp Zoo;
  - 2006/2009 – Head of the IT Global Division (Group) and member of the Banking Services Coordination Committee;
  - 2009/2010 – Vice-Chairman of the Executive Board of Directors of Bank Millennium S.A. (Poland) and member of the European Banking Coordination Committee and member of the Supervisory Boards of Millennium Dom Maklerski S.A., Millennium Leasing Sp Zoo and Millennium Lease Sp Zoo;
  - May 2010/April 2011 – Head of the Marketing Department, member of the Retail and Companies Coordinating Committees and responsible, in addition, for the M project.
CURRICULA OF THE MEMBERS OF THE SUPERVISORY BOARD
OF BANCO COMERCIAL PORTUGUÊS, S.A.

António Vítor Martins Monteiro

Age: 68 years old.

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

Current positions in the Group:
- Chairperson of the Supervisory Board, Chairperson of the Corporate Governance Committee and Member of the of the Remunerations and Welfare Board of Banco Comercial Português, S.A.; (until 28 February 2012, when the corporate governance model was altered).

Current positions outside the Group:
- Non-executive 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, Non-executive Member of the Board of Directors of Banco Privado do Atlântico – Angola, Chairman of the Board of Curators of Fundação Luso-Brasileira.

Other professional experience:
- 1968 – Joined the Ministry of Foreign Affairs;
- 1971 – Secretary of the Embassy in Kinshasa;
- 1977 – Representative at the United Nations Food and Agriculture Organization (FAO);
- 1978 – Vice-Chief of State Protocol;
- 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;
MANOEL DOMINGOS VICENTE

Age:
55 years old.

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

Current position in the Group:
Vice-Chairperson of the Supervisory Board of Banco Comercial Português, SA.; (renounced to the position on 3 February 2012).

Current positions outside the Group:
Chairman of the Board of Directors of Sonangol, EP, 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).

Other 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 – Vice General Manager of Sonangol U.E.E.
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.
Maria Leonor C. Pizarro Beleza de Mendonça Tavares

Age:
- 63 years old.

Academic qualifications:
- Licentiate degree in Law in 1972 from the University of Lisbon.

Current position in the Group:
- Vice-Chairperson of the Supervisory Board of Banco Comercial Português, S.A.; (until 28 February 2012, when the corporate governance model was altered).

Current positions outside the Group:
- President of the Champalimaud Foundation, Member of the Portuguese State Council, Member of the General Council of the University of Lisbon and Member of the governing bodies of several charities.

Other professional experience:
- 1973/1975 – Auxiliary Professor in the Faculty of Law at the University of Lisbon;
- 1977/1982 – Auxiliary Professor in the Faculty of Law at the University of Lisbon;
- 1982/1983 – State Secretary for the Presidency of the Council of Ministers;
- 1983/1987 – Member of Parliament;
- 1985/1990 – Minister for Health;
- 1991/1994 – Member and Vice-President of the Portuguese Parliament;
- 1991/1996 – President of Instituto Dr. Francisco Sá Carneiro;
- 1994/2005 – Principal consultant for CEJUR (Judicial Centre of the President of the Ministerial Council).
- 1995/1998 – President of the Fiscal Council of Banco Totta & Açores;
- 1998/2000 – Member of the Advisory Council of Banco Totta & Açores;
- 2002/2005 – Member and Vice-President of the Portuguese Parliament;
- Is a lawyer but has currently suspended her membership of the Lawyer’s Association.

Álvaro Roque de Pinho Bissia Barreto

Age:
- 76 years old.

Academic qualifications:
- Licentiate Degree in Civil Engineering from I.S.T. (1959);
- Management Course (American Management Association), in 1961;
Current positions in the Group:
- Member of the Supervisory Board, of the Risk Assessment Committee and of the Ethics and Professional Conduct Committee of Banco Comercial Português, S.A. (until 28 February 2012, when the corporate governance model was altered).

Current positions outside the Group:
- Fundação Bissaya-Barreto – Member of the Senior Council; Tejo Energia, S.A. – Chairman of the Board of Directors; Nutrinveste – Soc. Gestora de Part. Sociais, S.A. – Non-Executive Director; Instituto Português de Corporate Governance – Member of the Advisory Board; Prime Drinks, S.A. – Chairman of the Board of the General Meeting; SAP – Sociedade Alentejana de Inv. e Participações, SGPS, S.A. – Non-Executive Director; Beralt Tin & Wolfram (Portugal), S.A. – Non-Executive Director; Mellol – Soc. Gestora de Participações Sociais, S.A. – Non-Executive Director; Pão de Maionca, Promoção e Gestão de Equipamentos Hoteleiros, S.A. – Chairman of the Board of the General Meeting; Fundação Batalha De Aljubarrota – Member of the Planning and Urban Management Board.

Other Professional experience:
- 1979/1980 – TAP – Air Portugal – Chairman of the Board of Directors;
- 1981 – Minister for European Integration;
- 1982/1983 – Member of Parliament;
- 1982/1983 – Soporcel – Sociedade Portuguesa de Celulose, S.A. – Chairman of the Board of Directors; Non-Executive Director of various industrial companies;
- 1983/1984 – Minister for Trade and Tourism;
- 1984/1990 – Minister for Agriculture, Fishing and Food;
- 1990/1997 – Member of Parliament;
- 1990/2004 – Tejo Energia, S.A. – Chairman of the Board of Directors;
- 1991/1992 – President of the Parliamentary Chamber for Foreign Affairs, Portuguese Communities and Cooperation;
- 1992/1997 – Câmara de Comércio Luso Britânica – Chairman of the Board of the General Meeting;
António Henriques de Pinho Cardão

Age:
68 years old.

Academic qualifications:
Licentiate Degree in Finance from ISCEF.

Current positions in the Group:
Member of the Supervisory Board, of the Ethics and Professional Conduct Committee and of the Nominations Committee of Banco Comercial Português, S.A. (until 28 February 2012, when the corporate governance model was altered).

Current positions outside the Group:
Economist, as a self-employed individual.

Decorations
Austria – Gold Grand Cross;
Belgium – Great Cross of the Ordem de Leopoldo II;
Brazil – Commander of the Ordem Nacional do Cruzeiro do Sul;
Spain – Great Cross of the Ordem de Mérito Civil;
Iceland – Great Cross of the Ordem do Falcão;
Italy – Cavallier of the Grand Cross;
Norway – Cross of Saint Olav;
Portugal – Commander of the Ordem de Mérito Industrial.

António Henriques de Pinho Cardão

Age:
68 years old.

Academic qualifications:
Licentiate Degree in Finance from ISCEF.

Current positions in the Group:
Member of the Supervisory Board, of the Ethics and Professional Conduct Committee and of the Nominations Committee of Banco Comercial Português, S.A. (until 28 February 2012, when the corporate governance model was altered).

Current positions outside the Group:
Economist, as a self-employed individual.
Other professional experience:
- 1972/1973 – Economist-Technician of the Ministry of Health (Procurement Department);
- 1974/1976 – Technician at the Planning and Organization Department of the former União Eléctrica Portuguesa;
- 1977/1980 – Economist- Senior Technician and Manager of Electricidade de Portugal (EDP);
- 1980/1982 – Chairman of the Board of Directors of Movierecord, S.A.R.L.;
- 1980/1983 – Member of the Board of Directors ofRadiotelevisão Portuguesa (RTP);
- 1980/1990 – Chairman of the Board of Directors of Companhia de Seguros Garantia;
- 1980/1990 – Member of the Board of Directors of Companhia de Seguros UAP-Vida;
- 1980/1990 – Member of the Board of Directors of Companhia de Seguros UAP-Ramos Reais;
- 1982/1983 – Member of the Board of Directors of RTC – Radiotelevisão Comercial;
- 1982/1983 – Manager of Associação Industrial Portuguesa (Institutional Department);
- 1985/1988 – Member of the Board of Directors of Radiotelevisão Portuguesa (RTP);
- 1989/1990 – Member of the Board of Directors IPE – Investimentos e Participações do Estado, S.A.;
- 1989/1990 – Administrador da SERS, S.A. – Sociedade Europeia de Financiamentos e Serviços (former Group IPE);
- 1991/1997 – Director of BCP-I (Banco de Investimento, S.A.) and CSF – Banco de Investimento, S.A. – Grupo BCP;
- 1999/2002 – Credit General Manager of Banco Comercial Português – BCP;
- March 2002/March 2005 – Member of the Portuguese Parliament.

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 Member of the Corporate Governance Committee of Banco Comercial Português, S.A. (until 28 February 2012, when the corporate governance model was altered).

Current positions outside the Group:
- Chairman of the Executive Board of Directors of EDP – Energias de Portugal, S.A. (since 2006), Chairman of the Board of Directors of EPD – Energias do Brasil, S.A. and Chairman of the Board of Directors of EDP Renováveis, S.A.
Other professional experience:

- 1979/1981 – Lecturer at the Department of Economics of the University of Geneva;
- 1982/1985 – Lecturer in the Macroeconomics and European Integration Courses at Universidade Nova;
- 1985/1995 – Post-graduate lecturer of Macroeconomics and European Studies at Universidade Católica;
- 1986/1989 – Vice Secretary of State for External Trade;
- 1989/1990 – 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;
- 1992/1998 – Member of the Trilateral Committee;
- 1998/2004 – Chair of the Board of Directors of GDP – Gás de Portugal and of Transgás;
- 1999/2002 – Chair of APE – Associação Industrial Portuguesa de Energia;
- 2000 – Vice Chair of the Board of Directors of Galp Energia, S.G.P.S., S.A.;
- 2002/2004 – Chair of the General Board of Ambelis;
- Vice Chair of AIP – Associação Industrial Portuguesa;
- Representative of the Portuguese Government to the European Union in the working group on the development of trans-European networks.

António Manuel Costeira Faustino

Age:
- 54 years old.

Academic qualifications:
- Degree in Law by the Faculty of Law of the University of Lisbon.

Current positions in the Group:
- Member of the Supervisory Board and of the Corporate Governance Committee of Banco Comercial Português, S.A. (until 28 February 2012, when the corporate governance model was altered).

Current positions outside the Group:
- Lawyer (liberal professional).

Other professional experience:

Carlos José da Silva

Age: 46 years old.

Academic qualifications:
- Licentiate Degree in Law from Law Faculty of Universidade Lisboa, 1990.

Current positions in the Group:
- Member of the Supervisory Board and of the Corporate Governance Committee of Banco Comercial Português, S.A.
  (until 28 February 2012, when the corporate governance model was altered).

Current positions outside the Group:
- Executive Director of Banco Privado Atlântico, Chairman of the Board of Directors of Banco Privado Atlântico Europa, Vice-Chairman of Sociedade Baia de Luanda, Chairman of Interoceanico Capital S.G.P.S., S.A., and Chairman of the Angola Management School.

Other professional experience:
- 1990/1994 – Lawyer and Founder of the law firm Carlos José da Silva e Associados;
- 1994/1998 – Management consulting in the tax and financial area to multinational companies in the oil and financial area;
- 1998/2001 – Representative of Banco Espírito Santo (BES) in Angola in its Representation Office;
- 2001/2005 – Founder and Executive Director of Banco Espírito Santo Angola (BESA).

Daniel Bessa Fernandes Coelho

Age: 63 years old.

Academic education:
- Licentiate degree in Economics (Universidade do Porto, 1970);
- PhD in Economics (Universidade Técnica de Lisboa, 1986).

Current positions in the Group:
- Member of the Supervisory Board and Chairperson of the Risk Assessment Committee of Banco Comercial Português, S.A. (until 28 February 2012, when the corporate governance model was altered).

Current positions outside the Group:
- Director of Finibanco Holding, S.G.P.S., S.A.; Non-Executive Director of Efacec Capital, S.G.P.S., S.A.; Chairman of the Audit Board of Sonae S.G.P.S., S.A.; Non Executive Director of Agência para o Investimento e Comércio Externo de Portugal – AICEP, E.P.E.; General Manager of COTEC Portugal – Associação Empresarial para a Inovação; Chairman of the Audit Board of Bial – Portela e Companhia, S.A.; Member of the Board of Directors of Fundação Bial; Member of the International Advisory Board of FDC – Fundação Dom Cabral; Chairman of the Audit Board of Galp Energia, S.G.P.S., S.A.; Chairman of the Board of the General Meeting of Nanium, S.A.;
Chairman of the Advisory Board of IGFCSS – Instituto de Gestão de Fundos de Capitalização da Segurança Social; Chairman of the Research Office of Câmara dos Técnicos Oficiais de Contas; Member of the Investment Committee of PVCI – Portuguese Venture Capital Initiative an entity created by the EIF – European Investment Fund; and Chairman of the Advisory Board of Microprocessador, S.A.;

- Freelance economist since 1983.

**Other professional experience:**

- 1970/2009 – Lecturer at Universidade do Porto;
- 1978/1979 – Chairman of the Board of Directors of the School of Economics of Universidade do Porto;
- 1988/2000 – Lecturer at ISSE – Instituto Superior de Estudos Empresariais;
- 1989/1992 – Lecturer at the School of Engineering;
- April 1989/December 1990 – Chairman of the Executive Commission of Escola Superior de Tecnologia e Gestão do Instituto Politécnico de Viana do Castelo;
- December 1990/October 1995 – Pro-Rector for the financial management of Universidade do Porto;
- October 1995 – Member of Parliament of the Portuguese Republic;
- October 1995/March 1996 – Minister for Economy of the Portuguese Government;
- May 1996/March 2006 – Non-executive director of Celbi – Celulose Beira Industrial;
- March 1997/April 2007 – Chairman of the Audit Board of SPGM – Sociedade de Investimentos;
- January 1998/December 2003 – Chairman of the Assembly of the Municipality of Vila Nova de Cerveira;
- January 1999/March 2002 – Chairman of the Board of the General Meeting of APDL – Administração dos Portos do Douro e Leixões;
- September 1999/December 2006 – External employee of Grupo Sonae, intervening in macroeconomic forecasts and strategy definition;
- September 1999/December 2006 – Member of the Advisory Board of Sonae S.G.P.S., S.A.;
- September 1999/December 2006 – Member of the Advisory Board of Sonae Indústria, S.G.P.S., S.A.;
- 2000/March 2009 – Lecturer at EGP – Escola de Gestão do Porto;
- June 2000/March 2009 – Chairman of the Management Board of EGP – Escola de Gestão do Porto;
- January 2001/June 2003 – Member of the Advisory Board of Indústrias de Condutores Eléctricos e Telefónicos F. Cunha Barros, S.A.;
- February 2003/June 2004 – Mission with the Ministry of Economy and of Social Security and Labour of the Portuguese Government to coordinate the technical aspects of creation of a Program to Recover Depressed Areas and Sectors;


João Manuel de Matos Loureiro

Age:

52 years old.

Academic qualifications:

Licentiate Degree in Economics from the Faculty of Economics of the University of Porto, em 1983;

PhD in Economics (majoring in International Macroeconomics and Finance) from the University of Gothenburg, Sweden, em 1992.

Current positions in the Group:

Member of the Supervisory Board and Chairperson of the Audit Committee of Banco Comercial Português, S.A. (until 28 February 2012, when the corporate governance model was altered);

Chairman of the Audit Board of Banco ActivoBank, S.A., Chairman of the Audit Board of Banco 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; Researcher at CEF.UP; Member of the General Council of UPBS (University of Porto Business School); Coordinator of the Post-graduate Degree in Management of the EGP-UPBS and Member of the Board of Representatives of the School of Economics of the University of Porto.

Other 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;

2002/2009 – 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;
■ 2008 – Consultant for the assessment of the foreign exchange system in Cape Verde;

■ 2008/2011 – Member of the General Board of the EGP (Porto Management School);

■ 2011 – Member of the work group that prepared the Draft Regulations for the Public Finance Council;


José Guilherme Xavier de Basto

Age: 73 years old.

Academic qualifications:
■ Licentiate Degree in Law from the Law School of Coimbra University;

■ Additional Course of Political-Economic Sciences.

Current positions in the Group:
■ Member of the Supervisory Board and Member of the Audit Committee of Banco Comercial Português, S.A. (until 28 February 2012, when the corporate governance model was altered).

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).

Other 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: 64 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 positions in the Group:
■ Member of the Supervisory Board and Member of the Audit Committee of Banco Comercial Português, S.A. (until 28 February 2012, when the corporate governance model was altered).

Current positions outside the Group:
■ Chairman of the Audit Board of AEA – Autoestradas do Atlântico, S.A., Member of the Audit Board of Lojas Francas de Portugal S.A., Founding partner of Oliveira Reis & Associados, S.R.O.C. Lda. and Consultant.
Other 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.

Josep Oliu Creus

Age:
- 62 years old.

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

Current position in the Group:
- Member of the Supervisory Board of Banco Comercial Português, S.A. (until 28 February 2012, when the corporate governance model was altered).

Current positions outside the Group:
- Chairman of the Board of Directors of Banco de Sabadell, S.A., Chairman of the Board of Directors of BarSabadell Holding S.L., Unipers, 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 Fundación Príncipe de Asturias, 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 Fundación Banco Herrero.

Other professional experience:
- 1978/1982 – Associate Professor of Economics and Econometrics at Universidad Autónoma, Barcelona;
- 1983/1984 – 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.
Luis de Mello Champalimaud (renounced to the position on 3 February 2012)

Age:
- 60 years old.

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

Current position in the Group:
- Member of the Supervisory Board and of the Remunerations and Welfare Board of Banco Comercial Português, S.A. (renounced to the positions on 3 February 2012).

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 Management and Supervisory Board of Empresa de Cimentos Liz, S.A.

Other 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.);
- 1993/1995 – Chairman of Companhia de Seguros Mundial-Confiança, S.A.;
- 1995/2000 – 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.;
- 2009/2011 – Chairman of the Supervisory Board, Chairman of the Sustainability and Corporate Governance Committee and Member of the Remunerations and Welfare Board of Banco Comercial Português, S.A.

Manuel Alfredo da Cunha José de Mello

Age:
- 63 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, Member of the Risk Assessment Committee and Chairperson of the Nominations Committee of Banco Comercial Português, S.A. (until 28 February 2012, when the corporate governance model was altered).

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

Other professional experience:
- Until March 2009 – Member of the Senior Board of Banco Comercial Português, S.A.
Pansy Catilina Ho Chiu King

Age:
- 49 years old.

Academic qualifications:
- Honorary Doctorate Degree in Business Administration, Johnson and Wales University, 2007;
- Diploma in International Studies – Asian History, Political Science, Santa Clara University, 1984;
- BSc in Marketing and International Business Management, Santa Clara University, 1983.

Current position in the Group:
- Member of the Supervisory Board of Banco Comercial Português, S.A. (until 28 February 2012, when the corporate governance model was altered).

Current positions outside the Group:

In Portugal:
- Director of POSSE – Sociedade gestora de Participações Sociais, S.A.; Director of Estoril-Sol, S.G.P.S., S.A.

In the Special Administrative Region of Macau of the People’s Republic of China:
- Director of Sociedade de Turismo e Diversões de Macau, S.A., the controlling company of the STDM Group Companies, Managing Director of MGM Grand Paradise, S.A. Macau SAR Tourism Development Committee Member; Advisory Committee Member of 2006 Macau World Heritage Year; Advisory Committee Member of Tourism Marketing Management, Advisory Committee Member of Transportation & Basic Construction and Honorary Consul of Peru in Macao.

In the Special Administrative Region of Honk Kong of the People’s Republic of China:
- CEO of Shun Tak Holdings Limited and a director in respective Group Companies, Director of the Hong Kong-Japan Business Co-operation Committee, Vice-Chairman of the Hong Kong Federation of Women, Vice-Convenor of the Hong Kong Federation of Women Entrepreneurs’ Committee, Joint Vice-President of the Society of the Academy for Performing Arts, Honorary President of the Hong Kong Federation of Women, Founding Honorary Advisor, Board Director of the The University of Hong Kong Foundation for Educational Development & Research Limited, Advisory Council Member of The Better Hong Kong Foundation, Honorary Vice President of Hong Kong Girl Guides Association, Honorary President of the Hong Kong Southern District Women’s Association, Member of the Advisory Committee of the Council of Management for Hong Kong Jewellery & Jade Manufacturers Association, Member of the School Management Committee of the Hong Kong School of Arts, Media & Design (HKSAMD), Board Member of the Association Culturelle France-Hong Kong.

In China:
- Member of the Standing Committee of the Beijing Municipal Committee of the Chinese People’s Political Consultative Conference, Committee Member China Association of Women Entrepreneurs, Vice-Chairman, China Association of Women Entrepreneurs, member of the China Promoting Minority Culture and Art Association, Vice-Chairman of the China Society For Promotion Of The Guangcai Program, Member of the Standing Committee of All-China Federation of Industry & Commerce, Chamber of Tourism of All-China Federation of Industry & Commerce, Vice-President, Vice-Chairman of the Shanghai Federation of Industry & Commerce.

Other professional experience:
- 1999/2002 – Guangdong Chamber of Foreign Investors, Deputy Chairman;
- 1999/June 2006 – Community Chest of Hong Kong, Member of the Board;
- 2000/2002 – Chinese People’s Political Consultative Conference of Guangdong Province, Member of the Committee;
- 2001/2006 – Hong Kong Arts Centre, Member of The Board of Governors;
- 2001/2007 – The Hong Kong Ballet Limited, Member of The Board of Governors;
Thomaz de Mello Paes de Vasconcelos

Age:
54 years old.

Academic qualifications:
Licentiate degree in Business Management from Universidade Católica.

Current positions in the Group:
- Member of the Supervisory Board and Member of the Audit Committee of Banco Comercial Português, S.A. (until 28 February 2012, when the corporate governance model was altered);
- Alternate Member of the Audit Boards of Banco ActivoBank, S.A. and of Banco BII – Banco de Investimento Imobiliário, S.A.

Current positions outside the Group
- Consultant of TPV, Lda., Statutory Auditor, Director of Multiauto Galilei, S.G.P.S., S.A.; Member of the Audit Board of Companhia de Seguros Açoreana, S.A. and Non-executive Director of Timwe S.G.P.S., S.A.

Other 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:
- 62 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; Member of the Ethics and Professional Conduct Committee and Member of the Nominations Committee of Banco Comercial Português, S.A. (until 28 February 2012, when the corporate governance model was altered).

Current positions outside the Group:

Other Professional experience:
- From 1973 to 1975 – Performed technical functions in the Investment Projects Evaluation Nucleus of Centro de Estudos de Planeamento (Presidency of the Cabinet);

- From 1975 to 1980: Advisor for economic affairs of the 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 the Minister of Finance and Plan (2nd Constitutional Government), Services Manager of the Office for the External Economic Cooperation of the Ministry of Finance; and Deputy Secretary of State of the Minister of Transportation and Communications (5th Constitutional Government);

- 1980/1986 – Director of Casa Hipólito S.A.;

- 1987/1990 – General Manager of Casino Estoril;

- 1990/1995 – Director of the holding company and of several media companies of Group PEI – Projectos, Estudos e Informação, S.A.;

- 1995/1997 – Executive Vice-Chairman of ESTA – Gestão de Hotéis S.A., a company owned by Estoril-Sol and by 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 OF THE MEMBERS OF THE REMUNERATION AND WELFARE BOARD OF BANCO COMERCIAL PORTUGUÊS, S.A.

José Manuel Rodrigues Berardo

Age:
- 68 years old.

Current position in the Group:
- Chairman of the Remuneration and Welfare Board (until 28 February 2012, when the corporate governance model was altered).

Other professional experience:
António Vitor Martins Monteiro

Please see Annex II to the Corporate Governance Report.

Luís de Mello Champalimaud

Please see Annex II to the Corporate Governance Report.

Manuel Pinto Barbosa

Age:
68 years old.

Academic qualifications:
- Licentiate degree in Finance from Instituto Superior de Ciências Económicas e Financeiras de 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 Remunerations and Welfare Board (until 28 February 2012, when the corporate governance model was altered).

Other Professional experience:
APPENDIX I

Millennium bcp earnings release as at 31 December 2011
Update of Millennium bcp consolidated Earnings Press Release due to the update of financial information as at 31 December 2011 disclosed to the market on 3 February 2012

HIGHLIGHTS

- The Core Tier I ratio stood at 9.3% as at 31 December 2011;
- Negative consolidated net income of Euro 848.6 million, influenced by the increase of impairment charges for loan losses and for other financial assets, and by costs associated with the partial transfer of liabilities with pensions to the general state healthcare system;
- Net income from the international activity doubled, boosted by the increase in results at the subsidiaries in Poland (+43%), Mozambique (+51%) and Angola (+52%), in local currency;
- Net interest income increased 4.1% from 2010, benefiting from both the activity in Portugal (+1.5%) and the international activity (+9.0%);
- Balance sheet customer funds increased 3.3% to Euro 53,060 million as at 31 December 2011, boosted by customer deposits;
- Customer deposits increased 4.2% to Euro 47,516 million; customer deposits in Portugal grew 7.2% from 31 December 2010;
- The loan portfolio decreased 6.4% to Euro 71,533 million as at 31 December 2011; customer loans in Portugal decreased 7.4% from the end of December 2010;
- The loans to deposits ratio showed a favourable evolution to 145% as at 31 December 2011 (164% on the same date in 2010);
- Overdue loans by more than 90 days stood at 4.5%, reflecting the current economic and financial environment, and the coverage ratio stood at 109.1%.
Earnings Press Release

Lisbon, 23 April 2012

ECONOMIC ENVIRONMENT

The resurgence and spread of the systemic effects of the sovereign debt crisis in the euro area, the recurrent risk aversion and the slowdown in international trade all continued to affect the global economy, particularly in the European Union. The U.S.A. has been the exception, having benefited from some improvement in employment and a corresponding increase in private consumption. The latest indicators of economic activity have turned more positive, suggesting some stabilization in the underlying economic trends. However, forecasts continue to reflect the high level of uncertainty related to the overall indebtedness of developed economies and to the underlying robustness of growth in the emerging economies and developing countries. The slowdown in economic activity and the lower inflationary pressures allowed the maintenance - and in some cases the reinforcement - of accommodative monetary policy conditions in order to reinvigorate economic activity.

The climate of risk aversion prevailed but in a more uneven fashion. The deteriorating economic environment, the downgrades of several sovereign debt ratings and of related private sector issuers, particularly the banks, and the uncertainty pertaining the outcome of the reform of the European governance led to wider credit spreads, fostered further demand for safe haven assets and pushed the euro back below 1.30 per US dollar. The stock market has performed better, having benefited from the release of higher than expected earnings and more expansionary monetary policy. However, this recovery was insufficient to overcome the accumulated losses throughout 2011.

Facing the growing risks of development of a vicious cycle between sovereign risk, the banking system, the economy’s financing needs and the worsening of conditions in the European money markets, the ECB cut interest rates to 1%, extended the maturities of the liquidity facilities up to three years, decreased the compulsory reserve ratio by half, eased the rating threshold for eligibility of some collateral, resumed the covered bonds program and continued its securities markets program purchasing debt in the secondary markets. These new monetary conditions, which will prevail at least through the early months of 2012, may reduce the liquidity risk affecting European banks and help ease strains in European sovereign debt markets.
Resolving the Euro area sovereign debt crisis hinges on recovering investor’s confidence in the sustainability of public finances. The proposals for the reform of the EU governance model did not achieve the necessary unanimity for a Treaty change but the proposed changes will be adopted by means of intergovernmental accords. These agreements include new fiscal rules, stronger monitoring and assessment of budgetary plans, mechanisms for automatic correction in case of deviations and safeguards that mitigate the risk of the negative pro-cyclicality inherent in the application of such strict and binding regulations. Furthermore, the European Instruments for financial assistance have been strengthened and the Greek debt renegotiation with private creditors remains underway.

The contraction of the Portuguese economy is estimated at 1.6% in 2011, lower than originally anticipated but confirming a downward trajectory. Deviations in budget execution and reclassifications in public administration forced the adoption of one-off measures to meet the fiscal targets set out in the adjustment program. Among others, the partial transfer of the main banks’ pension funds to the state allowed the deficit to fall well below the required level, but it did not solve the underlying structural imbalance. Thus, legacy effects will require greater budget discipline in 2012, affecting the financial condition of the households and corporates and contributing to the worsening of the economic environment through sharply weaker domestic demand.

The economic and financial uncertainty has hampered the performance of the national banking system - reduced business volumes, deterioration of credit quality indicators, lower profitability - and has hindered the fulfilment of the regulatory requirements for liquidity and recapitalization of banks. Greater focus has been given to raising customer’ resources, prudent lending decisions and selection of the most competitive business segments, in order to simultaneously meet the goals of deleveraging and supporting economic growth in a broader context of extremely adverse funding conditions.

The growth of countries in Eastern Europe remained resilient during 2011 with the recovery process for 2012 expected to be negatively impacted by lower external dynamics coming out of the EU. The normalization of oil production in Angola and the expected development of the so-called “mega projects” in Mozambique, related to raw materials, are expected to support robust economic growth in 2012, contributing to economic stabilization and enhancing the further development of banking services in those countries.
Earnings Press Release

Financial Highlights

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<th>31 Dec. 11</th>
<th>31 Dec. 10</th>
<th>Change 11 / 10</th>
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<td><strong>Balance sheet</strong></td>
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<tr>
<td>Total assets</td>
<td>93,482</td>
<td>98,547</td>
<td>-5.1%</td>
</tr>
<tr>
<td>Loans to customers (gross)</td>
<td>71,533</td>
<td>76,411</td>
<td>-6.4%</td>
</tr>
<tr>
<td>Total customer funds</td>
<td>65,530</td>
<td>67,956</td>
<td>-3.1%</td>
</tr>
<tr>
<td>Balance sheet customer</td>
<td>53,060</td>
<td>51,342</td>
<td>3.3%</td>
</tr>
<tr>
<td>deposits</td>
<td>47,516</td>
<td>45,609</td>
<td>4.2%</td>
</tr>
<tr>
<td>Loans to customers, net</td>
<td>145%</td>
<td>164%</td>
<td></td>
</tr>
<tr>
<td>/ Customer deposits</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Results</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income</td>
<td>(848.6)</td>
<td>344.5</td>
<td></td>
</tr>
<tr>
<td>Net interest income</td>
<td>1,579.3</td>
<td>1,516.8</td>
<td>4.1%</td>
</tr>
<tr>
<td>Net operating revenues</td>
<td>2,569.6</td>
<td>2,902.4</td>
<td>-11.5%</td>
</tr>
<tr>
<td>Operating costs</td>
<td>1,634.2</td>
<td>1,543.2</td>
<td>5.9%</td>
</tr>
<tr>
<td>Loan impairment charges</td>
<td>1,331.9</td>
<td>713.3</td>
<td>86.7%</td>
</tr>
<tr>
<td>Other impairment and</td>
<td>825.1</td>
<td>227.8</td>
<td>262.2%</td>
</tr>
<tr>
<td>provisions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income taxes</td>
<td>66.9</td>
<td>54.2</td>
<td>23.4%</td>
</tr>
<tr>
<td>Deferred</td>
<td>(525.7)</td>
<td>(39.8)</td>
<td></td>
</tr>
<tr>
<td><strong>Profitability</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net operating revenues /</td>
<td>2.6%</td>
<td>3.0%</td>
<td></td>
</tr>
<tr>
<td>Average net assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Return on average assets</td>
<td>-0.3%</td>
<td>0.4%</td>
<td></td>
</tr>
<tr>
<td>/ Average net assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Return on average equity</td>
<td>-22.0%</td>
<td>9.8%</td>
<td></td>
</tr>
<tr>
<td>Income before taxes and</td>
<td>-28.0%</td>
<td>10.6%</td>
<td></td>
</tr>
<tr>
<td>non-controlling interests</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>/ Average equity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Credit quality</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overdue and doubtful loans</td>
<td>6.2%</td>
<td>4.5%</td>
<td></td>
</tr>
<tr>
<td>/ Total loans</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overdue and doubtful loans, net / Total loans, net</td>
<td>1.4%</td>
<td>1.2%</td>
<td></td>
</tr>
<tr>
<td>Credit at risk / Total</td>
<td>10.1%</td>
<td>7.1%</td>
<td></td>
</tr>
<tr>
<td>loans</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credit at risk, net /</td>
<td>5.5%</td>
<td>4.0%</td>
<td></td>
</tr>
<tr>
<td>Total loans, net</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impairment for loan losses</td>
<td>109.1%</td>
<td>109.4%</td>
<td></td>
</tr>
<tr>
<td>/ Overdue loans by more</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>than 90 days</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Efficiency ratios</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating costs / Net</td>
<td>58.4%</td>
<td>54.1%</td>
<td></td>
</tr>
<tr>
<td>operating revenues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating costs / Net</td>
<td>59.9%</td>
<td>48.0%</td>
<td></td>
</tr>
<tr>
<td>operating revenues (Portugal)</td>
<td>31.9%</td>
<td>29.0%</td>
<td></td>
</tr>
<tr>
<td>Staff costs / Net</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>operating revenues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Capital</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Own funds</td>
<td>5,263</td>
<td>6,116</td>
<td></td>
</tr>
<tr>
<td>Risk weighted assets</td>
<td>55,456</td>
<td>59,564</td>
<td></td>
</tr>
<tr>
<td>Core Tier I</td>
<td>9.3%</td>
<td>6.7%</td>
<td></td>
</tr>
<tr>
<td>Tier I</td>
<td>8.6%</td>
<td>9.2%</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>9.5%</td>
<td>10.3%</td>
<td></td>
</tr>
<tr>
<td><strong>Branches</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portuguese activity</td>
<td>885</td>
<td>892</td>
<td>-0.8%</td>
</tr>
<tr>
<td>Foreign activity</td>
<td>837</td>
<td>852</td>
<td>-1.8%</td>
</tr>
<tr>
<td>Employees</td>
<td>9,959</td>
<td>10,146</td>
<td>-1.8%</td>
</tr>
<tr>
<td>Portuguese activity</td>
<td>11,549</td>
<td>11,224</td>
<td>2.9%</td>
</tr>
<tr>
<td>Foreign activity</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: The figures may not add up due to rounding.

1. Amounts due to customers (including securities), assets under management and capitalisation products.
4. Staff costs, other administrative costs and depreciation.
5. Excludes the impact of specific items.
RESULTS AND ACTIVITY IN 2011

Considering the conclusion of the sale of 95% of Millennium bank in Turkey (currently Fibabanka, Anonim Sirketi), on 27 December 2010, and the sale of all the branches of Millennium bcpbank in the United States of America (USA), the respective deposits portfolio and part of the loans portfolio, on 15 October 2010, the consolidated financial statements are not directly comparable for the periods ended on 31 December of 2011 and of 2010. However, the impact of these transactions is considered not materially relevant for the Group’s profit and loss account and balance sheet, given the small dimension of these operations in the consolidated activity.

Additionally, at the end of the 2011, considering the agreement signed between the Portuguese Government, the Portuguese Banking Association and the unions of bank employees to transfer the pension liabilities for retired employees and pensioners to the General State Healthcare System, the Bank decided, just prior to the transfer, to change the accounting policy associated with the recognition of actuarial deviations.

Following the analysis of the several alternatives allowed by the International Accounting Standard (IAS) 19 Employee Benefits, the Group chose to recognise actuarial deviations of the period on reserves. Previously, the Group proceeded with the deferral of actuarial deviations determined in accordance with the corridor method, in which gains and losses not recognised which exceeded 10% of the greater between the current value of the liabilities and the fair value of the Fund’s assets were recorded in results by the value of the remaining estimated useful life of the active employees.

To reflect this change, in accordance with IAS, this change was performed with retroactive effect to 1 January 2010, and consequently the Group recognise in equity the total actuarial deviations deferred. In accordance with the standards, the Group performed the restatement of financial statements as at 1 January 2010 and 31 December 2010, for comparable purposes.

RESULTS

Millennium bcp’s consolidated net income was negative by Euro 848.6 million in 2011, compared with a profit of Euro 344.5 million in 2010 (restated according to the change in the accounting policy), influenced by exceptional negative items related to the reinforce of impairment charges for loan losses, the recognition of goodwill impairment of Millennium bank in Greece, the increase in impairment charges for other financial assets, the effect of the partial transfer of pension liabilities for retired employees and pensioners to the General State Healthcare System and the mark-to-market of Portuguese sovereign debt.

Net income for 2011 includes the impact from the increase in impairment charges for loans as a result of the Special Inspections Program conducted under the Economic and Financial Adjustment Programme established with the Portuguese authorities and conducted with the largest Portuguese banking groups, in the amount of Euro 270.5 million net of tax, the recognition of the impairment related to the remaining goodwill of Millennium bank in Greece, of Euro 147.1 million (equal to the amount posted in 2010), the recognition of impairment losses on Greek sovereign debt securities, amounting to Euro 408.9 million net of tax, and the accounting in staff costs of the expenses associated with the partial transfer of pension liabilities for retired employees and pensioners to the Healthcare System, in the amount of Euro 117.0 million net of tax.

Additionally, net income in 2011 reflects the accounting of losses associated with the Portuguese sovereign debt, of Euro 90.9 million net of tax (Euro 13.2 million net of tax in 2010), the reversal of provisions related to the pension fund of former members of the Executive Board of Directors and of employees related to the complementary plan, of Euro 31.4 million net of tax, and the cost related to early retirements, of Euro 8.7 million net of tax (Euro 5.3 million after tax in 2010). In 2010, net profit also incorporated the accounting of the gain obtained with the sale of the shareholding in Eureka, B.V., of Euro 65.2 million.

Nevertheless, the consolidated net profit was favourably influenced by higher net interest income, supported by the positive effects of business volume and interest rates, as well as by the reduction of other
administrative costs, benefitting from the savings achieved in most item lines, and by the lower level of depreciation.

The evolution of profitability on a consolidated basis was determined by the performance of the activity in Portugal, while net income from the international activity showed an increase. The activity in Portugal has been conditioned by the aforementioned impacts, which were partly offset by the increase in net interest income, by the reduction in other administrative costs and by the lower level of depreciation.

The net result for international activity was driven by the higher level of net profit achieved in the majority of international subsidiaries, boosted by the growth in net operating revenues, driven by higher business volumes and efficiency gains despite the ongoing investment, with particular emphasis on the net income achieved by Bank Millennium in Poland, by Millennium bim in Mozambique and by Banco Millennium in Angola.

Net Interest Income increased 4.1% to Euro 1,579.3 million in 2011, compared to Euro 1,516.8 million in 2010, supported by the positive volume effect, in conjunction with the favourable interest rate effect.

The favourable interest rate effect benefited mostly from the performance of the loans to customers portfolio, supported by initiatives implemented focused on the appropriate pricing in light of the cost of risk of the operations with customers, and also, although in a lesser extent, on the positive effect related to the financial assets portfolio, despite the higher remuneration of customer deposits and the increase in interest rates of debt securities issued and financial liabilities.

The positive effect on business volume benefited, on the one hand, from the increase in financial assets, despite the reduction in the volume of loans to customers, and on the other, from the decrease in debt issued and financial liabilities, despite the growth in customer deposits, associated with the efforts undertaken in order to further increase balance sheet customer funds among the customer base, in the scope of the ongoing deleveraging process and the reinforcement of stable resources (stable funding) in the financing structure.

The increase in net interest income was boosted by both the activity in Portugal and the international activity.

In the activity in Portugal, the growth in net interest income benefited from operations with customers, highlighting the positive interest rate effect, supported by the adjustment of spreads to customer risk profiles, despite the increase in interest expenses for demand deposits. Additionally, net interest income in Portugal was influenced by the positive volume effect, supported by the volume of business of operations associated with financial instruments.

In the international activity, the growth in net interest income was mainly boosted by the favourable interest rate effect, together with the positive business volumes effect, benefitting essentially from operations with customers. The increase in net interest income benefited from the activity in most foreign operations, in particular the subsidiaries in Poland, Mozambique and Angola.

The net interest margin stood at 1.74% in 2011, which compares favourably with 1.68% posted in 2010, benefiting from the performance in the activity in Portugal, supported by efforts to appropriately price loan operations based on customer risk profile, despite the simultaneous increase in the cost of customer deposits, and in the international activity, in particular in Bank Millennium in Poland and Millennium bim in Mozambique.
**Earnings Press Release**

**Millennium bcp**

### AVERAGE BALANCES

<table>
<thead>
<tr>
<th></th>
<th>Dec. 11</th>
<th>Yield %</th>
<th>Dec. 10</th>
<th>Yield %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance</strong></td>
<td>Euro million</td>
<td></td>
<td>Euro million</td>
<td></td>
</tr>
<tr>
<td>Deposits in banks</td>
<td>4,363</td>
<td>1.67</td>
<td>3,823</td>
<td>1.21</td>
</tr>
<tr>
<td>Financial assets</td>
<td>12,247</td>
<td>4.16</td>
<td>9,587</td>
<td>3.53</td>
</tr>
<tr>
<td>Loans and advances to customers</td>
<td>72,783</td>
<td>4.45</td>
<td>74,644</td>
<td>3.57</td>
</tr>
<tr>
<td>Non current assets held for sale</td>
<td>-</td>
<td>-</td>
<td>88,054</td>
<td>-</td>
</tr>
<tr>
<td>Interest earning assets</td>
<td>89,393</td>
<td>4.27</td>
<td>88,872</td>
<td>3.49</td>
</tr>
<tr>
<td>Non interest earning assets</td>
<td>7,838</td>
<td>4.27</td>
<td>8,497</td>
<td></td>
</tr>
<tr>
<td><strong>Amounts owed to credit institutions</strong></td>
<td>19,956</td>
<td>1.71</td>
<td>15,087</td>
<td>1.40</td>
</tr>
<tr>
<td><strong>Amounts owed to customers</strong></td>
<td>46,821</td>
<td>2.92</td>
<td>45,186</td>
<td>2.01</td>
</tr>
<tr>
<td><strong>Debt issued and financial liabilities</strong></td>
<td>19,732</td>
<td>2.55</td>
<td>25,286</td>
<td>1.53</td>
</tr>
<tr>
<td><strong>Subordinated debt</strong></td>
<td>1,504</td>
<td>3.18</td>
<td>2,254</td>
<td>2.96</td>
</tr>
<tr>
<td><strong>Non current liabilities held for sale</strong></td>
<td>88,013</td>
<td>4.17</td>
<td>740</td>
<td>1.81</td>
</tr>
<tr>
<td><strong>Interest bearing liabilities</strong></td>
<td>88,013</td>
<td>2.57</td>
<td>88,752</td>
<td>1.81</td>
</tr>
<tr>
<td><strong>Non interest bearing liabilities</strong></td>
<td>3,708</td>
<td>2.82</td>
<td>2,825</td>
<td></td>
</tr>
<tr>
<td><strong>Shareholders’ equity and non-controlling interests</strong></td>
<td>5,510</td>
<td>5,791</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net interest margin (1)</strong></td>
<td>97,231</td>
<td>1.74</td>
<td>97,369</td>
<td>1.68</td>
</tr>
</tbody>
</table>

*Note: Interest related to hedge derivatives were allocated, in December 2011 and 2010, to the respective balance sheet items.*

Net commissions stood at Euro 789.4 million in 2011 compared to Euro 811.6 million in 2010. The evolution of net commissions was mostly influenced by the performance in commissions related to financial markets, partly offset by the favourable evolution in commissions more directly related to the banking business. Net commissions were conditioned by both the activity in Portugal, which decreased 2.0%, and the international activity, which reduced 4.5%, driven by the subsidiary companies in Greece and Switzerland, while in Poland it was influenced by the foreign exchange effect of the devaluation of the zloty against the euro, despite the favourable contribution of Millennium bim in Mozambique and Banco Millennium Angola.

The commissions more directly related to the banking business were enhanced by the diversification and adaptation of the revenue sources to the economic and financial context, benefitting from the growth in commissions related to loans and guarantees and to banking services provided, materialising, in part, the pricing alignment to the evolution of the banking business, benefiting from the growth in commissions related to account management as well as fees associated with the solution “Frequent Customer”, despite the lower performance of bancassurance commissions, conditioned by the adverse economic and financial environment.

The commissions related to financial markets were influenced by the weaker activity in the financial markets, reflected in commissions associated with securities transactions and by commissions related to asset management, both conditioned by the persistence of a particularly adverse environment for the management of financial investments, determined by the uncertainty and volatility of financial markets.

The net trading income, which includes net gains arising from trading and hedging activities and net gains arising from available for sale financial assets, totalised Euro 207.6 million in 2011, from Euro 439.4 million in
Earnings Press Release

BANCO COMÉRCIAL PORTUGUÊS, S.A., a public company (sociedade aberta) having its registered office at Praça D. João I, 28, Oporto, registered at the Commercial Registry of Oporto, with the single commercial and tax identification number 501 525 882 and the share capital of EUR 6,064,999,986.00.

This reflects mainly the instability in financial markets, combined with the worsening of tensions related to the sovereign debt crisis in the euro area, with impact on the high volatility and depreciation of the portfolio of financial instruments more directly exposed to market risk, partially offset by the increase in income associated with foreign exchange transactions.

The results of operations in securities, derivatives and other, were mostly influenced by results from trading and hedging operations, in particular by the accounting in 2011, of losses associated with Portuguese sovereign debt, amounting to Euro 128.1 million (Euro 18.0 million in 2010), together with the losses on financial instruments at fair value option, in the amount of Euro 20.6 million (gains of Euro 204.6 million in 2010) and the impacts of the losses related to the sales of loan operations, only partially offset by gains associated with the repurchase of own debt issues.

The evolution of net trading income primarily reflects the performance of the activity in Portugal, as well as smaller gains recorded by the subsidiary companies in Poland and Mozambique, despite the generally favourable performance of the international activity, particularly in terms of net trading results with securities.

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, recorded net losses of Euro 22.7 million in 2011, compared with gains of Euro 31.0 million in 2010. The evolution of other net operating income was mostly influenced by the activity in Portugal, reflecting the impact on the costs component of the extraordinary tax contribution from the banking sector in 2011, in the amount of Euro 32.0 million, and the devaluation of assets, although mitigated by the accounting, in the first quarter of 2011, of an adjustment of insurance premiums related with pensions. In the international activity, the lower level of other net operating income posted by the subsidiary companies in Poland and Greece, more than offset the favourable contribution of Millennium bim in Mozambique.

### OTHER NET INCOME

<table>
<thead>
<tr>
<th></th>
<th>Dec. 11</th>
<th>Dec. 10</th>
<th>Change 11/10</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>184.5</td>
<td>185.3</td>
<td>-0.4%</td>
</tr>
<tr>
<td>Credit and guarantees</td>
<td>184.9</td>
<td>178.7</td>
<td>3.5%</td>
</tr>
<tr>
<td>Bancassurance</td>
<td>72.7</td>
<td>74.3</td>
<td>-2.2%</td>
</tr>
<tr>
<td>Other commissions</td>
<td>226.6</td>
<td>224.3</td>
<td>1.1%</td>
</tr>
<tr>
<td><strong>Subtotal banking commissions</strong></td>
<td>668.7</td>
<td>662.4</td>
<td>1.0%</td>
</tr>
<tr>
<td>Market related commissions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Securities</td>
<td>73.8</td>
<td>96.6</td>
<td>-23.6%</td>
</tr>
<tr>
<td>Asset management</td>
<td>46.9</td>
<td>52.6</td>
<td>-10.9%</td>
</tr>
<tr>
<td><strong>Subtotal market related commissions</strong></td>
<td>120.7</td>
<td>149.2</td>
<td>-19.1%</td>
</tr>
<tr>
<td><strong>Total net commissions</strong></td>
<td><strong>789.4</strong></td>
<td><strong>811.6</strong></td>
<td><strong>-2.7%</strong></td>
</tr>
<tr>
<td>Net trading income</td>
<td>207.6</td>
<td>439.4</td>
<td>-52.7%</td>
</tr>
<tr>
<td>Other net operating income</td>
<td>(22.7)</td>
<td>31.0</td>
<td></td>
</tr>
<tr>
<td>Dividends from equity instruments</td>
<td>1.4</td>
<td>35.9</td>
<td>-96.2%</td>
</tr>
<tr>
<td>Equity accounted earnings</td>
<td>14.6</td>
<td>67.7</td>
<td>-78.4%</td>
</tr>
<tr>
<td><strong>Total other net income</strong></td>
<td><strong>990.3</strong></td>
<td><strong>1,385.6</strong></td>
<td><strong>-28.5%</strong></td>
</tr>
<tr>
<td>Other income / Net operating revenues (2)</td>
<td>38.5%</td>
<td>47.7%</td>
<td></td>
</tr>
</tbody>
</table>

(1) Includes in 2010 the gain associated with the sale of the 2.7% shareholding in Euroobo, in the amount of Euro 65.2 million.
(2) According to Instruction no. 23/2011 from the Bank of Portugal.
Dividends from equity instruments, which include dividends received from investments in financial assets available for sale, totalled Euro 1.4 million in 2011, compared with Euro 35.9 million in 2010. Dividends posted in 2011 are primarily related to the Group’s investments in shares and in investment fund units, while the dividends from equity instruments accounted in 2010 were mostly represented by the dividends received related to the 2.7% stake in Eureko, B.V., which was sold on 31 December 2010.

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, amounted to Euro 14.6 million in 2011 compared with Euro 67.7 million in 2010. The evolution of equity accounted earnings was mostly influenced by the lower results appropriated from the 49% stake in Millenniumbcp Ageas, of which, in a context of great uncertainty and high volatility and worsening of conditions in financial markets, were particularly hindered by the recognition of impairment losses related to sovereign debt securities and the shares portfolio. However, despite the decrease in the insurance industry business volumes, Millenniumbcp Ageas outperformed the market, both in terms of mathematical provisions and of Life business and in all Non-Life businesses.

Operating costs, which comprise staff costs, other administrative costs and depreciation, totalled Euro 1,634.2 million in 2011 (Euro 1,543.2 million in 2010). Operating costs include, in 2011, the expenses associated with the partial transfer of liabilities with pensions of retired employees and pensioners to the General State Healthcare System, in the amount of Euro 164.8 million, the reversal of provisions related to the pension fund of former members of the Executive Board of Directors and to the complementary plan of employees, in the global amount of Euro 44.2 million, and costs for early retirements, in the amount of Euro 12.3 million (Euro 7.2 million in 2010). Operating costs reduced by 2.3%, excluding the mentioned impacts, sustained by the global decreases of 0.4% in staff costs, 2.9% in other administrative costs and 12.8% in depreciation costs, driven by the strict control of costs undertaken in both the activity in Portugal and in the international activity, supported in the continuous implementation of initiatives focused on the rationalisation and optimisation of operating costs.

The consolidated cost-to-income ratio, on a comparable basis, stood at 58.4% in 2011 (54.1% in 2010). The cost-to-income in the activity in Portugal stood at 59.9% in 2011 (48.0% in 2010), while in the international activity it stood at 56.3% in 2011 (66.8% in 2010).

In the activity in Portugal, operating costs were mostly influenced by staff costs, which comprise the impacts previously mentioned. Excluding those impacts, operating costs in the activity in Portugal fell 1.1% from 2010, reflecting the savings achieved in most item lines of other administrative costs, as well as the lower level of depreciation costs. In the international activity, the reduction in operating costs was mostly driven by the effect from the partial sale of the operations in Turkey and in the United States of America, completed at the end of 2010, which more than offset the increase in operating costs in the operations developed in Poland and Greece, associated with the distribution network rationalisation plans implemented, and in Angola and Mozambique, reflecting the support to the ongoing business plans in those operations and the strengthening of the operational base in those markets as a platform for growth in Africa.

Staff costs totalled Euro 953.6 million in 2011, from Euro 831.2 million in 2010. Staff costs include the previously mentioned impacts in the total amount of Euro 132.9 million in 2011 and of Euro 7.2 million in 2010. Excluding these impacts staff costs reduced by 0.4% from 2010.

In the international activity, staff costs reflect the effect from the partial sale of the operations in Turkey and in the United States of America at the end of 2010. The increase in staff costs in the subsidiary companies in Mozambique, Angola and Poland were influenced by the increase in the number of employees, in particular in those two first operations, in the scope of the reinforcement of their competences and operational capabilities. Millennium bank in Greece also evidenced an increase in staff costs due to the implementation of measures focused on the restructuring and redefinition of the activity, with a decrease in the number of employees by 258 and in the number of branches by 35. However, those performances were partly offset by the reduction in staff costs in the subsidiary companies in Switzerland and Romania.
Earnings Press Release

Other administrative costs declined 2.9%, to Euro 584.5 million in 2011 (Euro 601.8 million in 2010), benefiting from the savings achieved in most item lines, in particular in advertising, IT services, communication, rents, maintenance, and other specialised services and outsourcing.

The reduction in other administrative costs was sustained by the drop of 3.8% in the activity in Portugal, favourably influenced by the lower costs posted in advertising, other specialised services, outsourcing, communication and maintenance and related services. This reduction in other administrative costs benefited from the impact of diverse initiatives designed to strictly control costs related to supplies and services from third parties, together with the optimization of the distribution network for a total of 885 branches as at 31 December 2011 (892 branches at the end of 2010), in the scope of the strategic focus in a multichannel platform that is more involved, integrated and transversal, allowing the reconfiguration of the branch network and the optimisation of resources.

In the international activity, other administrative costs showed a reduction of 1.7%, supported by the lower costs in IT services, rents, and communication. This reduction was due to the effect, previously mentioned, related to the sale of the operations in Turkey and in the United States of America, together with the reduction in costs posted by the subsidiary in Greece, which, as a whole, more than offset the increases at Bank Millennium in Poland, Banco Millennium Angola and Millennium bim in Mozambique. In the international activity, other administrative costs also reflected the impact from the resizing of the distribution network, from 852 branches at the end of 2010 to 837 branches as at 31 December 2011, in particular in Greece, Romania and Poland, in the scope of the redefinition of European operations, despite the expansion of the branch networks in the Angolan and Mozambican markets.

<table>
<thead>
<tr>
<th>OPERATING COSTS</th>
<th>Dec. 11</th>
<th>Dec. 10</th>
<th>Change 11/10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff costs (1)</td>
<td>953.6</td>
<td>831.2</td>
<td>14.7%</td>
</tr>
<tr>
<td>Other administrative costs</td>
<td>584.5</td>
<td>601.8</td>
<td>-2.9%</td>
</tr>
<tr>
<td>Depreciation</td>
<td>96.1</td>
<td>110.2</td>
<td>-12.8%</td>
</tr>
<tr>
<td>Total</td>
<td>1,634.2</td>
<td>1,543.2</td>
<td>5.9%</td>
</tr>
</tbody>
</table>

Of which:

- Portugal activity 1,040.4 925.3 12.4%
- Foreign activity 593.8 617.9 -3.9%
- Operating costs / Net operating revenues (2) (3) 59.9% 48.0%

(1) Includes in 2011 expenses associated with the partial transfer of liabilities with pensions of retired employees and pensioners to the general social healthcare system (Euro 164.8 million), a reversal of provisions associated with pensions (Euro 44.2 million), and costs posted associated with early retirements (Euro 12.2 million). Includes in 2010 costs associated with early retirements (Euro 7.2 million).


(3) Excludes the impact of specific items.

Depreciation costs totalled Euro 96.1 million in 2011, which compares with Euro 110.2 million in 2010, benefiting from the lower level of depreciation posted in most item lines, in particular in depreciation associated with tangible assets. The reduction in depreciation costs was favourably influenced by both the activity in Portugal and the international activity. In the activity in Portugal, depreciation costs were down by 12.1% from 2010, showing, essentially, the evolution of depreciation associated with equipment and buildings, following the progressive end of the period of depreciation of investments carried out, despite the increase in depreciation associated with software.

Depreciation in the international activity dropped between 2010 and 2011, influenced by the previously mentioned impact from the sale of the subsidiary companies in Turkey and in the United States of America and, simultaneously, by the reduction in the depreciation level in the subsidiary companies in Poland, Romania and Mozambique, despite the increase in depreciation recorded in Millennium bank in Greece, related to the...
Impairment for loan losses (net of recoveries) stood at Euro 1,331.9 million in 2011, compared to Euro 713.3 million in 2010, reflecting the evaluation of the loans portfolio in an adverse macroeconomic and financial context, with impact from the worsening financial situation of households and companies in diverse sectors of activity. Impairment for loan losses (net of recoveries) includes in 2011 the reinforcement of impairment charges, in the amount of Euro 381.0 million, resulting from the Special Inspection Programme, in scope of the Economic and Financial Assistance Programme for Portugal, to the major banking groups in Portugal.

The evolution of impairment for loan losses (net of recoveries) includes the reinforcement of impairment for loan losses in the activity in Portugal, which reflects the impact of the adjustment related to the inspection programme mentioned above and by the behaviour of the loan portfolio with impairment indicators, despite the implementation of initiatives aimed at mitigating the increase of the default levels. In the international activity, impairment for loan losses (net of recoveries) was influenced by the higher level of impairment charges in the subsidiary company in Greece, as a result of the worsening of the macroeconomic environment, in Switzerland, reflecting the devaluation of financial collaterals, and, to a lesser extent, in Mozambique and Angola, following the expansion of the business volumes. Nevertheless, impairment charges for loan losses at Bank Millennium in Poland showed a reduction from 2010, benefiting from the quality improvement of the loans portfolio.

The cost of risk, determined by the ratio of impairment charges (net of recoveries) to the loan portfolio, stood at 186 basis points in 2011 (93 basis points in 2010).

Other impairment and provisions comprise other financial assets impairment, other assets 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 825.1 million in 2011, from Euro 227.8 million in 2010. The amount of other impairment and provisions includes the recognition of impairment losses associated with Greek sovereign debt, totalling Euro 533.5 million, and the accounting of the remaining impairment related to the goodwill of Millennium Bank in Greece, in the amount of Euro 147.1 million, in the fourth quarter of 2011, in accordance with IAS 36 and the Group’s accounting policy, considering the estimated impact of the deterioration of the Greek economic and financial situation.

At the same time, the performance of other impairment and provisions includes the evolution of impairment charges for assets received as payment in kind not fully covered by collateral in the activity in Portugal, which, in the process of regular re-evaluation of these assets, showed a decline in the respective market value, together with the increase in charges for provisions related to other commitments. In the international activity, other impairment and provisions reduced in most subsidiary companies, from 2010, in particular in Millennium bim in Mozambique, Banco Millennium Angola and Bank Millennium Poland.

Income tax (current and deferred) amounted to Euro -458.9 million in 2011, which compares with Euro 14.3 million in 2010. The referred income tax include the cost of current tax in the amount of Euro 66.9 million (Euro 54.2 million in 2010), net of deferred tax benefit in the amount of Euro 525.7 million (Euro 39.8 million in 2010). The deferred tax benefit calculated in 2011 comprises mainly the non-deductible impairment losses for the purposes of the calculation of the taxable income for 2011 and calculated tax losses for the year.
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BALANCE SHEET

Total assets totalled Euro 93,482 million as at 31 December 2011, compared to Euro 98,547 million as at 31 December 2010.

Loans to customers (gross) decreased 6.4%, to Euro 76,411 million as at 31 December 2011, from Euro 76,411 million posted on the same date in 2010. This performance was determined mostly by the reduction in the activity in Portugal (-7.4%), and by the simultaneous decrease in the international activity from the end of 2010, despite the increase in the loans portfolio of Millennium Bank in Poland, which was offset by the foreign exchange effect of the devaluation of the zloty against the euro, of Banco Millennium Angola and of Banca Millennium in Romania.

The evolution in loans to customers reflects the decrease in loans to companies (-9.4%), which stood at Euro 36,728 million as at 31 December 2011, and also in loans to individuals (-3.0%), influenced, on the one hand, by the efforts underway to gradually deleverage and, on the other, by the worsening in the confidence of companies and households, resulting in lower investment in durable goods and a consequent decrease in the demand for loans.

The decrease in loans to individuals was determined by the decrease of both consumer loans and mortgage loans, while the reduction in loans to companies continued to occur mainly in the sectors of activity traditionally more dependent on domestic demand, as in the services, wholesale and construction.

Between 31 December 2010 and 31 December 2011, the structure of the loans to customers portfolio registered identical levels of diversification, with loans to companies representing 51.3% of total loans granted, while loans to individuals showed a weight of 48.7% of total loans.

### LOANS TO CUSTOMERS (GROSS)

<table>
<thead>
<tr>
<th></th>
<th>31 Dec. 11</th>
<th>31 Dec. 10</th>
<th>Change 11 / 10</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Individuals</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mortgage loans</td>
<td>30,308</td>
<td>31,036</td>
<td>-2.3%</td>
</tr>
<tr>
<td>Consumer loans</td>
<td>4,497</td>
<td>4,846</td>
<td>-7.2%</td>
</tr>
<tr>
<td></td>
<td>34,805</td>
<td>35,882</td>
<td>-3.0%</td>
</tr>
<tr>
<td><strong>Companies</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>14,802</td>
<td>16,041</td>
<td>-7.7%</td>
</tr>
<tr>
<td>Commerce</td>
<td>4,254</td>
<td>4,603</td>
<td>-7.6%</td>
</tr>
<tr>
<td>Construction</td>
<td>4,991</td>
<td>5,091</td>
<td>-2.0%</td>
</tr>
<tr>
<td>Other</td>
<td>12,681</td>
<td>14,794</td>
<td>-14.3%</td>
</tr>
<tr>
<td>Total</td>
<td>36,728</td>
<td>40,529</td>
<td>-9.4%</td>
</tr>
<tr>
<td><strong>Of which:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portugal activity</td>
<td>54,552</td>
<td>58,917</td>
<td>-7.4%</td>
</tr>
<tr>
<td>Foreign activity</td>
<td>16,981</td>
<td>17,494</td>
<td>-2.9%</td>
</tr>
</tbody>
</table>

Credit quality, measured by the non-performing loan indicators, in particular loans overdue by more than 90 days as a percentage of total loans, stood at 4.5% as at 31 December 2011 (3.0% as at 31 December 2010), reflecting the progressive worsening of the economic and financial situation of households and companies leading to a growing materialisation of the credit risk during 2011, despite the reinforcement of prevention and risk control mechanisms and the efforts to carry out an integrated operational performance between the commercial areas and the loan recovery areas. The coverage ratio for loans overdue by more than 90 days...
stood at 109.1% as at 31 December 2011, compared to 109.4% on the same date in 2010, showing coverage levels practically stable, from the end of 2010, in both the activity in Portugal and the international activity.

The overdue and doubtful loans, which, in accordance to the instruction no. 23/2011 from the Bank of Portugal, include the loans overdue by more than 90 days and the doubtful loans reclassified as overdue loans for provisioning purposes, stood at 6.2% of total loans as at 31 December 2011, compared to 4.5% as at 31 December 2010. Credit at risk, calculated in accordance to the previously mentioned instruction from the Bank of Portugal, stood at 10.1% of total loans as at 31 December 2011.

### OVERDUE LOANS BY MORE THAN 90 DAYS AND IMPAIRMENTS AS AT 31 DECEMBER 2011

<table>
<thead>
<tr>
<th></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 (Impairment/Overdue &gt;90 days)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Individuals</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mortgage loans</td>
<td>222</td>
<td>257</td>
<td>0.7%</td>
<td>115.7%</td>
</tr>
<tr>
<td>Consumer loans</td>
<td>625</td>
<td>550</td>
<td>13.9%</td>
<td>88.1%</td>
</tr>
<tr>
<td></td>
<td>847</td>
<td>807</td>
<td>2.4%</td>
<td>95.3%</td>
</tr>
<tr>
<td><strong>Companies</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>711</td>
<td>964</td>
<td>4.8%</td>
<td>135.7%</td>
</tr>
<tr>
<td>Commerce</td>
<td>385</td>
<td>339</td>
<td>9.1%</td>
<td>88.0%</td>
</tr>
<tr>
<td>Construction</td>
<td>658</td>
<td>389</td>
<td>13.2%</td>
<td>59.0%</td>
</tr>
<tr>
<td>Other</td>
<td>595</td>
<td>989</td>
<td>4.7%</td>
<td>106.0%</td>
</tr>
<tr>
<td></td>
<td>2,349</td>
<td>2,681</td>
<td>6.4%</td>
<td>114.1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,196</td>
<td>3,488</td>
<td>4.5%</td>
<td>109.1%</td>
</tr>
</tbody>
</table>

Total customer funds reached Euro 65,530 million as at 31 December 2011, from Euro 67,596 million posted on the same date in 2010. This performance was determined by the evolution of assets under management and capitalisation products, despite the 3.3% increase in balance sheet customer funds.

In the activity in Portugal, total customer funds stood at Euro 49,615 million as at 31 December 2011, which compares to Euro 51,143 million as at 31 December 2010, yet, the increase of total customer funds in the Corporate network should be noted. In the international activity, total customer funds decreased 3.3%, to Euro 15,915 million as at the end of 2011, mostly due to the performance of Bank Millennium in Poland, additionally influenced by the foreign exchange effect of the devaluation of the zloty against the euro, and in Millennium bank in Greece, despite the growths posted by Millennium bim in Mozambique and by Banco Millennium in Angola, reflecting the emphasis to further increase customer deposits in these markets.

Balance sheet customer funds increased 3.3%, to Euro 53,060 million as at 31 December 2011, from Euro 51,342 million on the same date in 2010, boosted essentially by the increase in customer deposits (+4.2%), reflecting the emphasis on retaining and further increasing balance sheet customer funds, in order to reduce the commercial gap and, simultaneously, to gradually increase the funding component of loans to customers through the balance sheet customer funds.

Off-balance sheet customer funds stood at Euro 12,470 million as at 31 December 2011, which compared with Euro 16,254 million on the same date in 2010. This evolution was determined by the unfavourable performance of assets under management and of capitalisation products in 2011, reflecting, on the one hand, the uncertainty and volatility of capital markets and the consequent redirection of customers savings into assets not subject to market fluctuations and with lower risk, and, on the other, the aforementioned increased focus on further increase balance sheet customer funds.
The securities portfolio, which represents 12.9% of total assets, reduced in both the financial assets held to maturity, and the assets held for trading and available for sale portfolio. The financial assets held to maturity decreased 23.5%, to Euro 5,160 million as at 31 December 2011 (Euro 6,745 million at the end of 2010), reflecting the lower exposure to Portuguese sovereign debt and the impact on the balance sheet of the recognition of impairments associated with Greek sovereign debt, as well as the repayment of bonds issued by Portuguese private issuers. The portfolio of financial assets held for trading and financial assets available for sale decreased to Euro 6,919 million as at 31 December 2011 (Euro 7,709 million at the end of 2010), as a result of progressive decrease in the exposure to Portuguese sovereign debt, with focus on Treasury Bills and other securities, while the portfolio of Treasury Bonds and other public entities was strengthened in 2011, as well as the lower exposure to Polish sovereign debt.

LIQUIDITY MANAGEMENT

The deterioration of macroeconomic and financial framework in 2011, in a context of intensification and spread of the systemic effects of sovereign debt crisis in the euro area, led to increased risks to financial stability at the European level and rising challenges facing the Portuguese economy and financial system. In addition, the Economic and Financial Assistance Programme, despite contributing to the mitigation of risks to financial stability in Portugal, has introduced a new set of challenges to the national financial system, inseparable from the additional pressures on banks' capital ratios and from the deleveraging process required for the national economy and the banking sector.

In this context, Millennium bcp placed special emphasis on growing and retaining on-balance customer funds, contributing not only to achieve the imperatives of reducing the commercial gap and deleveraging, but also to strengthening the stable funding sources, given the persistent limitation on access to operations in the medium- and long-term wholesale debt markets.

In the first three months of 2011, the Group implemented the Liquidity Plan defined for the period, despite the closure of the commercial paper and capital markets, remained active in the interbank money market, reducing the net exposure to the European Central Bank (ECB) and reinforcing the pool of assets eligible as collateral, in particular through the issuance of covered bonds by the BII in the amount of Euro 0.9 billion.

In early April, in response to the emergence of a national political crisis, the rating downgrade for Portuguese Republic and, subsequently cut to the ratings of the Portuguese banks, Millennium bcp undertook a review of

<table>
<thead>
<tr>
<th>TOTAL CUSTOMER FUNDS</th>
<th>31 Dec. 11</th>
<th>31 Dec. 10</th>
<th>Change 11 / 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance sheet customer funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposits</td>
<td>47,516</td>
<td>45,609</td>
<td>4.2%</td>
</tr>
<tr>
<td>Debt securities (1)</td>
<td>5,544</td>
<td>5,733</td>
<td>-3.1%</td>
</tr>
<tr>
<td>Total</td>
<td>53,060</td>
<td>51,342</td>
<td>3.3%</td>
</tr>
<tr>
<td>Off-balance sheet customer funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assets under management</td>
<td>3,739</td>
<td>4,459</td>
<td>-16.2%</td>
</tr>
<tr>
<td>Capitalisation products (2)</td>
<td>8,731</td>
<td>11,795</td>
<td>-26.0%</td>
</tr>
<tr>
<td>Total</td>
<td>12,470</td>
<td>16,254</td>
<td>-23.3%</td>
</tr>
<tr>
<td>Of which:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portugal activity</td>
<td>49,615</td>
<td>51,143</td>
<td>-3.0%</td>
</tr>
<tr>
<td>Foreign activity</td>
<td>15,915</td>
<td>16,453</td>
<td>-3.3%</td>
</tr>
</tbody>
</table>

(1) Debt securities issued by the Bank and placed with customers.

(2) Includes Unit-Linked and Retirement savings deposits.
Earnings Press Release

Millennium bcp

the 2011 Liquidity Plan, giving particular emphasis to the acceleration of the goals of deleveraging and the strengthening of the portfolio of eligible assets, with significant effect during the second quarter, through, in particular, the selective sale of assets, the internalisation of off-balance sheet customer funds and the incorporation of the IRB loans in the pool of assets eligible for discount with ECB.

In the third quarter of 2011, in a context of worsening of the tensions related to the sovereign debt crisis in the peripheral countries of the euro area, Millennium bcp continued to proactively manage liquidity, to ensure the fulfilment of the planned refinancing needs in the short- and medium-term. In this context, two new bond issued by the Bank were integrated into the pool of eligible assets, the first guaranteed by the Portuguese Republic, amounting to Euro 1.75 billion, and the other a private placement, in the amount of Euro 500 million.

In the last quarter, in a context of a severe shortage of offers in the interbank money market, the Bank continued the strategy of deleveraging, based on reducing the commercial gap, on the one hand, and the progressive reduction of exposure to Portuguese sovereign debt started in June, on the other. At the same time, the Bank strengthened the portfolio of assets eligible as collateral through a bond issue guaranteed by the Portuguese Republic, in December 2011, amounting to Euro 1.35 billion.

The rigorous implementation of the policy of reducing funding needs throughout the year, has reduced the Group's exposure to the ECB to Euro 12.7 billion as at 31 December 2011 (Euro 15.3 billion at the end of September 2011). In addition, the Bank has lengthened the maturity of its operations with the ECB, by using the first three-year auction to provide liquidity to the banking system of the euro area. As at 31 December 2011, the portfolio of securities eligible for collateral in eventual financing transactions with Central Banks stood at Euro 16.3 billion.

CAPITAL

Following the request submitted by Millennium bcp, 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 risk from the activity in Portugal as from 31 December 2010. In the scope of the Roll-Out Plan for the calculation of capital requirements for credit and counterparty risk under IRB approaches and following the request submitted by the Bank, the Bank of Portugal formally authorised the extension of this methodology to the sub-classes of risk “Renewable Retail Positions” and “Other Retail Positions” in Portugal with effect as from 31 December 2011.

At the end of December 2011, the consolidated Core Tier I ratio stood at 9.3%, exceeding the minimum determined by the Bank of Portugal (9.0%) and showing an increase of 21 basis points compared to the pro forma ratio in September 2011 (including the liability management operation involving preferred shares completed in early October 2011).

The Core Tier I value determined on 31 December 2011 was in line with the pro forma amount posted on 30 September 2011, since the combination of the positive effects that resulted, either from the change in accounting policy for recognition of gains and losses of the pension fund or the neutralisation of prudential impacts of the transfer of the pension fund to Healthcare System and the Special Inspection Programme in accordance with the stipulations in the Notice from the Bank of Portugal no.1 to 3/2012, as well as the amortisation of goodwill of Bank Millennium in Greece, which was deducted from the Core Tier I, and other effects of the activity, offset the negative results in the fourth quarter of 2011.

The risk weighted assets decreased by Euro 1,968 million in the same period, favourably influenced by the extent of the IRB approach to retail exposures in Portugal, by the removal of a prudential add-on imposed by the Bank of Portugal when authorised the treatment of exposures of the class risk “Corporates” with the IRB method and the change of the risk weighting applicable to regional and local administrations, as well as the ongoing deleveraging and the maintenance of efforts to optimise risk weighted assets, in particular regarding the strengthening of collaterals.
SOLVENCY

<table>
<thead>
<tr>
<th></th>
<th>31 Dec. 11</th>
<th>30 Sep. 11 Including Liability Management operation</th>
<th>30 Sep. 11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Own Funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Core Tier I</td>
<td>5,135</td>
<td>5,199</td>
<td>4,795</td>
</tr>
<tr>
<td>Preference shares and Perpetual subordinated debt securities with conditional coupons</td>
<td>173</td>
<td>173</td>
<td>943</td>
</tr>
<tr>
<td>Other deduction (1)</td>
<td>(521)</td>
<td>(573)</td>
<td>(573)</td>
</tr>
<tr>
<td>Tier I Capital</td>
<td>4,788</td>
<td>4,799</td>
<td>5,165</td>
</tr>
<tr>
<td>Tier II Capital</td>
<td>613</td>
<td>495</td>
<td>431</td>
</tr>
<tr>
<td>Deductions to Total Regulatory Capital</td>
<td>(137)</td>
<td>(133)</td>
<td>(133)</td>
</tr>
<tr>
<td>Total Regulatory Capital</td>
<td>5,263</td>
<td>5,161</td>
<td>5,463</td>
</tr>
<tr>
<td>Risk Weighted Assets</td>
<td>55,456</td>
<td>57,424</td>
<td>57,424</td>
</tr>
</tbody>
</table>

Solvency Ratios

|                  |            |                                                   |            |
| Core Tier I      | 9.3%       | 9.1%                                              | 8.3%       |
| Tier II          | 0.9%       | 0.6%                                              | 0.5%       |
| Total            | 9.5%       | 9.0%                                              | 9.5%       |

(1) Includes deductions related to the shortfall of the stock of impairment to expected losses and to significant shareholdings in unconsolidated financial institutions, in particular to the shareholdings held in Millennium Ageas and Banque BCP (France and Luxembourg).

Note: The Bank received authorization from the Bank of Portugal (BoP) to adopt IRB approaches for the calculation of capital requirements for credit risks, as from 31 December 2010. Estimates of the probability of default and the loss given default (IRB Advanced) were used for retail exposures to small companies and collateralized by commercial and residential real estate, and estimates of the probability of default (IRB Foundation) for corporate exposures, in Portugal, excluding property development loans and entities from the simplified rating system. In the scope of the Roll-Out Plan for the calculation of capital requirements for credit and counterparty risk under IRB approaches and following the request submitted by the Bank, the Bank of Portugal formally authorized the extension of this methodology to the subclasses of risk “Renewable Retail Positions” and “Other Retail Positions” in Portugal with effect as from 31 December 2011. In the 1st half of 2009, the Bank received authorization from BoP to adopt the advanced approaches (internal models) to the generic market risk and the 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 Banking and Private Banking & Asset Management.

Segment description

The Retail Banking activity includes the Retail activity of Millennium bcp in Portugal, operating as a distribution channel for products and services from other companies of the Group, and the Foreign business segment, operating through several banking operations in markets with affinity to Portugal and in countries with higher growth potential.

The Retail segment in Portugal includes: (i) the Retail network in Portugal, where the strategic approach is to target "Mass Market" customers, 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 simplicity, offering modern products and services.

The Companies Banking business includes the Companies network in Portugal, which operates as a distribution channel of products and services from other companies of the Group, and the Corporate & Investment Banking segment.

The Companies network, 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.

The Corporate & 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 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, Millenium bank in Greece, Banque Privee BCP in Switzerland, Banca Millennium in Romania, Millennium bim in Mozambique, Banco Millennium Angola and Millennium bcp Bank & Trust in the Cayman Islands. For part of 2010, this segment also included Millennium bank Turkey (partially sold on 27 December 2010) and Millennium bcpbank in the United States of America (partially sold on 15 October 2010). The Foreign Business segment, in terms of the business segments, comprises the Group operations outside Portugal referred to above, excluding Banque Privee BCP 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 focused on retail and based on offering innovative products and high service levels; in Switzerland by Banque Privee 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 customers 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 the 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.

Considering that the capital allocation process complies with regulatory solvency criteria currently in place, the weighted risk, as well as the capital allocated to segments, are based on Basel II methodology, with the application in Portugal in 2010 and 2011 of the IRB Advanced method for the Retail portfolio in credit risk and the IRB Foundation method for loans to companies, excluding real estate promoters and entities of the simplified rating system. The capital allocation for each segment, in 2011 and 2010, resulted from the application of 10% to the risks managed by each segment.

Information related to 2010 is presented on a comparable basis with the information reported in 2011, except as regards the abovementioned component related to Millennium bank in Turkey and Millennium bcpbank in United States of America, reflecting the current organisational structure of the Group’s business areas referred to in the characterization of the segments previously described.

The net contribution of each segment is not deducted, when applicable, from the non-controlling 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 2011.
Retail in Portugal

The Retail segment in Portugal posted a net loss of Euro 16.0 million in 2011, compared to a positive net contribution of Euro 112.7 million in 2010, reflecting mostly the increase in impairment charges for loan losses.

The performance of net interest income in 2011 reflects the rise in the cost of customer deposits and the increase in loans interest rate, together with the smaller income associated with the loans volume. The contraction of the volume of the loans portfolio is a result of the increasing selectivity in loans granted and the decline of demand for credit, affecting loans to individuals and small businesses.

The evolution in other net income in 2011, despite the effort to increase customer funds and the maintenance of high levels of cross-selling, was conditioned by the decrease in commissions, in particular those related to loans operations, saving insurance and unit-linked products, partly offset by commissions related to deposit accounts, structured products and risk insurance.

Impairment charges for loan losses showed an increase in 2011, due to the increase in impairment indicators in the loan portfolio as a result of the deterioration in economic and financial conditions for individuals and companies.

The increase in operating costs was mainly due to upper other administrative costs associated with the loan recovery process, induced by a higher number of processes that are being monitored with the aim to their regularisation.

Total customer deposits increased 8.1% compared with 31 December 2010, supported by the launch of various solutions, including extending the offer of structured products as well as the provision of scheduled savings solutions for medium- and long-term deposits. However, customer funds showed a decrease of 3.2% totalling Euro 34,992 million as at 31 December 2011, compared to Euro 36,133 million on the same date in 2010, determined by the reduction of insurance and debt securities.

Loans to customers decreased 6.4%, totalling Euro 31,384 million as at 31 December 2011, compared to Euro 33,547 million posted on the same date in 2010, following the ongoing strategy of balance sheet deleveraging and focusing on the reduction in mortgage loans, consumer loans and loans to small businesses.

### Profit and loss account

<table>
<thead>
<tr>
<th></th>
<th>31 Dec. 11</th>
<th>31 Dec. 10</th>
<th>Change 11 / 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net interest income</td>
<td>485.2</td>
<td>522.3</td>
<td>-7.1%</td>
</tr>
<tr>
<td>Other net income</td>
<td>443.0</td>
<td>452.6</td>
<td>-2.1%</td>
</tr>
<tr>
<td>Operating costs</td>
<td>928.2</td>
<td>974.9</td>
<td>-4.8%</td>
</tr>
<tr>
<td>Impairment</td>
<td>685.9</td>
<td>670.3</td>
<td>2.3%</td>
</tr>
<tr>
<td>Contribution before income taxes</td>
<td>264.5</td>
<td>151.2</td>
<td>74.9%</td>
</tr>
<tr>
<td>Income taxes</td>
<td>(22.3)</td>
<td>153.3</td>
<td>--</td>
</tr>
<tr>
<td>Net contribution</td>
<td>(6.2)</td>
<td>112.7</td>
<td>--</td>
</tr>
</tbody>
</table>

### Summary of indicators

<table>
<thead>
<tr>
<th></th>
<th>31 Dec. 11</th>
<th>31 Dec. 10</th>
<th>Change 11 / 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allocated capital</td>
<td>1,324</td>
<td>1,608</td>
<td>-17.6%</td>
</tr>
<tr>
<td>Return on allocated capital</td>
<td>-1.2%</td>
<td>7.0%</td>
<td></td>
</tr>
<tr>
<td>Risk weighted assets</td>
<td>13,243</td>
<td>16,076</td>
<td>-17.6%</td>
</tr>
<tr>
<td>Cost to income ratio</td>
<td>73.9%</td>
<td>68.8%</td>
<td></td>
</tr>
<tr>
<td>Loans to customers (1)</td>
<td>31,384</td>
<td>33,547</td>
<td>-6.4%</td>
</tr>
<tr>
<td>Total customer funds</td>
<td>34,992</td>
<td>36,133</td>
<td>-3.2%</td>
</tr>
</tbody>
</table>

(1) includes commercial paper.

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

The Companies network recorded a net loss of Euro 86.3 million in 2011, compared to a net loss of Euro 11.0 million on the same period in 2010, mainly determined by the higher level of impairment charges for loan losses, despite the increase in net interest income.

Net interest income increased by 6.5%, reflecting the effect of the increase in demand deposits and loans on customers' interest margin, which more than offset the effect of the decrease in business volumes. The repricing process of loan operations, implemented in 2011 with the goal to appropriate the price of the products to the risk profile of each client, provided a favourable evolution of the loan interest margin. The contraction of business volumes reflects both the difficulty that companies have to generate cash surpluses and the increasing selectivity in granting loans centred on companies focused on the internationalisation and with a dynamic business model.

The reduction in other net income, despite the process to appropriate the commissions to the service provided, was determined by the decrease in commissions from financial services and from the business with non-resident companies, despite the rise in commissions from loans to customers and factoring operations.

The increase in impairment charges for loan losses, which in 2011 includes the reinforcement of impairment charges under the Special Inspection Programme, as well as the effect of the deterioration of financial collaterals and the increase in impairment indicators in the loan portfolio, as a result of the persistent adverse macroeconomic context and deterioration in economic and financial conditions, in particular in companies associated with the construction and tourism sectors of activity. In order to reverse this trend risk mitigation strategies have been adopted, either through a close monitoring of customers, or by the reinforce of collaterals in loans operations.

The reduction in operating costs was sustained by measures to simplify the organisation and optimise processes that have been consistently implemented, as seen in the reduction in other administrative costs.

Loans to customers decreased by 6.4%, amounting to Euro 9,378 million as at 31 December 2011, compared to Euro 10,024 million posted on the same date in 2010, driven by the reduction in loans, real estate loans, leasing and commercial paper.

Total customer funds amounted to Euro 2,609 million as at 31 December 2011, compared to Euro 2,982 million as at 31 December 2010.

<table>
<thead>
<tr>
<th>Euro million</th>
<th>31 Dec. 11</th>
<th>31 Dec. 10</th>
<th>Change 11 / 10</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>188.0</td>
<td>176.6</td>
<td>6.5%</td>
</tr>
<tr>
<td>Other net income</td>
<td>81.6</td>
<td>87.6</td>
<td>-6.9%</td>
</tr>
<tr>
<td>Operating costs</td>
<td>269.6</td>
<td>264.2</td>
<td>2.1%</td>
</tr>
<tr>
<td>Impairment</td>
<td>58.1</td>
<td>60.1</td>
<td>-3.3%</td>
</tr>
<tr>
<td>Contribution before income taxes</td>
<td>333.0</td>
<td>189.0</td>
<td>76.2%</td>
</tr>
<tr>
<td>Income taxes</td>
<td>121.5</td>
<td>15.0</td>
<td>--</td>
</tr>
<tr>
<td>Net contribution</td>
<td>158.5</td>
<td>11.0</td>
<td>--</td>
</tr>
</tbody>
</table>

Summary of indicators

<table>
<thead>
<tr>
<th></th>
<th>31 Dec. 11</th>
<th>31 Dec. 10</th>
<th>Change 11 / 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allocated capital</td>
<td>906</td>
<td>996</td>
<td>-9.0%</td>
</tr>
<tr>
<td>Return on allocated capital</td>
<td>-9.5%</td>
<td>1.1%</td>
<td></td>
</tr>
<tr>
<td>Risk weighted assets</td>
<td>9,058</td>
<td>9,958</td>
<td>-9.0%</td>
</tr>
<tr>
<td>Cost to income ratio</td>
<td>21.5%</td>
<td>22.8%</td>
<td></td>
</tr>
<tr>
<td>Loans to customers (1)</td>
<td>9,378</td>
<td>10,024</td>
<td>-6.4%</td>
</tr>
<tr>
<td>Total customer funds</td>
<td>2,609</td>
<td>2,982</td>
<td>-12.5%</td>
</tr>
</tbody>
</table>

(1) Includes commercial paper.

Note: Loans to customers and customer funds on monthly average balances.
Earnings Press Release

Corporate & Investment Banking

The Corporate & Investment Banking segment recorded a net loss of €63.0 million in 2011, compared to a positive net contribution of €82.9 million on the same period in 2010, determined by the increase in impairment charges for loan losses.

Net interest income increased 16.9%, supported by the Corporate network, reflecting the effect of repricing of loan operations, which aimed to adjust the spreads to the risk of operations and strengthened the mitigation associated with these operations, leading to an increase in the loans to customers interest rate margin and offset the reduction in the volume of loans to customers.

The growth in other net income is essentially due to the increase of commissions in the Corporate Network, in particular the commissions associated with loans to customers, demand deposits, risk insurance, financial services and assets under management.

The increase in impairment charges for loan losses, which in 2011 includes the reinforcement of impairment charges under the Special Inspection Programme, as well as the effect of the deterioration of financial collaterals and the increase in impairment indicators in the loan portfolio, as a result of the persistent adverse macroeconomic context and deterioration in economic and financial conditions, in particular in companies associated with the construction and tourism sectors of activity.

In accordance with the strategic priority to reduce the commercial gap, loans to customers decreased 7.9%, totalling €12,199 million as at 31 December 2011, compared to €13,245 million posted on the same date in 2010, determined by the reduction in loans, leasing and commercial paper.

Deposits showed an increase of 27.2% from 31 December 2010, reflecting the commercial effort in fundraising.

The total customer funds decreased by 3.7%, amounting to €10,822 million in 31 December 2011, compared with €11,236 million in 31 December 2010, determined by the reduction observed in debt securities.

### Profit and loss account

<table>
<thead>
<tr>
<th></th>
<th>31 Dec. 11</th>
<th>31 Dec. 10</th>
<th>Change 11/10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net interest income</td>
<td>240.9</td>
<td>206.0</td>
<td>16.9%</td>
</tr>
<tr>
<td>Other net income</td>
<td>180.7</td>
<td>159.8</td>
<td>13.1%</td>
</tr>
<tr>
<td>Operating costs</td>
<td>421.7</td>
<td>365.8</td>
<td>15.3%</td>
</tr>
<tr>
<td>Impairment costs</td>
<td>77.7</td>
<td>74.9</td>
<td>3.8%</td>
</tr>
<tr>
<td>Contribution before income taxes</td>
<td>(88.7)</td>
<td>112.7</td>
<td>--</td>
</tr>
<tr>
<td>Income taxes</td>
<td>(25.7)</td>
<td>29.9</td>
<td>--</td>
</tr>
<tr>
<td>Net contribution</td>
<td>(63.0)</td>
<td>82.9</td>
<td>--</td>
</tr>
</tbody>
</table>

### Summary of indicators

<table>
<thead>
<tr>
<th></th>
<th>31 Dec. 11</th>
<th>31 Dec. 10</th>
<th>Change 11/10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allocated capital</td>
<td>1,637</td>
<td>1,608</td>
<td>1.8%</td>
</tr>
<tr>
<td>Return on allocated capital</td>
<td>-3.8%</td>
<td>5.2%</td>
<td>--</td>
</tr>
<tr>
<td>Risk weighted assets</td>
<td>16,370</td>
<td>16,082</td>
<td>1.8%</td>
</tr>
<tr>
<td>Cost to income ratio</td>
<td>18.4%</td>
<td>20.5%</td>
<td>--</td>
</tr>
<tr>
<td>Loans to customers</td>
<td>(1)</td>
<td>(1)</td>
<td>(7.9%)</td>
</tr>
<tr>
<td>Total customer funds</td>
<td>10,822</td>
<td>11,236</td>
<td>(3.7%)</td>
</tr>
</tbody>
</table>

(1) Includes commercial paper.

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

The Private Banking & Asset Management segment, considering the geographical segmentation criteria, posted a net loss of Euro 67.3 million in 2011, compared to a net loss of Euro 6.7 million in the same period of 2010, determined by the increase in impairment charges for loan losses, despite the rise of net operating revenues.

The increase of 13.9% in net interest income, due to the effort to implement the repricing designed to reflect the risk and liquidity costs, led to the increase of the interest rate margin for loans to customers, despite the decrease in the volume of loans to customer and in the term deposits interest rate margin.

The increase of 21.2% in other net income resulted from the Private Banking business in Portugal, and was mainly associated with the increase in commissions related to assets under management and structured products.

The rise in impairment charges for loan losses was due to the devaluation of financial collaterals and to the increase of impairment indicators in the loan portfolio, as a result of the persistence of an adverse financial and macroeconomic context.

Loans to customers amounted to Euro 1,288 million as at 31 December 2011, decreasing 7.5% from 31 December 2010, as a result of the reduction in loans granted in the Private Banking segment in Portugal.

Total customer funds amounted to Euro 4,713 million as at 31 December 2011, compared to Euro 5,804 million as at 31 December 2010, supported by the reduction in off-balance sheet customer funds. Given the volatility and uncertainty of the markets, during 2011, there has been a greater readiness of customers to prefer more traditional conservative solutions, to the detriment of structured products, investment funds and discretionary management.

<table>
<thead>
<tr>
<th>Euro million</th>
<th>31 Dec. 11</th>
<th>31 Dec. 10</th>
<th>Change 11 / 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net interest income</td>
<td>22.3</td>
<td>19.6</td>
<td>13.9%</td>
</tr>
<tr>
<td>Other net income</td>
<td>27.7</td>
<td>22.8</td>
<td>21.2%</td>
</tr>
<tr>
<td>Operating costs</td>
<td>50.0</td>
<td>42.4</td>
<td>17.8%</td>
</tr>
<tr>
<td>Impairment</td>
<td>31.6</td>
<td>31.5</td>
<td>0.5%</td>
</tr>
<tr>
<td>Contribution before income taxes</td>
<td>(94.8)</td>
<td>(9.4)</td>
<td>--</td>
</tr>
<tr>
<td>Income taxes</td>
<td>(27.6)</td>
<td>(2.8)</td>
<td>--</td>
</tr>
<tr>
<td>Net contribution</td>
<td>(67.3)</td>
<td>(6.7)</td>
<td>--</td>
</tr>
</tbody>
</table>

Summary of Indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>31 Dec. 11</th>
<th>31 Dec. 10</th>
<th>Change 11 / 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allocated capital</td>
<td>64</td>
<td>97</td>
<td>-34.0%</td>
</tr>
<tr>
<td>Return on allocated capital</td>
<td>-104.5%</td>
<td>-6.8%</td>
<td></td>
</tr>
<tr>
<td>Risk weighted assets</td>
<td>643</td>
<td>975</td>
<td>34.0%</td>
</tr>
<tr>
<td>Cost to income ratio</td>
<td>63.3%</td>
<td>74.1%</td>
<td></td>
</tr>
<tr>
<td>Loans to customers</td>
<td>1,288</td>
<td>1,391</td>
<td>-7.5%</td>
</tr>
<tr>
<td>Total customer funds</td>
<td>4,713</td>
<td>5,804</td>
<td>-18.8%</td>
</tr>
</tbody>
</table>

Note: loans to customers and customer funds on monthly average balances.
Foreign Business

The net contribution of the Foreign Business segment, considering the geographical segmentation criteria, amounted to Euro 177.8 million in 2011, compared to a net contribution of Euro 101.5 million in 2010. The increase of 75.2% compared to the last year was determined by the increase in net operating revenues, powered by the growth in business volumes and by lower operational costs, with emphasis on the net contributions of operations in Poland, Mozambique and Angola.

The increase in net interest income by 23.3% was supported by the favourable interest rate effect and by the volume of customer deposits effect, despite the impact resulting from operations in Turkey and the United States of America, which were partially sold at the end of 2010. Highlight to the performance of the operations in Poland, in Mozambique and in Angola.

The decrease in other net income reflects mainly the impacts identified in 2010 related to the activities of the partially sold operations, as well as the performance of the operations in Switzerland, Greece and Poland, the latter due to exchange rate effect.

Operating costs decreased by 3.9% in 2011, compared with the previous year, influenced by the operating costs posted in 2010 related to the partially sold operations. This reduction offset the increases in Poland and Greece, in part influenced by the resizing of the distribution network, and in Angola and Mozambique, related to the ongoing expansion strategy.

The increase in impairment charges for loan losses, compared with 2010, was mainly associated with a higher level of provisioning recorded in the subsidiary companies in Greece and Switzerland partially offset by the decrease in Poland.

Total customer funds decreased 3.3% to Euro 15,914 million as at 31 December 2011, with emphasis on the favourable performance of assets under management, despite the favourable development in operations in Mozambique and Angola.

Loans to customers decreased 3.7% to Euro 16,306 million as at 31 December 2011, benefiting from the performance of loans to individuals, reflecting the decrease in operations in the Cayman Islands, Greece and Switzerland, partially offset by the increases registered in Angola and Mozambique.

### Profit and loss account

<table>
<thead>
<tr>
<th>Euro million</th>
<th>31 Dec. 11</th>
<th>31 Dec. 10</th>
<th>Change 11 / 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net interest income</td>
<td>679.2</td>
<td>550.8</td>
<td>23.3%</td>
</tr>
<tr>
<td>Other net income</td>
<td>338.6</td>
<td>365.7</td>
<td>-7.4%</td>
</tr>
<tr>
<td>Operating costs</td>
<td>593.8</td>
<td>617.9</td>
<td>-3.9%</td>
</tr>
<tr>
<td>Impairment and provisions</td>
<td>198.5</td>
<td>171.0</td>
<td>16.0%</td>
</tr>
<tr>
<td>Contribution before income taxes</td>
<td>225.5</td>
<td>127.8</td>
<td>76.8%</td>
</tr>
<tr>
<td>Income taxes</td>
<td>47.7</td>
<td>26.1</td>
<td>82.8%</td>
</tr>
<tr>
<td>Net contribution</td>
<td>177.8</td>
<td>101.5</td>
<td>75.2%</td>
</tr>
</tbody>
</table>

### Summary of indicators

- Allocated capital: 1,795 million to 1,740 million (3.2%)
- Return on allocated capital: 9.9% to 5.8%
- Risk weighted assets: 14,289 million to 14,272 million (0.1%)
- Cost to income ratio: 58.3% to 67.4%
- Loans to customers: 16,306 million to 16,926 million (-3.7%)
- Total customer funds: 15,914 million to 16,453 million (-3.1%)

Note: In 2010 the net contribution was not adjusted from the impact related to the activities in Turkey and in the United States of America, which were partially sold during 2010.
Millennium

er

Earnings Press Release

SIGNIFICANT EVENTS

The continuation of the implementation of the measures agreed under the Adjustment Program, namely through: an ongoing process of deleveraging by reducing the loan portfolio and increasing customer funds, enabling Millennium bcp to reduce its commercial gap; the implementation of measures and the evaluation of alternatives to enable Millennium bcp to comply with the new solvency requirements; the gradual reduction of the exposure to sovereign debt, together with the continued repricing effort; the close control of the cost base; and the increased mobilization of the entire organization into the credit recovery effort were the main focus of the Bank in the 4th quarter of 2011. Also worthy of special note in the 4th quarter:

- Following an evaluation process of different scenarios in order to create value for the operation in Poland, and having thoroughly discussed several options, including those arising from offers of acquisition of a stake in Bank Millennium, the Bank reaffirmed on December 19, 2011 its commitment to the organic growth of Bank Millennium in Poland.

- Disclosure by the Bank of Portugal of the overall results for the first Special Inspection Program (SIP), conducted as part of the measures and actions agreed by the Portuguese authorities for the financial system under the Adjustment Program established with the IMF / EU / ECB in May 2011. The exercise focused on credits worth Euro 55.4 billion, covering 72% of the total loan portfolio of the BCP. This assessment concluded there was a need to increase impairment by Euro 381 million in the Group’s consolidated accounts. This amount corresponds to 0.7% of the total amount of claims reviewed and 16.0% of the portfolio covered by the impairment analysis.

- Announcement of the results of the exchange offer directed to holders of perpetual debt instruments and preference shares, on October 7. The degree of acceptance was noteworthy, reaching approximately 75% for the issues included in the offer.

- Extension of the geographical coverage of Banco Millennium Angola to all 18 provinces in the African country, after the inauguration of the N’Dala tambelo branch in the province of North Kwanza, making Millennium services available to customers at 61 branches throughout the country.

- Nomination of Banco Millennium Angola as a “Brand of Excellence” by Superbrands.

- “Best Brand in Mozambique in the banking sector”, awarded by GFK.

- Sponsorship of the Global Investment Challenge (GIC), a competition open to the general public that allows a simulated experience of investing in the stock market and promotes the increase of
knowledge about the mechanisms and functioning of the capital markets. The competition is organized by the Expresso newspaper and Simulators and Models (SDG).

- The Millennium bcp foundation and the Architecture Trienal of Lisbon, signed a protocol for the delivery of the Career Award, which aims to distinguish an architect whose work has become publicly known, as well as the Universities Prize Contest, for schools of Architecture and Landscape Architecture in Portugal and abroad.

- Launch of the second edition of the Microcredit Prize for Microentrepreneurs with disabilities.

- Recognition of Millennium bcp by the 2011 Engagement Rating, as one of the most transparent Portuguese companies in stakeholder communication on sustainability.

- As a result of the rating downgrade of Portugal from “BBB+” to “BBB-” and the placement of Portuguese banks’ ratings on “Rating Watch Negative”, the Fitch rating agency announced on October 7 that it had reaffirmed the main ratings of BCP, namely the long- and short-term ratings (“BBB-/F3”), while maintaining the “Rating Watch Negative” outlook.

- Moody’s rating agency announced, on October 7, that it had concluded the review of Portuguese banks ratings initiated on July 15, following the downgrade of the Republic of Portugal rating from “Baa1” to “Ba2”. In this context, the debt rating of BCP was reduced from “Ba1/NP” to “Ba3/NP” and the Standalone rating from “Ba2” to “B1”. Ratings maintain a “Negative” outlook.

- On October 20, the DBRS rating agency announced, following the downgrade of the Republic of Portugal rating from BBB (High) to BBB, the confirmation or revision of the Portuguese banks ratings. In this context, BCP long-term rating was downgraded from BBB (High) to BBB, with a “Negative Trend” (identical to the Republic of Portugal’s rating), while the short-term rating was affirmed at R-2 (High) with a “Negative Trend”.

- Following the announcement of the reduction of the Portuguese Republic’s rating for long-term debt from “BBB-” to “Bb+”, Fitch announced the revision of the ratings of several Portuguese banks. In this context, the long-term rating of Banco Comercial Português, S.A. (BCP) was reduced from “BBB-” to “BBb+”, removed from Rating Watch Negative and assigned a Negative Outlook, while the short-term rating was revised from “F3” to “B” and removed from Rating Watch Negative.

- Following the announcement of the revision of rating criteria for the Portuguese banks, Standard & Poor’s announced on the 16th of December of 2011 the revision of the ratings of several Portuguese banks. In this context, the long-term rating of Banco Comercial Português, S.A. (BCP) was reduced from “BBB-” to “BBb”, while the short-term rating was revised from “A-3” to “B” and removed from Rating Watch Negative.

Events after the end of 2011:

- Statement by the President of the Supervisory Board informing that he has been informed that Nuno Amado has accepted the invitation from shareholders to propose his name as Chief Executive Officer of Banco Comercial Português, S.A. on a list to be presented at an upcoming General Meeting of Shareholders.

- On January 31, 2012 DBRS downgraded the ratings of Banco Comercial Português, S.A. following the downgrade of the Republic of Portugal’s ratings from BBB to BBB (low). DBRS has downgraded BCP’s Senior Long-Term Debt & Deposit rating to BBB (low) from BBB and the Short-Term Debt & Deposit rating to R-2 (mid) from R-2 (high). The trend on all ratings remains Negative.
BANCO COMERCIAL PORTUGUÊS, S.A., a public company (sociedade aberta) having its registered office at Praça D. João I, 28, Porto, registered at the Commercial Registry of Porto, with the single commercial and tax identification number 501 525 882 and the share capital of EUR 6,064,999,986.00.

"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 financial 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 2010 and 2011 were subject to an audit by External Auditors.
### BANCO COMERCIAL PORTUGUÊS

Consolidated Income Statement for the years ended 31 December, 2011 and 2010

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Interest income</strong></td>
<td>4,060,136</td>
<td>3,477,058</td>
</tr>
<tr>
<td><strong>Interest expense</strong></td>
<td>(2,480,862)</td>
<td>(1,960,222)</td>
</tr>
<tr>
<td><strong>Net interest income</strong></td>
<td>1,579,274</td>
<td>1,516,835</td>
</tr>
<tr>
<td><strong>Dividends from equity instruments</strong></td>
<td>1,379</td>
<td>35,906</td>
</tr>
<tr>
<td><strong>Net fees and commission income</strong></td>
<td>789,372</td>
<td>811,581</td>
</tr>
<tr>
<td><strong>Net gains / losses arising from trading and hedging activities</strong></td>
<td>204,379</td>
<td>367,280</td>
</tr>
<tr>
<td><strong>Net gains / losses arising from available for sale financial assets</strong></td>
<td>3,253</td>
<td>72,087</td>
</tr>
<tr>
<td><strong>Other operating income</strong></td>
<td>(22,793)</td>
<td>17,476</td>
</tr>
<tr>
<td><strong>Total net income from non banking activity</strong></td>
<td>2,554,864</td>
<td>2,821,165</td>
</tr>
<tr>
<td><strong>Total operating income</strong></td>
<td>2,581,838</td>
<td>2,837,715</td>
</tr>
<tr>
<td><strong>Staff costs</strong></td>
<td>953,649</td>
<td>831,168</td>
</tr>
<tr>
<td><strong>Other administrative costs</strong></td>
<td>584,495</td>
<td>601,845</td>
</tr>
<tr>
<td><strong>Depreciation</strong></td>
<td>96,110</td>
<td>110,231</td>
</tr>
<tr>
<td><strong>Operating costs</strong></td>
<td>1,434,258</td>
<td>1,563,244</td>
</tr>
<tr>
<td><strong>Operating profit before provisions and impairments</strong></td>
<td>947,620</td>
<td>1,294,471</td>
</tr>
<tr>
<td><strong>Loans impairment</strong></td>
<td>(1,331,910)</td>
<td>(713,256)</td>
</tr>
<tr>
<td><strong>Other financial assets impairment</strong></td>
<td>(549,850)</td>
<td>(10,180)</td>
</tr>
<tr>
<td><strong>Other assets impairment</strong></td>
<td>(128,565)</td>
<td>(71,115)</td>
</tr>
<tr>
<td><strong>Goodwill impairment</strong></td>
<td>(160,649)</td>
<td>(147,130)</td>
</tr>
<tr>
<td><strong>Other provisions</strong></td>
<td>13,979</td>
<td>635</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>(1,209,375)</td>
<td>353,425</td>
</tr>
<tr>
<td><strong>Share of profit of associates under the equity method</strong></td>
<td>14,620</td>
<td>67,661</td>
</tr>
<tr>
<td><strong>Gains / (losses) from the sale of subsidiaries and other assets</strong></td>
<td>(26,872)</td>
<td>(2,978)</td>
</tr>
<tr>
<td><strong>Profit before income tax</strong></td>
<td>(1,221,627)</td>
<td>418,108</td>
</tr>
<tr>
<td><strong>Income tax</strong></td>
<td>Current (66,857)</td>
<td>(54,158)</td>
</tr>
<tr>
<td></td>
<td>Deferred 525,714</td>
<td>39,814</td>
</tr>
<tr>
<td><strong>Profit after income tax</strong></td>
<td>(762,770)</td>
<td>403,764</td>
</tr>
<tr>
<td><strong>Attributable to:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Shareholders of the Bank (848,623)</td>
<td>344,457</td>
</tr>
<tr>
<td></td>
<td>Non-controlling interests 85,853</td>
<td>59,307</td>
</tr>
<tr>
<td><strong>Profit for the year</strong></td>
<td>(762,770)</td>
<td>403,764</td>
</tr>
</tbody>
</table>

**Earnings per share (in euros):**
- **Basic**: (0.07)
- **Diluted**: (0.07)
**BANCO COMERCIAL PORTUGUÊS**

**Consolidated Balance Sheet as at 31 December, 2011, 2010 and 1 January 2010**

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
<th>1 Jan 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and deposits at central banks</td>
<td>2,115,945</td>
<td>1,484,262</td>
<td>2,244,724</td>
</tr>
<tr>
<td>Loans and advances to credit institutions</td>
<td>1,577,410</td>
<td>1,229,025</td>
<td>839,352</td>
</tr>
<tr>
<td>Repayable on demand</td>
<td>2,913,016</td>
<td>2,343,972</td>
<td>2,029,834</td>
</tr>
<tr>
<td>Other loans and advances</td>
<td>68,045,335</td>
<td>73,903,406</td>
<td>75,191,116</td>
</tr>
<tr>
<td>Loans and advances to customers</td>
<td>2,145,330</td>
<td>5,136,299</td>
<td>3,356,929</td>
</tr>
<tr>
<td>Financial assets held for trading</td>
<td>4,774,114</td>
<td>2,573,064</td>
<td>2,698,436</td>
</tr>
<tr>
<td>Financial assets available for sale</td>
<td>495</td>
<td>13,858</td>
<td>50,866</td>
</tr>
<tr>
<td>Hedging derivatives</td>
<td>495,879</td>
<td>476,374</td>
<td>465,486</td>
</tr>
<tr>
<td>Financial assets held to maturity</td>
<td>5,160,180</td>
<td>6,744,673</td>
<td>2,027,354</td>
</tr>
<tr>
<td>Investments in associated companies</td>
<td>305,075</td>
<td>395,956</td>
<td>437,846</td>
</tr>
<tr>
<td>Non current assets held for sale</td>
<td>1,104,650</td>
<td>996,772</td>
<td>1,343,163</td>
</tr>
<tr>
<td>Investment property</td>
<td>560,567</td>
<td>404,714</td>
<td>429,856</td>
</tr>
<tr>
<td>Property and equipment</td>
<td>1,564,538</td>
<td>975,576</td>
<td>790,914</td>
</tr>
<tr>
<td>Other assets</td>
<td>1,790,650</td>
<td>784,446</td>
<td>1,134,132</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>93,482,076</td>
<td>98,546,759</td>
<td>94,242,357</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amounts owed to credit institutions</td>
<td>17,723,419</td>
<td>20,079,556</td>
<td>10,305,472</td>
</tr>
<tr>
<td>Amounts owed to customers</td>
<td>47,516,110</td>
<td>45,609,115</td>
<td>46,307,233</td>
</tr>
<tr>
<td>Debt securities</td>
<td>16,236,202</td>
<td>18,137,360</td>
<td>19,951,227</td>
</tr>
<tr>
<td>Financial liabilities held for trading</td>
<td>1,473,680</td>
<td>1,176,451</td>
<td>1,072,324</td>
</tr>
<tr>
<td>Other financial liabilities at fair value through profit and loss</td>
<td>2,578,990</td>
<td>4,038,219</td>
<td>6,345,583</td>
</tr>
<tr>
<td>Hedging derivatives</td>
<td>508,032</td>
<td>346,473</td>
<td>75,483</td>
</tr>
<tr>
<td>Non current liabilities held for sale</td>
<td>246,100</td>
<td>235,313</td>
<td>233,120</td>
</tr>
<tr>
<td>Provisions for liabilities and charges</td>
<td>1,146,543</td>
<td>2,039,174</td>
<td>2,231,714</td>
</tr>
<tr>
<td>Subordinated debt</td>
<td>24,037</td>
<td>11,960</td>
<td>10,795</td>
</tr>
<tr>
<td>Deferred income tax liabilities</td>
<td>2,385</td>
<td>344</td>
<td>416</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>1,647,208</td>
<td>1,264,519</td>
<td>1,058,210</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>89,107,706</td>
<td>91,935,114</td>
<td>88,329,409</td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share capital</td>
<td>6,065,000</td>
<td>4,694,600</td>
<td>4,694,600</td>
</tr>
<tr>
<td>Treasury stock</td>
<td>37,423</td>
<td>37,423</td>
<td>37,423</td>
</tr>
<tr>
<td>Reserve premium</td>
<td>71,752</td>
<td>152,322</td>
<td>152,322</td>
</tr>
<tr>
<td>Preference shares</td>
<td>171,175</td>
<td>1,000,000</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Other capital instruments</td>
<td>9,851</td>
<td>1,000,000</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Fair value reserves</td>
<td>(894,480)</td>
<td>(196,361)</td>
<td>93,760</td>
</tr>
<tr>
<td>Reserves and retained earnings</td>
<td>(1,241,490)</td>
<td>(1,888,780)</td>
<td>(1,326,491)</td>
</tr>
<tr>
<td>Profit for the year attributable to Shareholders</td>
<td>(848,631)</td>
<td>344,657</td>
<td></td>
</tr>
<tr>
<td><strong>Total Equity attributable to Shareholders</strong></td>
<td>3,824,755</td>
<td>5,114,160</td>
<td>5,568,443</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>547,615</td>
<td>497,501</td>
<td>344,305</td>
</tr>
<tr>
<td><strong>Total Equity</strong></td>
<td>4,372,370</td>
<td>5,611,661</td>
<td>5,912,748</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>93,482,076</td>
<td>98,546,759</td>
<td>94,242,357</td>
</tr>
</tbody>
</table>
# Shares and Bonds Held by Members of the Management and Supervision Boards of Banco Comercial Português, S.A.

The shares and bonds held by Members of the Management and Supervision Boards is as follows:

<table>
<thead>
<tr>
<th>Shareholders/Bondholders</th>
<th>Security</th>
<th>Number of securities at 31/12/2011</th>
<th>Acquisitions</th>
<th>Sales</th>
<th>Date</th>
<th>Price/Unit Euros</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Members of Corporate Bodies</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paulo José de Ribeiro</td>
<td>BCP shares</td>
<td>301,657</td>
<td>11,437 (6)</td>
<td>30,226 (6)</td>
<td>17-05-11</td>
<td>0.58</td>
</tr>
<tr>
<td>Moita Macedo (9)</td>
<td></td>
<td>259,994</td>
<td></td>
<td>20-06-11</td>
<td>0.36</td>
<td></td>
</tr>
<tr>
<td>Vítor Manuel Lopes Fernandes</td>
<td>BCP shares</td>
<td>23,412</td>
<td>879 (6)</td>
<td>2,533 (6)</td>
<td>17-05-11</td>
<td>0.58</td>
</tr>
<tr>
<td></td>
<td>BCP Investimento Telecoms March 2013</td>
<td>20</td>
<td></td>
<td></td>
<td>20-06-11</td>
<td>0.36</td>
</tr>
<tr>
<td>Luís Maria França de Castro</td>
<td>BCP shares</td>
<td>286,914</td>
<td>10,878 (6)</td>
<td>28,748 (6)</td>
<td>17-05-11</td>
<td>0.58</td>
</tr>
<tr>
<td>Pereira Coutinho</td>
<td></td>
<td>247,288</td>
<td></td>
<td>20-06-11</td>
<td>0.36</td>
<td></td>
</tr>
<tr>
<td>Miguel Maya Dias Pinheiro</td>
<td>BCP shares</td>
<td>210,000</td>
<td>30,592 (6)</td>
<td>7,845 (6)</td>
<td>17-05-11</td>
<td>0.58</td>
</tr>
<tr>
<td></td>
<td></td>
<td>150,000</td>
<td></td>
<td>15-06-11</td>
<td>0.36</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>21,557 (6)</td>
<td></td>
<td>20-06-11</td>
<td>0.36</td>
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<tr>
<td>Millennium BCP Valor Capital 2009</td>
<td></td>
<td>0</td>
<td>15</td>
<td>15 (6)</td>
<td>20-06-11</td>
<td>1,000.00</td>
</tr>
<tr>
<td>António Manuel Palma Ramalho</td>
<td>BCP shares</td>
<td>62,700</td>
<td>531 (6)</td>
<td>50,077 (6)</td>
<td>17-05-11</td>
<td>0.58</td>
</tr>
<tr>
<td></td>
<td>BPSM197 Top’s Perpétuas Subord 1/2 Serie</td>
<td>498,798</td>
<td></td>
<td>20-06-11</td>
<td>0.36</td>
<td></td>
</tr>
<tr>
<td>José Jacinto Iglésias Soares (6)</td>
<td>BCP shares</td>
<td>80,743</td>
<td>7,663 (6)</td>
<td>3,080 (6)</td>
<td>17-05-11</td>
<td>0.58</td>
</tr>
<tr>
<td></td>
<td></td>
<td>20,000</td>
<td></td>
<td>20-06-2011</td>
<td>0.36</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>50,000 (6)</td>
<td></td>
<td>28-06-11</td>
<td>0.39</td>
<td></td>
</tr>
<tr>
<td>Rui Manuel da Silva Teixeira (6)</td>
<td>BCP shares</td>
<td>31,982</td>
<td>1,212 (6)</td>
<td>3,205 (6)</td>
<td>17-05-11</td>
<td>0.58</td>
</tr>
<tr>
<td></td>
<td></td>
<td>27,565</td>
<td></td>
<td>20-06-11</td>
<td>0.36</td>
<td></td>
</tr>
<tr>
<td><strong>Members of the Supervisory Board</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>António Vítor Martins Monteiro</td>
<td>BCP shares</td>
<td>2,410</td>
<td>91 (6)</td>
<td>241 (6)</td>
<td>17-05-11</td>
<td>0.58</td>
</tr>
<tr>
<td></td>
<td>BCP Finance Bank MTN 6.25</td>
<td>0</td>
<td>50</td>
<td>50 (6)</td>
<td>29-04-11</td>
<td>1,000.00</td>
</tr>
<tr>
<td>Manuel Domingos Vicente</td>
<td>BCP shares</td>
<td>1,159</td>
<td>43 (6)</td>
<td>116 (6)</td>
<td>17-05-11</td>
<td>0.58</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1,000</td>
<td></td>
<td>20-06-11</td>
<td>0.36</td>
<td></td>
</tr>
<tr>
<td>Luís de Melo Champalimaud</td>
<td>BCP shares</td>
<td>100,000</td>
<td>879 (6)</td>
<td>79,121 (6)</td>
<td>17-05-11</td>
<td>0.58</td>
</tr>
<tr>
<td></td>
<td></td>
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(a) Subscription.
(b) Maturity.
(c) Dividends of BCP shares.
(d) Subscription of BCP's share capital increase.
(e) Conversion into capital of MillenniumBcp Valor Capital 2009.
(f) Purchase.
(g) The initial position regards the securities held at the moment of the appointment, 18-04-2011, and not at 31-12-2010. The changes in 2011 regard operations carried out between the date of appointment and 30-06-2011.
(h) Resigned to the office on 20-06-2011, due to being appointed as Health Minister.