the Bank achieved the following outcomes: i) release of technicians from the management tasks of the approximately 220 servers of the development environment; ii) significant increase in the speed and simplicity of the procurement of servers for the development environment; iii) optimisation of the use of the servers of the development environment; and iv) reduction of the occupation of the technical centres and respective energy consumption.

Continuous improvement of processes

The continuous improvement of the Bank’s processes and activities has enabled the increased efficiency of operations and consequent reduction in the consumption of resources such as paper, computer equipment and water, electricity and fuel consumption requirements.

In order to achieve these objectives, Millennium bcp invests: i) in continuous improvement programmes based on the Employees; ii) in the development of computer applications that facilitate processes and practices; and iii) in the introduction of management policies that lead to alterations in the Bank’s mode of operation.

In this context and with the objective of reducing paper consumption in Portugal, enhancing the sophistication of processes using information technologies, the following initiatives were promoted:

- Pilot project requiring local confirmation at the printer of larger work, aimed at preventing waste. In view of the results that were achieved, this functionality will be extended to the entire Bank in Portugal, during the first semester of 2012;
- Dematerialisation of documents in the processes of internal circulation of information;
- Consolidation of the dematerialisation process under the new process for the opening of a current account;
- Encouragement of Company and Corporate Customer adherence to batch collection through the Bank’s website, reducing the circulation of paper and increasing convenience, speed and security for Customers.

In order to reduce energy requirements, Millennium bcp, introduced new rules, without affecting the quality of the service provided, namely:

- Concentration of services, with differentiated business hours at Tagus Park, contributing to reduce energy consumption by 11,100 kW per year;
- At the branches: i) reduction of the hours of inside lighting after closing hours, in Portugal and Poland; and ii) reduction of the hours of illumination of the exterior sign and merchandising of branch windows by one hour, in Portugal;
- Reduction of the operation of heating, ventilation and air conditioning (HVAC) systems of the branches; and ii)buildings in Portugal, respecting the heating and cooling requirements in branches and buildings, which
led to an estimated reduction of energy consumption of 37,500 kW and gas consumption of 3,800 m3, in Portugal.

The introduction of these rules, whose investment requirement was small, will enable an estimated average saving of approximately 840,000 kW per year.

The increased efficiency in Employee’s travel, whether for internal and external meetings or between home and work, allows the Bank to reduce operating costs and decreased environmental impact arising from fossil fuel consumption. In Portugal, after the creation of a specific structure responsible for travel policy management and control, the following initiatives were carried out:

- Reduction of the motor power of the available vehicles in the vehicle fleet, enabling increased efficiency in fuel consumption and consequent CO2 emissions. This measure complemented the introduction of hybrid cars in the Bank's vehicle fleet;
- Strengthening of the guidelines, whenever possible, namely concerning travel inside national territory, for the replacement of air travel by train travel;
- Encouragement of the use of videoconferences whenever necessary and possible;
- Maintenance of the collective transport service for Employees, provided for travel between home and work.

In Poland, internal guidelines were established aimed at reducing Employee travel. In this context, the use of air travel was limited. Furthermore, the Bank replaced training courses with physical attendance by e-learning courses, enabling a reduction in the need for Employee travel.

"Being a Lean DO" (Operations Department)

The difficult balance of operational excellence requires deliberate and consistent action, involving all the Employees. Based on this premise, Millennium bcp implemented a programme focused on the continuous improvement of processes, increased quality and cost-cutting, the "Being a Lean DO" programme. The objectives of the project are the optimisation of processes, through higher productivity and service levels, mitigating operating risk, and dissemination of a culture based on continuous improvement.

The "Being a Lean DO" project influenced the activity of approximately 500 Employees of the Bank, through 40 Employees who played the role of engines of change. In 2012, the project will be replicated in other departments, for the purpose of disseminating the system and culture of improvement implemented in the Operations Department.

Examples of solutions implemented following the identified opportunities:

<table>
<thead>
<tr>
<th>Identified problems</th>
<th>Solutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>In credit contracting processes the documentation which arrives from the branches by e-mail is printed for validation of information.</td>
<td>Creation of a digital file in a locally developed application, whereby the validation of the documents is carried out on the screen and the daily file is extinguished, enabling the saving of 189,000 sheets of paper per year.</td>
</tr>
<tr>
<td>Daily automatic printouts of tables relative to the management of incidents with cheques.</td>
<td>The automatic printing of tables was stopped and the maintenance of the availability of the tables in the supporting computer application was changed from three months to one year, enabling the saving of 126,000 sheets of paper per year.</td>
</tr>
<tr>
<td>All the applications received at the branches by e-mail, requesting the closing of Customer accounts, are printed so as to complete the process and subsequently filed at a central level.</td>
<td>Recording in an Excel file, which enables automating the closing process. The application received by e-mail is no longer printed, and it is also no longer necessary to record the coordinates in a physical file, which is now digital, enabling the saving of approximately 63,000 sheets of paper.</td>
</tr>
</tbody>
</table>
MONITORING AND MITIGATION OF ENVIRONMENTAL IMPACTS

Within consumptions per Employee, during 2011, there was an increase in the environmental efficiency in almost Millennium Group’s operations CO₂ emissions, paper, plastic and cartridge and toners. Electricity consumption stabilised and water consumption had a slight increase of 2.3% when compared to 2010 consumption.

MAIN ENVIRONMENTAL IMPACTS OF THE MILLENNIUM GROUP (1)

<table>
<thead>
<tr>
<th>INDICATORS</th>
<th>Unit.</th>
<th>2011</th>
<th>2010</th>
<th>2009</th>
<th>Change % 11/10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption by Employee:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ink cartridges and toners</td>
<td>kg</td>
<td>1.7</td>
<td>1.9</td>
<td>1.9</td>
<td>-10.5%</td>
</tr>
<tr>
<td>Paper</td>
<td>kg</td>
<td>59.7</td>
<td>63.7</td>
<td>51.8</td>
<td>-6.3%</td>
</tr>
<tr>
<td>Plastic (2)</td>
<td>kg</td>
<td>3.8</td>
<td>4.4</td>
<td>6.5</td>
<td>-13.6%</td>
</tr>
<tr>
<td>Water (Human consumption) (3)</td>
<td>m³</td>
<td>18.0</td>
<td>17.6</td>
<td>16.8</td>
<td>2.3%</td>
</tr>
<tr>
<td>Electricity (4)</td>
<td>MWh</td>
<td>6.8</td>
<td>6.8</td>
<td>7.4</td>
<td>0.0%</td>
</tr>
<tr>
<td>Total Greenhouse Gas emission tCO₂eq</td>
<td></td>
<td>3.6</td>
<td>4.0</td>
<td>4.6</td>
<td>-10.0%</td>
</tr>
</tbody>
</table>

(1) Includes Portugal, Poland, Greece, Romania and Mozambique.
(2) Includes Romania in 2010. Excludes Mozambique and Greece in 2010 and 2011.
(3) Excludes irrigation water and cooling towers.
(4) Includes cogeneration powerplant.

Energy and Emissions

In overall terms, during 2011, electricity consumption increased by 0.5% compared to 2010 due to an increase in electricity consumption in Poland of 12.8%, not offset by a reduction of 8.4% in Portugal, 3.5% in Greece and 4.3% in Romania. The Bank intends in 2012 to maintain the involvement of employees in projects aimed to decrease the absolute consumption of electricity, by 6% in Portugal.

The total direct energy didn’t changed compared to 2010, with a reduction of 7.4% in diesel and 8.3% in gasoline consumption, and an increase in natural gas consumption of 5.8%. The increase in natural gas consumption of Millennium bcp is explained by the increase of 5.3% in Portugal.

Millennium bcp has a natural gas cogeneration unit since 1995, installed in the Tagus Park complex. This cogeneration unit partially supplies the energy needs of Millennium’s buildings in Tagus Park, simultaneously enabling the heating of the water used in the buildings’ climate control system. The self-production of energy stabilised in relation to 2010, having increased by 0.7% and continuing to represent 14% of the total electricity consumption of the Bank in Portugal.