

NON-FINANCIAL INFORMATION



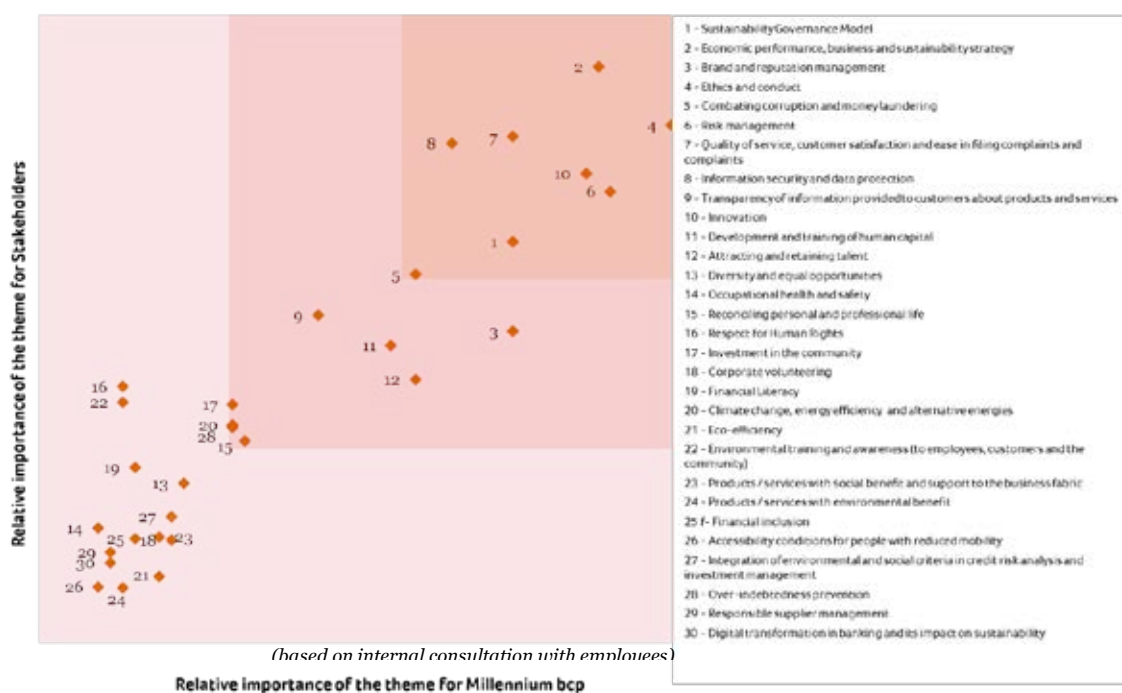
Involvement of Stakeholders

BCP Group defines strategies and pursues policies, adjusted to the new challenges imposed by the interested parties with which it relates, materializing a business model based on an ongoing and transparent dialogue enabling to understand and comply with the expectations of its Stakeholders.

In 2019, a new consultation of Stakeholders was held. This process, which involved, through a representative sampling, the main stakeholders, namely (i) Qualified shareholders, (ii) Clients from all segments of the Bank, (iii) Employees, (iv) Community, (v) Suppliers and (vi) Press, obtained a response rate of 66%, allowing an update in what regards the identification of the issues with the greatest relevance and impact on the Bank's activity to be updated.

Materiality Matrix

The identification and the ongoing follow-up of the themes considered material by the Stakeholders of Millennium bcp enabled the Bank to know the areas that show better performances within the scope of Sustainability, but also enabled it to rapidly detect improvement opportunities representing a strong contribution for the adoption of an appropriate sustainability strategy adapted to new realities, challenges and requirements.



The relative importance of the material issues contained in the new matrix, which will guide us in 2020/2021, reflects the Bank's level of maturity in the axes of action identified, but also the degree of achievement and compliance already achieved.

Sustainability Policy

The adopted sustainability policy, which fosters a culture of Social Responsibility, aims to positively influence the organisation's value proposition in the long term, balanced with the well-being of the people, the company and communities in which it operates, while preserving natural resources, climate and the environment.

Within this framework, it is possible to divide the Bank's intervention into three major axes:

- Environment - implementation of measures fostering a fair and inclusive transition to a decarbonised economic development model, including the incorporation of the environmental aspect into the Bank's risk models;
- Social - Involvement with both the external and the internal communities;
- Corporate governance - integration of sustainability principles into the Bank's decision-making processes.



Therefore, as an integral part of its business model, Millennium bcp takes on the commitment to create social value by developing actions to - and with - the various stakeholder groups with the goal of directly and indirectly contribute to the development of the countries in which it operates.

Respecting the Global Compact Principles, proposed by the United Nations, BCP Group is committed to supporting its 10 Principles that establish a set of values in the areas of Human Rights, Working Conditions, Environmental Protection and Anti-corruption.

BCP acknowledges the importance of the Sustainable Development Goals (SDGs) of the United Nations. Considering that the pursuit of these 17 objectives implies a joint effort of states and private entities, namely companies, BCP Group assumes the commitment to work actively towards a sustainable, socially inclusive and environmentally responsible development in all territories where it operates.

The strategy of Millennium bcp in terms of Sustainability is translated in the Sustainability Master Plan (SMP) 2021, a plan of commitments that aggregates a number of actions to be carried out by the Bank. The guidelines and the definition of the actions part of the SMP are based on a balanced relation between the identified relevant material issues, the Bank's available resources and the economic and market framework existing at the time.

Sustainability Master Plan

The new 2021 Sustainability Master Plan, which will guide the Bank in implementing ESG (Environmental, Social and Governance) policies and practices, and which constitutes an integrating instrument that aims at, based on a transparent, close and consequent relationship, meeting the expectations identified in the consultation of the Bank's main Stakeholders, envisages the following dimensions and lines of action, in their different aspects:

SUSTAINABILITY MASTER PLAN (SMP) 2021

Area	Actions
Governance Model of Sustainability and Corporate Policies	<ul style="list-style-type: none"> - To implement a model of governance of the Sustainability Area that allows a multidisciplinary and transversal action on the organisation, including, whenever justified, international operations; - Review and update the Group's corporate policies; - To review evaluation and remuneration policies.
Training on Sustainability	<ul style="list-style-type: none"> - e-Learning Course on Sustainability (and Sustainable Finance).
Brand Management and Reputation	<ul style="list-style-type: none"> - Strengthen the positioning of Millennium bcp in the sustainability indexes; - Adhere to principles and commitments about sustainability; - Define the positioning of BCP in relation to SDGs; - Integrate sustainability into corporate events; - Strengthen the communication and promotion of Microcredit; - Improving sustainability reporting and communication.
Risk management, ethics and conduct	<ul style="list-style-type: none"> - Foster a culture of compliance and of a strict management of risk; - Ensure integration of environmental and social risks into the risk analysis process.
Information Security and data protection	<ul style="list-style-type: none"> - Ensure the management and information of employees.
Quality of service and customer satisfaction	<ul style="list-style-type: none"> - Optimise satisfaction levels; - Foster a culture of continuous improvement; - Creation of a Customer Charter.
Responsible supplier management	<ul style="list-style-type: none"> - Formalise compliance with social and environmental requirements in the relationship established with Suppliers.
Innovation	<ul style="list-style-type: none"> - Foster a culture of innovation.
Sustainable financing policies and regulation	<ul style="list-style-type: none"> - Monitor the development of the European Commission's Sustainable Finance Action Plan.
Transparency of information to customers on products and services	<ul style="list-style-type: none"> - Integrate sustainability aspects of the proposed investments into the communication with customers.
Risk management	<ul style="list-style-type: none"> - Integrate ESG risks into risk management procedures; - Promote climate changes awareness with corporate clients developing their activities in sectors more exposed to risks and environmental regulations; - Identify and classify Corporate Clients with greater environmental and social risks.
Provide an offer of inclusive and sustainable products	<ul style="list-style-type: none"> - Promote and launch products that observe social responsibility principles and cope with the new environmental challenges; - Develop an offer of ESG products, which promote the transition of the economy to a sustainable model.
Accessibilities	<ul style="list-style-type: none"> - Improve the implementation of differentiated working hours for customer service; - Improve digital accessibility of customers.
Attracting and retaining talent	<ul style="list-style-type: none"> - Support the adoption of healthy lifestyles; - Improve the mechanisms ensuring a greater proximity between the Employees and top managers; - Promotion of work-family balance.
Voluntary work	<ul style="list-style-type: none"> - Develop and approve a Voluntary Work Policy; - Voluntary work Programme.

Conscious Business Project	- Conscious organisation.
Human Rights	- Analyse and communicate the Group's positioning on human rights risk management.
Financial Literacy	- Financial Literacy Programme; - Implement social and/or environmental awareness actions common to the entire Group.
Investment in the community	- Develop campaigns together with non-governmental organisations and charitable institutions to foster a sustainable development; - Reinforce connection to Millennium bcp Foundation; - Reinforce and systematise partnerships with entities that stimulate and develop entrepreneurship in local communities; - Develop actions of social responsibility; - Measure the impact on the community.
Climate change, energy efficiency and alternative energies	- Contribute to limiting global warming to 2°C (Paris Agreement).
Environmental performance	- Minimise the environmental impact of operations.

Commitments

In 2019, two documents were produced as part of the "Reflection Group for Sustainable Financing in Portugal", promoted by the Ministries of the Environment, Finance and Economy (in the context of the Carbon Neutrality Roadmap 2050) and with the participation of the main Banks in the market, Supervisory entities and Sectoral Associations; (i) "Guidelines for accelerating sustainable financing in Portugal"; and (ii) "Engagement Letter for the Sustainable Funding in Portugal", signed by Millennium bcp, which seek to highlight the importance of integrating environmental, social and governance risks into the decision-making and risk management processes of the financial sector.

The Bank has also joined the "Business Mobility Pact for the City of Lisbon", a joint initiative of the Municipality of Lisbon (CML), the WBCSD - World Business Council for Sustainable Development and BCSD Portugal, which brings together, in a public voluntary agreement, companies that operate in Lisbon and have as their common ambition to improve and transform mobility in the city, making it more sustainable.

Millennium bcp also subscribed to the "Lisbon European Green Capital 2020 commitment", promoted by the Lisbon Municipality, which brought together 200 entities who are present in the city, among companies, schools and institutions, in a collective commitment in favour of climate action and towards sustainability.



Table of Correspondence between the Management Report and Decree Law 89/2017

Decree Law 89/2017, of 28 July	Chapter/section	Page/s
<p>Art. 3 (cfr. Art. 66-B and 508-G of the CC): The non-financial statement must contain information to the extent necessary for an understanding of the undertaking's development, performance, position and impact of its activity, relating to, as a minimum, environmental, social and employee matters, gender equality, non-discrimination, respect for human rights, anti-corruption and bribery matters, including:</p>		
a) A brief description of the undertaking's business model	2019 Annual Report Information on the BCP Group Business Model	Page 10-24 Page 35-40
b) A description of the policies pursued by the undertaking in relation to those matters, including due diligence processes implemented	2019 Annual Report: Involvement of Stakeholders	Pag. 141-144
c) The outcome of those policies	2019 Annual Report: Value added to each Stakeholder Group Environmental impact	Pag. 146-162 Pag. 163-167
d) The principal risks related to those matters linked to the undertaking's operations including, where relevant and proportionate, its business relationships, products or services which are likely to cause adverse impacts in those areas, and how the undertaking manages those risks	2019 Annual Report: Main Risks and Uncertainties Risk Management Value added to each Stakeholder Group	Pag. 98-99 Pag. 100-129 Pag. 146-162
e) Non-financial key performance indicators relevant to its specific activity	2019 Annual Report: Summary of Indicators Main Highlights Value added to each Stakeholder Group	Pag. 11-14 Page 12 Pag. 146-162
Art. 4 (as per Art. 245 1.r and 2 of the CC): Description of the diversity policy applied in relation to the undertaking's management and supervisory bodies with regard to aspects such as age, gender, or educational and professional backgrounds, the objectives of that diversity policy, how it has been implemented and the results in the reporting period.	2019 Annual Report: Non-financial Statement 2019 Corporate Governance Report	Pag. 140-163 Sections on the diversity policy of the corporate bodies and on the competences of the Committee for Nominations and Remunerations

Value added to each Stakeholder Group

A sustainable Bank, (more) prepared for the Future

In 2019, the Bank obtained a profit of 302.0 million Euros, as a result of the growth in income from domestic activity, from 115.5 million Euros to 144.8 million Euros, and from income from international activity, from 186.9 to 143.8 million Euros, largely reflecting a number of extraordinary effects, among which, in Poland, was a provision for legal risks related to the loan portfolio in Swiss francs and the cost of integrating EuroBank. Millennium bcp is one of the most efficient banks in the Euro area, with cost-to-core income and cost-to-income ratios of 49% (52% including one-off items) and 47% (50% including one-off items), respectively, in 2019. Return on Equity (ROE) stood at 5.1%, almost the same level as the previous year.

The improvement in asset quality, translated in the decrease in Non-Performing Exposures (NPE) in Portugal to 3.2 billion Euros, as at 31 December 2019 must be emphasized, which shows a descent of 9.5 thousand million Euros since 2013 and the maintenance of a comfortable level of liquidity, seen in the 86% loan-to-deposit ratio. The Common Equity Tier 1 capital ratio, according to the fully implemented criteria, stood at 12.2%.

During 2019, the BCP Share had a 11.6% devaluation, reflecting the uncertainties in the geopolitical, macroeconomic and financial sector environment, but also specific factors associated with the Bank's operations, namely those related to the operation in Poland, the uncertainty related to the issue of loans granted in foreign currency by the Polish financial system in the period preceding the international financial crisis.

UM COMPROMISSO...

SUSTENTABILIDADE

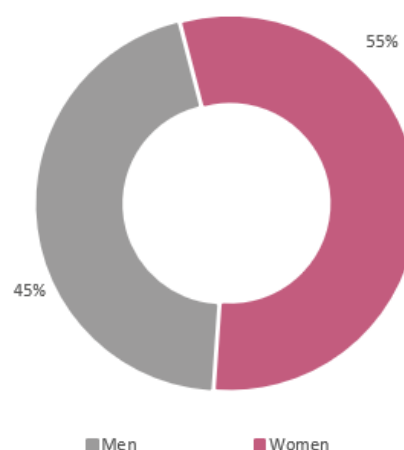


Staff Members

BCP Group ensures, in its different operations, a fair treatment and equal opportunities to all its Employees, promoting meritocracy at all stages of their career and defining their remuneration in accordance with category, professional path and level of achievement of the established objectives.

The general principles that rule the BCP Group established a series of values and benchmarks, universally applicable to all Employees, resulting in a clear and unequivocal guidance, so that, regardless of the respective hierarchical or responsibility level, all Employees always act in a fair manner, with no discrimination, and also reaffirming the ten Global Compact Principles, under which the Group recognises and supports the freedom of association and the right to collective work agreement negotiation and rejects the existence of any form of forced and compulsory labour, including child labour.

Breakdown by gender
(Percentage)



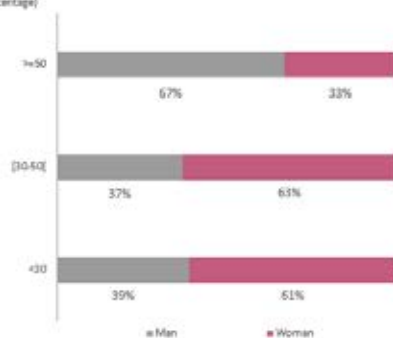
The commitments undertaken by the BCP Group within the scope of human rights, labour conditions and equal opportunities are also enshrined in the corporate policies, of which the policies on Human Rights, Equality and Non-Discrimination and Occupational Health and Safety are an example. These policies are available for consultation on the Bank's website, in the Sustainability area

https://ind.millenniumbcp.pt/pt/Institucional/sustentabilidade/Pages/cod_internos.aspx

Within the scope of gender diversity in the Board of Directors, in 2019, globally, in BCP, in Portugal, 23.5% of these functions were performed by women.

Still within the scope of gender diversity in management functions (Executive Committee/Senior Management and Management) in 2019, globally, 45% of these functions are performed by women – 21% in Portugal, 60% in Poland and 28% in Mozambique. In commercial functions, this figure increases to 61% in the Group, i.e. 47% in Portugal, 75% in Poland and 60% in Mozambique.

Age breakdown by gender
(Percentage)



Information about the number of employees (not FTE's - Full Time Equivalent) for Portugal, Mozambique, Switzerland and Poland.

Professional category by gender
Percentage



In 2019, the Bank in Portugal published its first Plan for Gender Equality, a document that lists a set of concrete actions and practices to be implemented in the next two years with a view to fostering diversity and inclusion.

Also in 2019, Millennium bcp subscribed to the "CEO's Guide to Human Rights", an initiative of the World Business Council for Sustainable Development (WBCSD) and the Business Council for Sustainable Development (BCSD Portugal). The Guide incorporates benchmark policies and practices and aims to contribute to the implementation and promotion of human rights in organisations and their value chains.

BCP has also integrated, for the first time, the Bloomberg Gender-Equality Index, joining the group of 325 companies that worldwide stand out in the implementation of gender equality, diversity and inclusion practices and policies.

The presence in this index, which brings together companies from 42 countries representing more than 50 different activity sectors, is a milestone that reflects the Bank's commitment to the development of its Sustainability Plan and a recognition of its performance in matters of gender equality and Non-Financial Reporting that is clear and transparent.

Training

The Employees are one of the strategic pillars of Group BCP, reason why training continues to be seen as a priority for the development of their professional and personal skills. The search for excellence in the quality of the service provided to Customers involves identifying the training which is most suited to the specific needs of each Employee, taking into account the Bank's strategic objectives.

TRAINING

	2019	2018	2017	VAR.% 19/18
NUMBER OF PARTICIPANTS ⁽¹⁾				
In person	31,043	42,906	47,731	-27.6%
E-learning	311,211	158,845	270,833	95.9%
Remotely	59,592	63,512	62,143	-6.2%
NUMBER OF HOURS				
In person	319,236	298,361	326,841	-7.0%
E-learning	343,403	121,634	469,357	182.3%
Remotely	184,544	205,998	143,575	-10.4%
BY EMPLOYEE	46	39	59	17.0%

⁽¹⁾ The same employee may have attended several training sessions.

In overall terms, in the Group, 5,741 training actions were ministered, corresponding to over 685 hours of training, with an average of 46 training hours per Employee. During 2019, the training effort kept its focus not only on the commercial areas, but also on technical, operational and compliance areas and on team management.

Talent Management

At Group BCP, people management is one of the most important pillars of the Bank's competitiveness and sustainability. Simultaneously with the valorisation of general and specific skills, it is crucial, in an organisational enhancement perspective, to identify Employees with potential and talent, so that in future they can perform duties of higher complexity and responsibility.

The development programmes that have been implemented in the different geographic areas of the BCP Group are thus a specific response to Employees with high performance and potential, enabling: i) recently recruited Employees to acquire a transversal overview of the business and best practices of the organisation; and ii) experienced Employees the opportunity to acquire the necessary skills so that in future they can perform more complex roles with higher responsibility.

Examples of this strategy in Portugal include the 1st edition of the M Power leading position skills development programme and the M Social Power inclusion and diversity programme, which involved 323 Employees, and the 2nd edition of the inGenious training programme, aimed at 40 young talents in the Bank's analytics and technology areas.



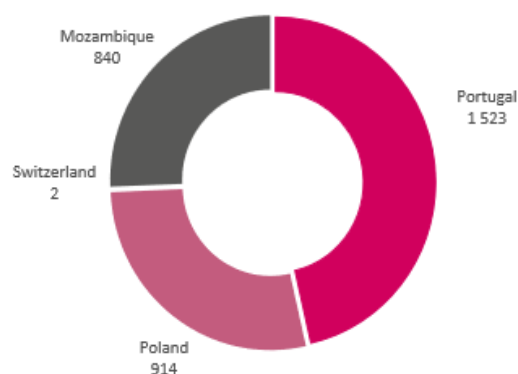
Evaluation and Recognition

At the BCP Group, the individual performance assessment models, based on a process of counselling and guidance towards the development of skills, gives rise to opportunities of dialogue between the senior staff and their Employees, enabling the further deepening of a culture of personal accountability for the development of their careers.

Together with an attitude of encouragement of Employee valorisation and adoption of best practices, the BCP Group upholds a policy of recognition of the merit and dedication shown by each Employee, through a system of incentives, a professional valorisation plan based on merit and specific distinctions, attributed to Employees with excellent performance.

This is the way the Bank found to materialise a policy for recognising merit, valuing the professionalism shown by 3,279 employees in Portugal (1,776 are women and 1,503 are men).

Promotions
(Number of Employees)



Satisfaction with Internal Customers

Since Employees constitute one of the strategic pillars of the BCP Group, their level of satisfaction with the service provided by the different internal areas - with direct relation and reflection on the quality of the guaranteed Customer service - is an important endogenous indicator to assess the Bank's effectiveness and perceived efficiency.

The opinion surveys were maintained regarding the satisfaction with the internal service among Employees who interact with other areas to perform their duties, in order to, as part of a continuous improvement policy, identify opportunities for improvement and optimisation of the processes, technological solutions and procedures in force.

In Portugal, these studies are now carried out every two years, and the overall figure obtained in the 2019 study, 79.8 i.p. is in line with the previous two years.

In Mozambique and Switzerland, in 2019, the value recorded was 73.0 i.p.

Benefits

The BCP Group offers its Employees a series of corporate benefits, apart from those established in the applicable legislation. Concerning health and safety, in Portugal and Poland, Millennium Employees benefit from a dedicated medical staff and medical units, which, in Portugal, now also include Nutrition and Clinical Psychology. They also benefit from regular medical check-ups.

In Mozambique, Millennium bim has: i) a medical office, which, in addition to medical appointments, also offers various specialities and basic health care; ii) an HIV office, ensuring prevention and follow-up of this disease; and iii) social support office, offering counselling to Employees.

HEALTH SERVICES ⁽¹⁾

	2019	2018	2017	VAR.% 19/18
MEDICAL SERVICES				
Medical appointments carried out	26,539	22,507	21,409	8.4%
Check-ups carried out	9,416	9,142	8,831	3.0%
HEALTH INSURANCE				
Individuals involved	46,311	47,257	47,209	-2.0%

⁽¹⁾ Includes active Employees and retired Employees.

Employees of the BCP Group benefit from mortgage loans, permanently and under special conditions. The credit is granted abiding by the credit risk assessment principles set by the Bank's regulations. The Employees may also benefit from loans for social purposes that, among other, serve to meet credit needs in order to face education or health expenses, repairs made in their own domicile or in a rented one and the acquisition of other goods and services with an exceptional nature.

LOANS TO EMPLOYEES ⁽¹⁾

Million Euros

	2019		2018		2017	
	Amount	Staff Members	Amount	Staff Members	Amount	Staff Members
HOUSING						
Portfolio	562.1	8,294	607.7	8,747	661.2	9,405
Granted in 2018	29.8	281	25.8	304	24.7	328
SOCIAL PURPOSES LOANS						
Portfolio	11.1	2,429	11.3	2,548	12.3	2,800
Granted in 2018	3.9	981	3.5	870	3.2	848

⁽¹⁾ Includes active Employees and retired Employees.

Evolution of Staff Numbers

In 2019, the number of BCP Group employees increased significantly by 15.67% (2,518 more employees) compared to the previous year, mainly due to the acquisition of EuroBank, in Poland. Of the 18,585 Employees of the Group, 61% worked in the international business and 39% in Portugal.

EMPLOYEES ⁽¹⁾

	2019	2018	2017	Var. % 19/18
TOTAL IN PORTUGAL	7,204	7,095	7,189	1.5%
Poland	8,615	6,270	5,945	37.4%
Switzerland	82	77	71	6.5%
Mozambique	2,680	2,619	2,631	2.3%
INTERNATIONAL TOTAL	11,377	8,966	8,647	26.9%
TOTAL FOR THE GROUP	18,581	16,061	15,836	15.7%

(1) Information on the number of Employees (not FTE's - full time equivalent) for: Portugal, Mozambique, Switzerland and Poland (including EuroBank).

Note: does not include Millennium bcp Bank & Trust employees.

In Portugal, the downward trend in the number of employees was reversed, with an increase of 109 employees compared to the previous year. There were 342 new employees (53% women), mostly for commercial functions (59%) and for Digital Banking, with 249 employees leaving, 70% by mutual agreement and/or retirement plans and 27% at the initiative of the employee. Among the Employees who left, 58% worked in the commercial areas and 12% had management functions.

In Poland, with the acquisition of EuroBank, the number of employees was greatly increased (37% compared to 2018), reaching 8,615 employees. 69% of EuroBank's employees are women. Even so, without the "EuroBank effect", the number of employees would have increased by 83.

In Mozambique there was also an increase in the number of employees (2.3% compared to 2018), with the hiring of 229 new employees, 79% to perform commercial functions. There were 158 employees who left, 50% of whom had commercial functions.

Clients

Satisfaction Surveys

In Portugal, Millennium bcp continues to focus on the model of assessment of Customer experiences. 24 hours after interaction with the Bank, the Customer is invited to answer a brief questionnaire to assess Customer satisfaction with this experience with the Bank and the corresponding level of recommendation.

In 2019, over 130,000 experiences of Clients who visited Branches of Millennium BCP or were contacted by Client Managers were assessed.

In 2019, the indicator NPS (*Net Promoter Score*), that translates the level of recommendation of the Bank recorded, in the case of Prestige Clients, an increase to 64,9 points, 2,7 points than in 2018; the Mass Market segment, that improvement showed an increase of 1.8 points, to 71.6. Regarding the NPS of Business Clients, it also recorded an expansion, improving to 62.5 (60.2 in 2018). Based on these results per segment, the global NPS of Millennium bcp is 69.8%, favourably comparing with 67.7% in 2017.

Apart from the experiences of Clients with Branches and/or Client Managers, where the indicators mentioned above are based upon, Millennium bcp also assesses other Client experiences namely (i) Account Opening for Individuals and Companies, (ii) handling of Claims, (iii) interaction with the Contact Centre, (iv) use of Internet Banking and (v) the moment when the Account is closed - to be able to assess why the Bank lost those clients, (vi) the use of Internet banking and (vii) the utilization of new Millennium Transactions Machines (MTM). Globally, in 2019, the Clients evaluated more than 230.000 experiences with Millennium.



The Bank also undertook another "Mystery Client" action which, with 4 vacancies, totalled more than 1,917 visits to Mass Market Branches. The results obtained in 2019 registered a slight decrease compared to 2018 (0.4 p.p.), reaching 78.6% of completion regarding the choreography of customer service recommended by the Bank in 2019.

The programme "#1 in Customer Experience" is a transformational project to provide clients with distinctive and memorable experiences through the ongoing improvement of the product and service range, the adaptation of the Bank's channels to today's trends, but also the simplification of processes and, naturally, the development of the Employees' skills.

We also launched in 2019 a programme for Mass-Market, called Be Number One (B#1), which was based in detecting Employee's development needs concerning product, servicing, methods, choreography and leading position vectors. Practical training in dynamic digital formats was made available, adjusted to the needs of each employee, with the aim of improving their performance.

Continuing Project #1 in the Prestige segment, we implemented a recurring programme of certification of new managers, ensuring that client service skills were assimilated and applied in the relationship with our Customers.

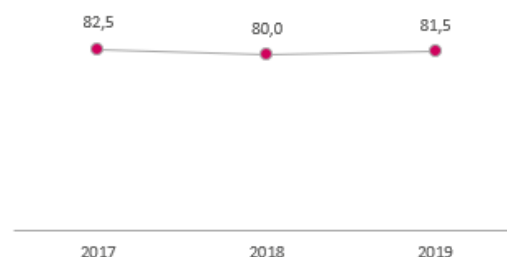
We also promoted process and systematic changes, namely the reduction of commercial objectives whenever a manager starts to work on a new portfolio, thus reinforcing the relationship with Clients and giving preference to the increase of relational contacts.

Regarding the remote channels' satisfaction levels, they remained high. An example of this are the 87% of the user clients who replied that they are happy or very happy with Internet Banking - Individuals of which 87% wish to continue to use this service and 82% of companies wish to continue using the Internet Banking - Companies are a good example.

In 2019, Millennium BCP was once again recognised in the scope of its Digital Channels, by the Global Finance Awards "World's Best Digital Bank Awards", as the best bank in information security and fraud management (in the Consumer and Institutional areas), for the third consecutive year.

Millennium BCP was also distinguished as "Best Homebanking Website in 2019", in the scope of the PC Guia 2019 reader awards".

Customers satisfaction
(Index points)



Information not available for Switzerland.

In order to strengthen the measurement of satisfaction and loyalty in the various Customer segments, Millennium bcp continued to monitor various market studies carried out by specialised companies, so as to obtain indicators to position the Bank in the sector and assess, in an evolutionary way, market perception with regard to (i) quality of the service provided, (ii) the Bank's image and (iii) the products and services it sells. Examples of these studies are the Consumer Choice, the BASEF Banca (Marktest), the BFin (DataE) and the BrandScore.

In this context, it should be noted that the 2nd place achieved at CSI Banca and the recognition as the "Main Bank of Companies", in the BFin study, constitute, in 2019, a recognition of the effort that Millennium bcp has been developing in the modernisation and simplification of products and services, but also of the Bank's strong focus on proximity to its Clients, on the streamlining of operations and on the sustainability of its value proposal.

In international activity, the overall Customer satisfaction levels with the Bank recorded a value of 81.5 index points (i.p.), positively impacted by the improvement registered in Mozambique, which rose from 73 to 76 i.p..

Poland, with 87 i.p. of overall satisfaction, saw Internet banking and mobile banking channels reach 96% and 97%, respectively, of positive ratings in 2019.

Claims

In Portugal, the claims are managed by the Customer Care Centre (CAC). The total number of claims in this operation showed an increase of 23.1% compared with the previous year, with a total of 32,811. Most of these claims relate to banking cards, namely the procurement of products and services through digital channels. The effort to rapidly solve the claims has been a constant concern of the Bank, which has been able to ensure an average response time of 6 business days.

CLAIMS (Portugal and International)

	2019	2018	2017	VAR.% 19/18
CLAIMS RECORDED	136,562	108,244	76,918	26.2%
CLAIMS RESOLVED	125,888	107,453	75,184	17.2%

Note: Includes structural change effect in the claim handling process at Bank Millennium Poland, aiming at the improvement of the Customer experience and the optimisation of the immediate handling of those claims.

In international activity: i) Poland registered an increase in the number of claims compared to the previous year (+27.7%), mainly attributable to current accounts and card transactions; ii) in Mozambique, the number of claims also registered an increase, with cards and current accounts being the most frequently mentioned issues.

Average resolution times in Poland and Mozambique have improved significantly, now standing at 7 and 5 days respectively.

Culture of Rigour

The BCP Group considers that respect for the defined mission and values of the organisation, combined with compliance with its approved strategy, depends, first, on each Employee. Hence, the Group encourages the pursuit of a culture of rigour and responsibility, supported by mechanisms for the dissemination of information, training and monitoring, so as to permanently ensure strict compliance with the instituted rules of conduct.

Against this background, the implementation of specific training activities and the monitoring of the Compliance Office teams have been a constant feature and a priority. Thus, joint action with the different business areas enabled the training, in Portugal, of 2,029 employees in various topics related to the activity of the Compliance Office, always focused on the Employees' awareness of the need to adopt a professional conduct and behaviour in accordance with a culture of ethics and rigour when performing daily duties. This figure, which represents an increase when compared to 2018, is the result of several training actions of which we highlight those on anti-money laundering and terrorist financing practices, MiFID2, remote account opening and new data protection regulations. Strengthening the culture of compliance, both through the normal development of the Training Plan and through a programme of proximity communication to all areas of the Bank, especially the commercial network, is a priority for Millennium bcp. "100% Compliance" is one of the most visible aspects of the transformation that began in 2019, where weekly news items are addressed to all the Bank's networks, seeking to make compliance issues known in a simple language that is both informative and formative.

NUMBER OF TRAINING SESSIONS

(1)

AML/CTF, Market Abuse, Internal Control, Monitoring of Transactions and Legal Issues.

	2019	2018	2017	VAR.% 19/18
Activity in Portugal ⁽²⁾	5,798	30,300	28,123	-80.1%
International Activity	20,733	2,219	9,093	834.3%
TOTAL	26,531	32,519	34,595	-18.4%

⁽¹⁾ The same employee may have attended several trainings.

⁽²⁾ Includes the Macao Branch

The adequacy and effectiveness of the Bank's internal control system as a whole and the effectiveness of the risk identification and management processes and governance of the Bank and Group continued to be assured through audit programmes which include the analysis of behavioural matters, compliance with legislation, other regulations and codes of conduct, correct use of delegated competence and respect for all other principles of action in force, in relations with external and internal Customers.

In 2019, the Bank, at Group's level revised and updated its regulations framework related with governance and compliance policies, of which we point out the "Anti-Money Laundering and Terrorism Financing Policy" and "Internal Control System", a process that was completed in the beginning of 2020, with the update of the "Code of Conduct" and the "Policy for the Management of Conflicts of Interest".

The Code of Conduct and a set of compliance rulings and policies that rule the bank's activity are available for consultation on the website, governance area.

(https://ind.millenniumbcp.pt/en/Institucional/governacao/Pages/normas_regulamentos.aspx).

Relations of cooperation and loyalty have also been maintained with the judicial authorities and with national and international conduct supervision authorities. Within this scope and by its own initiative, were carried out, in all countries where Group BCP operates, a total of 2,502 communications to local Judicial Entities and it replied to 3,462 requests.

Social and Environmental Products and Services

The BCP Group offers a complete and broad range of financial products and services, and continues, under the development of its business lines, responsible for offering products and services which incorporate social principles and respect for the environment and nature.

BCP Group is also aware that the implementation of social and environmental criteria and standards in the commercial offer is reflected in more efficient risk management, reputation value and higher quality of the products and services offered to customers.

In Portugal, Millennium bcp Microcredit continues to be recognised as an alternative for the funding and feasibility of entrepreneurial action and own-job creation, having approved 177 new operations, which corresponds to total credit granted of 2,924 thousand euros, and helped to create 368 jobs. The volume of loans granted to the 676 operations in portfolio amounted to 8,466 thousand euros, corresponding to principal of 5,114 thousand euros.

With the objective of continuing to support Customers in financial difficulties and prevent default, Millennium bcp also maintained its focus on the stimulation and applicability of SAF packages (Financial Follow-up Service). In this context, 10,879 contractual amendments were made during 2019 (5,326 mortgage loans and 5,553 consumer credit), with a restructuring value of 446 million Euros (409 mortgage loans and 37 consumer loans) and comprised 9,897 Clients (4,424 mortgage loans and 5,473 consumer loans).

For Entities of the social sector, Millennium bcp has kept the Non-Profit Associations Account available, a current account with special conditions, which does not require a minimum opening amount and is exempt from maintenance and overdraft fees. 335 accounts with these features were opened, corresponding to a total of 4,655 accounts in the Bank's portfolio.



For students who decided to pursue their academic career, the Bank concluded, in the first six months of 2019, within the University Credit Line, 43 new loans totalling 345 thousand euros. The volume of credit granted to the 357 operations in the portfolio amounted to 2,837 thousand Euros. Within the scope of the Credit Line with Mutual Guarantee, 1.025 contracts were signed, involving a total credit amount of 11.741 thousand euros.

Also, in Portugal, the Bank has continued to reinforce its support to companies through agreed credit facilities, adjusted to the particularities of the sector and economy, in particular:

- Support to enterprise creation investment projects by unemployed persons, through the following credit lines: i) Microinvest Line - which financed 60 entrepreneurs to a total of 822 thousand Euros; and ii) Invest+ Line which supported 38 entrepreneurs, to a total value of 1,763 thousand Euros.
- Millennium bcp joined the “2020 Efficient House”, a programme launched by the Portuguese Government and co-funded by the European Investment Bank (EIB), with total funding to be made available by the Bank of 50 million Euros (25 million Euros from the EIB and 25 million Euros from the Bank). This program, the purpose of which is to grant loans under favourable conditions to operations promoting the improvement of environmental performance of private residences, giving a special attention to energy and hydro efficiency, as well as to urban waste is available since June 2018 - 20 operations were carried out, with a total funding of 171 thousand Euros.
- Funding lines - SME Growth and SME Invest - aimed at SMEs intending to carry out investment projects or increase their working capital. Completion of 2,344 operations, with total funding of 224,779 thousand euros.
- Regarding support to companies in the agricultural and/or fisheries sector, 155 operations were conducted involving a total financing of 10,644 thousand Euros through the PRODER/PROMAR and IFAP Short Term credit lines.
- A credit line - Social Invest - was launched in 2013 to facilitate the inclusion of Third Sector institutions in the financial system. In 2019, the Bank maintained 4 operations in portfolio, with a total value of 88 thousand Euros.
- Credit Lines to Support Tourism, aimed at supporting, with favourable conditions, companies that develop activities related to tourism. 24 operations were financed, up to a total amount of 6,416 thousand Euros.
- The Bank also made available the - Linha Capitalizar Mais -, a protocol established between Millennium bcp, the Instituição Financeira de Desenvolvimento (IFD) and the Mutual Guarantee Societies that created a Credit Line with mutual guarantee to finance projects to be implemented in mainland Portugal to help reinforce the entrepreneurial capacity of the SME for the development of goods and services that are innovative in terms of processes, products, organization or marketing. Millennium bcp financed 318 operations totalling 133,991 million Euros in credit.
- In Poland, the WWF Millennium MasterCard credit card, available since 2008 and produced with recyclable plastic, takes up an environmental commitment. For each subscribed card, the Bank transfers to WWF Poland (World Wide Fund For Nature) half of the first annuity and a percentage of each transaction made. In 2019, over 11.8 thousand Euros were transferred from a total of 1,527 cards, 261 of which subscribed this year.



The BCP Group meets the needs of Investors that consider it relevant to cover, in their investments, social and environmental risk factors, placing Responsible Investment Funds at their disposal for subscription:

- In Portugal, the funds are available by means of the following: The online platform of Millennium bcp – which marketed 4 environmental funds in the area of energy, amounting to a portfolio value above 7,398 thousand Euros on 31 December; and ii) ActivoBank – offering 16 investment funds, of which 8 are ethical funds and 8 are environmental funds, with a total portfolio value above 1,434 thousand Euros. On 31 December, 8 of these funds had participation units subscribed during the year, with a global subscribed value amounting to 436 thousand Euros, an increase versus the 226 subscribed in 2018;
- In Poland, Bank Millennium also has a solid offer of SRI funds, fundamentally aimed at Customers of the Prestige and Private segment, reflecting the investment in businesses whose principles incorporate environmental concerns, namely regarding climate change. The 4 available funds were subscribed by 393 Clients, assuring a subscribed value of 5.5 million Euros.

Support to the Community

The BCP Group's strategy is the promotion of a culture of social responsibility, developing actions for and with several groups of Stakeholders aiming at, directly and indirectly, contributing to the social development of the countries where it operates. It is in this context of proximity to the community that its policy of social responsibility has developed, giving priority to its intervention on cultural, educational and social initiatives.

In Portugal, Millennium bcp continues to promote and create opportunities for the participation of its Employees as volunteers in actions to support the external community:

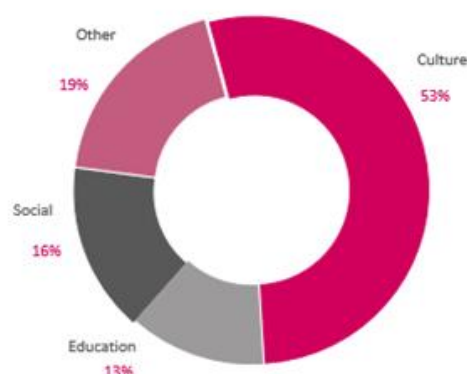
- In the context of the Food Bank's food collection campaigns, Millennium bcp once again was present at the warehouses, helping to separate and store the food. In 2019, in the two campaigns made regularly, the Bank helped at a national level and ensured a participation of more than 175 volunteers, Employees and their relatives.
- Supporting *Junior Achievement* Portugal (JAP), in its entrepreneurial, creativity and innovation projects, through the Bank Employees' participation as volunteers. In 2019, the Bank participated in the second edition of "Braço Direito – Um dia no teu futuro", wherein hundreds of students had the unique opportunity to join the volunteers in their workplace and participate in some of their daily activities. At Millennium bcp, we organized two sessions, one in Estremoz and one in Taguspark.



The Bank has also been organizing, supporting and following up internal solidarity actions that promote a culture of proximity and add social value and are also a significant contribution for the materialization of its Social Responsibility Policy in Portugal. Among these initiatives, which received a special boost from the Direct Banking, Retail Marketing, Corporate Marketing, Operations/COM and Quality and Support to the Network Divisions, we highlight:

- "Acreditamos: Ajudamos a Dar (mais) Cor à Esperança", an internal initiative whose purpose was to collect colourful child sticking plasters, painting books and coloured pencils for the children supported by the association ACREDITAR. With the contribution given by the Bank's Employees at a national level, it was possible to collect around 875 boxes of band-aids - more than 310 individual band-aids;
- Internal action for the collection of plastic recipients in favour of Refood, with the objective of distributing meals to the local communities. This initiative enable the collection of 865 recipients;
- Millennium bcp was in the first line of emergency response to the victims of the cyclone Idai in Mozambique. To complement the financial aid granted by the Bank through Unicef Portugal, in the amount of 50.000 Euros, the Employees of Millennium bcp also participated in this collective effort by means of a partnership established with the Association HELPO by collecting tons of essential goods, especially food and clothing.
- "Millennium Solidário - Natal 2019", a campaign for the collection of donations in favour of Make-A-Wish Portugal to make the dreams of children's and young people's with rare diseases come true. With the usual commitment of the Bank's employees, it was possible to make 2 of those wishes come true.

Donations allocated by intervention area
(Percentage)



Millennium bcp also carried out several initiatives in support to institutions and initiatives able of generating social value, of which we point out:

- Regular support to institutions through the donation of IT equipment and office furniture that is no longer used, but is in condition to be reused. In this context, the agreement concluded with Entrajuda, the main beneficiary entity, has been maintained. In the first six months of 2019, from amongst computer equipment and furniture, the Bank donated 2,565 goods to 58 institutions, of which 88 to Entrajuda.
- Culturally speaking, we must point out the 11th edition of Festival ao Largo, which every year presents on stage at Largo de São Carlos a series of shows with the best of opera, ballet and symphonic music. The purpose of this action is to take art to increasingly inclusive audiences, thus contributing for the cultural enrichment of Portugal.
- The event “Portugal Restaurant Week”, (19th Edition) which counted, once again, with the participation of Millennium bcp, enabled the attribution of financial support to the solidarity institutions Fundação Rui Osório de Castro and Associação Crescer Ser With the donation of one Euro per each menu Restaurant Week consumed, the amount donated exceeded 30,000 euros.

Millennium
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In terms of financial management and financial literacy, Millennium bcp has been contributing to increase the level of financial literacy and the adoption of adequate financial behaviours:

- The promotion, in its institutional website, of the following instruments – Savings Centre, Finance Managers and the Kit for unexpected expenses which, despite being independent tools, have the same purpose: helping the client balance his/her personal budget. In the M Vídeos area of the website it is also possible to find tutorials and savings suggestions;
- In Portugal, the Facebook page “Millennium bcp” continued with the regular sharing of contents related with financial planning, a practice extended to all operations of group BCP;
- The Bank also participated in the Work Group of Associação Portuguesa de Bancos (Portuguese Banking Association), together with several financial institutions and the Instituto de Formação Bancária, whose mission was to develop and support initiatives for the promotion of the financial education of all citizens. From the activity developed in 2019, we must point out another edition of the European Money Week, a digital competition promoted by the European Banking Federation to test the financial literacy of Europe's young people, aged between 13 and 15 years old. In Portugal, APB ensured the participation of around 3.000 students from 60 schools located throughout the country, sending to the European final, in Brussels, Belgium, the two Portuguese winning students.

In Poland, Bank Millennium continues to carry out a significant number of actions, notably:

- Corporate volunteering program “Milantrop” addressed to all Bank Employees and aimed at supporting local communities. The programme enables two types of volunteer service - the organization of personal initiatives or the participation in projects envisaged by the Foundation. The projects developed so far counted with the participation of more than 500 volunteers and benefited more than 10.000 persons;
- Financial ABCs, a financial literacy programme of Foundation Bank Millennium, whose object is to give basic financial concepts to pre-school children. In the 5 editions of this initiative, were carried out 2,200 workshops in 630 kindergartens involving more than 53,000 children throughout the country. This program has the Honorary Sponsorship of the Ministry of Education and of the Ombudsman for Children and, in 2019, was awarded by the “Golden Banker” with the 1st prize in the category “Socially Responsible Bank”;
- Since 2013, every year at Christmas the Bank organizes a solidarity auction for the sale of handicraft. This auction, where the offers are made through the intranet, gathers several hundreds of items created and produced by the Bank Employees. The sale proceeds are used in the treatment of disabled children related to the Employees. In 2019, this initiative enabled to raise around 19 thousand euros;



- Concerning education, we must highlight the following: i) the programme Millennium Bankers, aiming at helping university students in their first contacts with the labour market. In 2019 provided support to 25 students; ii) attribution, within a pluri-annual partnership with the University of Warsaw and Instituto Camões, of 3 scholarships to the best students in Portuguese Studies.
- Bank Millennium - representing the most significant cultural support - was also a partner of *Docs Against Gravity*, the biggest and more global festival of documentary films in Poland. This film festival, supported by a huge communication campaign and by a number of debates, and other events was carried out in 2019, in 6 Polish cities and was attended by more than 92.000 persons.

In Mozambique, the Bank's social commitment is embodied in the "More Mozambique for Me" programme, one of the references of the BCP Group under Corporate Social Responsibility aimed at tightening relations with local communities, which continues to focus on projects in the area of health, education, culture, children and youth sports, and community development:

- Millennium bim Mini Basketball Tournament - in its 14th edition, involved 2,000 athletes, aged between 6 and 11 years old, from, for the first time, all Mozambican provinces;
- 2nd Race "Com Mais Luz" from Associação Kanimambo - Millennium bim supported this sporting event once again which, in 2019, was carried out under the motto "A Caminhar, a Correr ou de Bicicleta, juntos pelas Pessoas com Albinismo". The race was preceded by a conference held on 13 June, International Day for the Awareness of Albinism with the objective of debating themes regarding the persecution and discrimination against individuals with albinism and provide detailed information on what is albinism and how it is treated;
- 9th Edition of the Solidarity Race Helpo - Millennium bim supported this project once again this project promoted by Associação Helpo which was held in three cities of Mozambique. 600 children participated in an initiative for the eradication of poverty and the promotion of a healthy life and the practice of sporting activities.
- Project Musiarte - National Conservatory of Music and Drama - created in 2014, it is one initiative of the opera singers Stella Mendonça and Sónia Mocumbi. Millennium bim is the main sponsor of this project of musical education which aims at contributing for a quality teaching but also identify and promote young talents, regardless of their social condition;
- Millennium bim offered a drinking fountain to the population of Namialo in the Province of Nampula, in Mozambique, providing access to drinking water to a population of more than 5.000 inhabitants.
- 'Mais Moçambique pra Mim' - intervention in the paediatric emergency services of the Provincial Hospital of Tete with the purpose of increasing the comfort of the patients, particularly of the children and health professionals. This action involved 25 Employees of the Bank.
- "Millennium bim - Banking Olympics", a project on financial literacy whose objective is to introduce basic financial concepts, providing students and teachers with knowledge that will enable them to make balanced decisions on how to manage their savings and pursue entrepreneurial projects and social volunteering. In its 10th edition, this initiative counted with the participation of 400 students, representing 10 schools (Maputo, Matola and Province of Gaza). After trials, 40 finalists were selected. The winner in the city of Maputo was the project - transform paper in coal - presented by the Students of the Secondary School of Triunfo, while in the Province of Gaza the project chosen - 'School Newspaper' - was presented by the Secondary School Joaquim Chissano;
- Clube Empresarial da Gorongosa - Millennium bim began giving a direct support to the program "Girls Clubs", an initiative aimed at preventing the high number of early marriages and school abandon by promoting activities approaching the education of girls and their personal safety, nutrition and access to family planning;
- "Millennium bim Solidário" in the Elementary School 3 de Fevereiro - re-building of the elementary school destroyed by the cyclone using funds resulting from the solidarity campaign promoted by Millennium bim near Clients and Employees. This school, situated in the district of Búzi, became once again able to welcome more than 600 students and 16 teachers.



Fundação Millennium bcp

Fundação Millennium bcp, within the context of the social responsibility policies and institutional cultural patronage is an agent for the creation of value in society in the several areas where it intervenes which are Culture, Education/Research and Social Solidarity.

In 2019, the Foundation supported a total of 116 projects, of which 59% in the area of Culture, 17% in Science and Knowledge and 24% in Social Solidarity.

Within the scope of Culture - the Foundation's main calling - it gave precedence to initiatives for the Conservation and Disclosure of the Bank's Heritage, among which are the following:

- Maintenance of the Archaeological Nucleus of Rua dos Correeiros (ANRC) and management of the guided tours. It welcomed 3,627 visitors. The NARC closed on 1 June 2019 for renovation works, exhibiting an architecture and design project from the art studio Brückner;
- The project "Shared Art from Millennium bcp" exhibited: (i) the exhibition of painting and drawing "Julio e outros modernistas", at the Art Gallery Júlio - Centro de Memória, of Vila do Conde, from 25 May to 22 September, welcoming around 3.710 visitors; (ii) the exhibit of naturalistic painting "Os Desvios da Natureza", at the Municipal Museum of Faro, from 19 July to 20 October which welcomed around 10.000 visitors; (iii) the exhibition "Abstração. Share Art Collection Millennium bcp" at the Museum Amadeo de Souza-Cardoso, which was inaugurated within the scope of the Festival Mimo Amarante and remained open to the public from 26 July 2019 to 22 January 2020.
- As part of the disclosure of the Bank's art heritage and its own cultural initiatives, the Foundation established a partnership with the General-Directorate of Cultural Heritage (DGPC) and with the Fine Arts College from the University of Lisbon. This partnership is focused on the promotion and disclosure of the art heritage and cultural activities of the Museu Nacional de Arte Contemporânea (MNAC) (Portuguese Museum of Modern Art). This partnership will enable the Foundation to carry out exhibits in a space from MNAC, and the museum will remain in charge of programming and curatorship.

Supporting projects to modernise important Portuguese museums and to promote museum activities and other cultural activities, of which we highlight:

- Museu Nacional de Arte Antiga (MNAA) (Portuguese museum of ancient art) - support to several projects and activities;
- Museu Nacional de Arte Contemporânea - Museu do Chiado (MNAC) - support to the museum activities;
- Museu Nacional de Arte Contemporânea - Museu do Chiado (MNAC) - exhibition "Espaço Interior", inaugurated within the scope of the Lisbon Architecture Triennial;
- Museu Nacional do Azulejo (Portuguese Tile Museum) - support to an educational initiative, part of the initiative Museum Night;

Regarding the restoration of heritage, architecture and other cultural areas, we highlight:

- Associação World Monuments Fund Portugal - support to the conservation project of the Jerónimos Monastery.
- Palácio Nacional da Ajuda: support to the conservation and restoration works of Room D. João IV;
- Palácio Nacional da Ajuda - restoration of the antechamber of the room of King D. Luís;
- Panteão Nacional - exhibition "A Igreja de Santa Engrácia at Campo de Santa Clara: os tempos do lugar", signalling the 450th anniversary of the new parish of Santa Engrácia;
- Biblioteca Nacional de Portugal - exhibition "Volta ao Mundo. Graphic works of José de Guimarães";
- Art History Institute - School of Humanities and Social Sciences of Universidade Nova de Lisboa - exhibition from students who are completing the post-graduation in Curatorship;
- Association Castelo D' If - 10th edition of the event "Opening of Artists' Studios", in Lisbon, consisting in the opening to the public of the work studios of several artists; 28 work studios participated in this edition;
- AiR 351 - Art in Residence - project for welcoming international artists in Portugal (visual arts) for the establishment of art residences;
- Fundação Cupertino de Miranda - financial aid for the rehabilitation of the head office for the creation of the Portuguese Centre of Surrealism to be installed in the Literary Tower;



- Associação Internacional dos Críticos de Arte (AICA) (International Association of Art Critics) - support to the “Visual Arts and Architecture Awards AICA/MC/Millennium bcp”, which are attributed every year in Portugal to a visual artist and to an architect;
- Association Lisbon Architecture Triennial - support to its 5th edition and to the awards: Millennium bcp Triennial Career Award, Millennium bcp Triennial Universities Award and Millennium bcp Triennial Début Award.
- Society of Fine Arts of Coimbra - 3rd Edition Anozero - Biennial of Contemporary Art of Coimbra, under the theme “A Terceira Margem do Rio”, which carried out a number of initiatives in curatorship in classified spaces and in spaces with a significant heritage importance of the city and of the central region of Portugal;
- SPIRA - Iberian Biennial of Cultural Heritage (AR&PA), which took place in Loulé, which received around 10.650 participants in its several activities and also had the participation from 75 entities;
- Carpe Diem Arte e Pesquisa - Competition “Young Art Award Fundação Millennium bcp 2019” for students of visual arts or those that ended their course in the two previous years
- A+A Books: support to the edition and launching of the Guide of Architecture on the architect Carrilho da Graça. This was the 4th Guide of the collection *Guias de Arquitetura* which was awarded this year with the 1st Prize for the Best Publication /Book from the XI BIAU 2019 - International Biennial of Architecture and town planning;
- A+A Books - financial aid to the Architecture Map of Lisbon, a bilingual edition showing a selection of works appearing in the Architecture Guide 1947-2013 and also a selection of architecture works made between 2013 and 2019;
- Óbidos Criativa - support to the 5th edition of FOLIO Festival Literário Internacional de Óbidos, a meeting addressed to writers, artists and readers;
- Inter municipal Tâmega and Sousa Community - support to the 2019 edition of the Festival Mimo. This festival presents several musical shows, cinema, an educational and children’s program, a forum of ideas, a cultural itinerary, “rain of poetry”, together with an exhibition with works from the Millennium bcp collection, called “Abstraction”. Shared Art of the Millennium bcp Collection”. The Festival welcomed more than 80 thousand spectators;
- Associação Internacional de Música da Costa do Estoril - support to the 45th Music Festival of Estoril, this year under the theme “The Travel and the Moon”;
- Associação Divino Sospiro - concert of Baroque Music by the Orchestra Divino Sospiro, presenting the German countertenor Andreas Schöll and held at the Great Auditorium of Centro Cultural de Belém;
- Academy of Music of Alcobaça - 27th edition of the Cisternmúsica - the Music Festival of Alcobaça which held 50 shows, being the support of the Foundation for the programming of the “Rota de Cister” (Route of Cister). In 2019, the Festival held 4 performances within the scope of the Route of Cister;
- Institute: Project RHI Think, whose goal is to create a network of cities to promote contemporary artists and the internationalization of the Portuguese culture;
- Directorate-General for the Arts - DGArtes - organization and production of the Portuguese presence at the 2019 Venice Biennial;
- Clube Residencial Cidade Música - support to the 6th edition of the program “Há Música no Jardim!”, a number of musical shows (classical music, jazz, fado, Portuguese music), which were held at the Garden of Quinta de S. Jerónimo, in Coimbra;
- General-Directorate of Cultural Heritage - support to the cycle of Music in Cathedrals of the Festival “Rota das Catedrais”, with a musical program involving musical performances in cathedrals located in several cities from north to south of Portugal;
- Art Fairs – support to the 2nd edition of the fair of modern art JustLX: Lisboa Contemporary Art Fair, at Museum of Carris, a fair composed by 45 galleries from 12 countries. Fundação Millennium bcp created, in the fair’s first edition in 2018, the Award “Prémio de Arte Emergente”, that, in 2019, was taken by the artist Rui Pedro Jorge for his work “Obor”;
- IFEMA - Support to ARCO Lisboa - Feira Internacional de Arte Contemporânea Arco, carried out at Cordoaria Nacional. The Foundation supported the carrying out of the Millennium Art Talks, a program for debating and exchanging ideas on international modern art;



Science and education are paramount for the construction of a developed society and for the exercise of a responsible and informed citizenship. Therefore, the Foundation increased its participation in several projects for education, scientific investigation and disclosure of knowledge, namely:

- Instituto de Biologia Molecular e Celular - support to the investigation on Alzheimer's disease;

- IMM (Instituto de Medicina Molecular de Lisboa) – a project developed by the Centre for the Investigation of Brain Tumours with the purpose of investigating the mechanisms responsible for the surging of brain tumours, especially in children;
- Fundação Rui Osório de Castro: annual award to scientific investigation in the area of paediatric oncology; The award Rui Osório de Castro Millennium bcp was created aiming at the development of innovative projects and initiatives in this area, able to foster and promote better care for children with an oncologic disease;
- Casa da América Latina – Professorship Casa da América Latina/Fundação Millennium bcp, an Invited Professor at Instituto de Higiene e Medicina Tropical (IHMT), with the objective of developing research projects on malaria and clinical research projects with interest for the assistance activities developed at the travellers clinic of IHMT, as well as the developing of training programs in the area of tropical diseases for post-graduate students and health professionals from the IHMT;
- Instituto de História de Arte – College of Social and Human Sciences – Universidade Nova de Lisboa – Investigation scholarships in Art History for the in-depth study of the most important artists who are common to the collection of Millennium bcp and the one of Museu do Chiado;
- A scholarship program of Fundação Millennium bcp aimed at students from Portuguese-speaking African countries and from Timor (PALOP) The management of these scholarships was entrusted to Instituto Camões by means of a collaboration protocol and 7 scholarships were attributed.
- Universidade Católica Portuguesa – Health Sciences Institute: support to the Pedipedia project, development of an online paediatric encyclopaedia with the purpose of creating a pedagogical tool to support clinical practices and training in health care; Its recipients are health professionals, parents, caretakers, children and teenagers from Portuguese-speaking countries;
- Universidade Católica Portuguesa – Faculdade de Direito (Faculty of Law) – support given to Master of Laws program;
- Junior Achievement: StartUp Programme (12th edition) – this initiative aims to undertake entrepreneurial programmes with college students by creating new micro companies . Under the format of a university and entrepreneurship competition and with the guidance provided by professors from several universities, the students learn how to create and manage a company. The national winner in 2019 was the project Kitchen Lab of the teams of students from ISEG;
- Associação de Teatro Aresta Rebelde – support to the national meeting of Performing Arts Courses;
- Associação Empresários pela Inclusão Social (EPIS) – Educational project for social inclusion, programme “Mediators for academic success”. In 2019, the programme was extended to a greater number of locations, reaching a higher number of students. Within the scope of this programme, EPIS, in the wake of the European Year of Cultural Heritage, organized a visit to the Archaeological Nucleus of Rua dos Correeiros (NARC) for the 50 top students of the 3rd cycle;
- Fundação Dr. António Cupertino de Miranda – support to the 8th edition of the Financial Literacy project “No Poupar Está o Ganho”, (When you save, you gain) a project to increase the pre-school, basic and secondary student’s awareness on the importance of money, thus contributing for the acquisition of skills on this theme; The project involved , in 2019, 5.871 students, 275 classes and 286 teachers from 34 municipalities from the north of Portugal;
- Municipality of Pedrogão Grande –support to “+Future”, a project focused on three aspects: Education and Citizenship, Road Safety and Sustainability. It is based on the approach of contents in schools (1st cycle) located in the municipalities of Castanheira de Pêra, Figueiró dos Vinhos and Pedrogão Grande;
- MoneyLab: Financial Education Labs – roadshow the purpose of which is to fill gaps regarding the misinformation that young people have on financial literacy, especially high-school students from private and public schools. The project contemplates 10 Portuguese districts: Aveiro, Braga, Castelo Branco, Coimbra, Évora, Leiria, Lisboa, Porto, Setúbal and Viseu. Around 2,000 children took part in this project in 2019.



Finally, in the area of Social Solidarity, the Foundation provided aid to actions carried out by different entities, aiding in several areas, such as infancy/adolescence, poverty and disability, namely:

- Portuguese Food Bank – support to food collection campaigns;
- AESE Business School – Programme GOS (Management of Social Organizations) – a program developed by means of a partnership established with ENTRAJUDA. The program intends to provide management training to leaders of entities from the social economy sector, namely non-profit organizations, in order to provide a response to training needs in management areas. 2 editions of GOS are held every year, one in Lisbon and one in Porto;
- APSA – Associação Portuguesa de Síndrome de Asperger (Portuguese Association of the Asperger Syndrome) – support to the program “Employability”, for young people/adults with Asperger Syndrome (SA), over 18 years of age; its purpose is providing them with the skills for inclusion in the social and professional life; This association also received the amount of the award given by Fosun to the Investors Relations Division of Millennium bcp, which delivered the award to Fundação Millennium bcp. This program was able to give jobs to 20 young people, thus contributing for their financial autonomy;
- CERCICA – Cooperative for the Education and Rehabilitation of maladjusted individuals from Cascais – received the amount of the award “Excellent Entrepreneur” granted by Fosun to Millennium bcp, which, on its turn, donated the amount of the award to Fundação Millennium bcp;
- Vida Norte – Associação de Promoção e Defesa da Vida e da Família (Association for the defence of Life and Family) – support to the activities carried out by the institution that helps young mothers in need. In 2019, 10 families received aid for a period of one year;
- Ponto de Apoio à Vida (Support to Life) – help, sheltering and training of teenagers and pregnant women experiencing a fragile economic situation who do not have the conditions to, without help, guarantee the education of their children;
- Associação Portuguesa de Famílias Numerosas (Portuguese Association of Large Families) – support to the 11th edition of the Observatory of the Family Responsible Municipalities”. This project intends to distinguish and disclose municipalities following best practices in family-oriented projects. In 2019, it had the participation of 141 municipalities and distinguished 77;
- Fundação Portuguesa de Cardiologia – Support to the Month of the Heart which took place in May;
- Associação Terra dos Sonhos (Association Dreamland): “Bolsa com sonhos” – support to the accomplishment of a child’s dream or of young people in situations of illness or risk;
- Cáritas Diocesana de Setúbal – support to young pregnant women and /or young women victims of maltreatment;
- FAMSER – Associação de Apoio Famílias Desfavorecidas – Projeto GPS – Gerar, Percorrer e Socializar, a specialized residential foster home located in Castro Verde, capable of assisting 30 young people, between 12 and 18 years old;
- Acesso Cultura – support to the website “*Cultura Acessível*” that gathers information on the cultural programs accessible to disabled persons (interpretation of Portuguese sign language, audio-description, tactile materials, etc.). This project was recognized by the Ministry of Culture as being a cultural interest project. In 2019, were disclosed initiatives that took place in 10 districts of Portugal (4 more than in 2018). The website recorded 3585 users, 83% in Portugal, and the remaining in USA, Brazil and France.
- Critical Concrete – attribution of a scholarship to attend the summer school of the social and sustainable building social educational program;
- Associação de Doentes com Lúpus (Association for Lupus patients) – support to activities;
- Teatro Nacional D. Maria II (TNDM II) – support for the transportation of school groups from the several teaching levels (pre-school, elementary, secondary, superior and senior) to the TNDM II with the purpose of giving the students living outside Lisbon the possibility of attending the shows and activities promoted by the Theatre;
- Associação de Desenvolvimento Comunitário do Funchal (association for the development of the community of Funchal) – support to the edition of the book “Perdoa se me Esqueci”, the revenue from which is to be used in favour of the Association (provides support to children with trisomy 21);
- BUS Association – Social Utility Assets: support for the development of its activities which consist in the collection of useful goods, forwarding them to individuals/families in need.

Suppliers

At Millennium bcp, the Supplier selection process follows criteria of overall competence of the company, functionality, quality and flexibility of the specific solutions to be acquired and continued capacity of service provision. In all the Group's operations, it is given preference to purchasing from Suppliers of the respective country, registering 91.4% in payments to local suppliers.

The Bank's main suppliers are companies that publish their economic, environmental and social performance, assuring a responsible purchase of goods and services.

Since 2007, the BCP Group, namely in Poland and Portugal, includes, as an attachment to the agreements it establishes with suppliers, the Principles for Suppliers which include several aspects, such as compliance with the law, good environmental and labour practices, including human rights and the application of those principles in the engagement of third parties.

BCP conducts assessments of its suppliers, through the application of a performance questionnaire which includes parameters related to the level of compliance with the Supplier Principles. In 2019, suppliers were subject to continuous monitoring.

Within the scope of the monitoring, Millennium bcp's suppliers are subject to a permanent evaluation process, based on: i) the relationship they maintain with Technical Competence Centres; ii) performance assessment actions and the identification of areas for improvement; and iii) on existing decision-making processes to execute investments and renew contracts.

In Portugal, Millennium bcp participates in the Commitment to make Timely Payments from ACEGE, an initiative that intends to encourage the timely payment to suppliers, being an ethical exercise, which contributes not only for the entrepreneurial success but also to enhance the economy's competitiveness. The ratio payment deadline/agreed deadline in Group BCP is 1.

Millennium bcp is a subscriber of the Charter of Principles from BCSD Portugal - Business Council for Sustainable Development. This document establishes the principles that are the guidelines for good corporate management, enabling the subscribing companies to be recognized by their clients, suppliers and by the society in general for the adoption of solid sustainability commitments.

The Charter encourages subscribers to go beyond legal compliance, adopting rulings and practices recognized and in line with management, ethical, social, environmental and quality standards in any context of global economy.



Environmental Impact

Environmental Responsibility

The BCP Group, in compliance with its digital and technological strategic goals, develops a sustainability strategy that incorporates and promotes a culture of environmental responsibility and fight against climate changes.

The rationalization in the consumption of energy, water and materials, based on a rationale of dematerialisation of processes, protection of the environment and preservation of natural resources is one of the key objectives of the environmental policy of BCP (document available for consultation at the Sustainability area of the Bank's website):

https://ind.millenniumbcp.pt/pt/Institucional/sustentabilidade/Documents/Politic_Ambiental.pdf.

The Bank regularly monitors a series of environmental performance indicators which measure its main consumption in Portugal and in the subsidiary companies abroad. Globally, Group BCP continues to invest in eco-efficiency measures, optimisation of processes, focus on renewable energies, investment on new equipment and on awareness initiatives addressed to its Employees targeted at the adoption of environmentally responsible behaviours.

Apart from the monitoring of the environmental indicators, BCP has an area in charge of the business continuity management that identifies the risks related with climate changes and the incorporation of standard policies and of defined procedures in order to ensure the Bank's ongoing activity in case of natural disasters able of discontinuing it. The Bank also manages indirect environmental risks, during the credit and project finance evaluation and granting process and is able to carry out environmental impact studies, in accordance with the applicable legislation in effect.

BCP ensures, on a regular basis, the follow-up of initiatives carried out in all countries where it operates, in view of its local circumstances, and monitors several indicators which enable it to measure its environmental efficiency and impact concerning its main resources consumption - water, energy and materials - and associated production of emissions and waste.

In 2019 the Bank defined its Sustainability Master Plan 2021, with the objective of enhancing the creation of value at the economic, social and environmental level. The plan's lines of action are Sustainable Management and Financing (Economic), Positive Impact on People and on the Community (Social) and Sustainable Operations (Environmental). In terms of environment it includes 12 specific actions aimed at containing global warming (Paris Agreement) and minimising the operation's environmental impact. Among these measures, we may point out the definition of targets to reduce emissions in accordance with the *Science Based Targets Initiative*; and the goal "zero paper", a consequence of the ongoing increase in scanning and reduction of prints.



MAIN MEASURES TO REDUCE THE ENVIRONMENTAL IMPACT

Operating efficiency

Installation of LED lighting

The Bank equipped the garages of Taguspark with LED lights. The Bank has also equipped the commercial network with LED lights whenever intervention/remodelling work is carried out in the branches.

In Poland, the bank began, in 2019, to replace the bulbs by LED lights and automated lighting in order to reduce the consumption of energy at the premises of Bank Millennium.

Solar energy plant at Taguspark

In 2019, the plant in Taguspark, with 1 MW of power, enabled to generate 1066 MWh of energy for self-consumption, cutting CO₂ emissions by 612 tons since it began operating.

Monitoring of energy and water consumption

In 2019, the Bank initiated the pilot scheme consisting in the regular monitoring of electricity and water consumptions in a building in TagusPark. This initiative enables to closely monitor variations in consumptions and act swiftly on any anomaly, avoiding excessive consumptions and consumption costs. In 2020, the Bank intends to extend this environmental management tool to the remaining buildings of TagusPark.

Environmental Awareness

Internal environmental communication campaign

The Bank pursued its internal campaign by resorting to environmental communication to foster decrease in the consumptions of electricity, water and paper by adopting practices based on the rational use of those resources. This initiative contributes not only to improve environmental performance but also serves to optimise operating costs and strengthen the organization's environmental commitment.

Informing the heads of the organizational areas of the respective consumption of paper (prints) and of ink and toner cartridges.

Environmental volunteering actions

In 2019 two significant initiatives in terms of environmental volunteering actions took place. The first consisted in the plantation of trees, resulting from a partnership established with the Municipality of Cascais and involved around 50 Millennium volunteers, allowing the plantation of 400 trees in the Sintra nature reserve. The second consisted in the removal of waste from a beach in the municipality of Cascais, had the participation of 20 volunteers and resulted in the removal of 200 Kg of waste.



Green IT Programme: Reduction in local printing, giving preference to digital tools in the development of software

Aiming at decreasing CO₂ emissions throughout 2019, it was possible to verify the increase use of webcasting platforms. Hence, the level of use of these tools increased 252% and the duration of the sessions around 314% versus the same period in 2018. This performance results also from the phased replacement of Webex by Skype for Business.

In addition, we highlight the continuation of the "GO P@perless" project which focuses on the dematerialisation of operations as a way to innovate and optimise processes, using solutions of electronic production and signing of documents. During 2019 the Bank was able to save 1.692.337 prints of cashier transactions, corresponding to 6.5% less prints made using the Branch's equipment if compared with 2018, resulting in a monthly savings of 141.028 prints.

In terms of scanning of documents, the figures recorded in 2019 remained stable versus 2018 (36.986.080 scanned documents, representing a marginal decrease of 0.1%). BCP reached total savings of around 6 million BW prints (Central Services + Branches), corresponding to around 17 thousand Euros down in costs with printing and paper.

In total, as a whole, these initiatives enabled saving 42% of the consumer goods from 2013 to 2019.

Use of digital documents such as, for example, the bank statement in digital format in 2019, in Portugal, 72% of the active accounts already had e-statements, a percentage that, in Poland, reached 79%. In Mozambique, the number of accounts with e-statement is 28,622 and in Switzerland of 210.

Millennium bcp, within the scope of its sustainability strategy, subscribed in 2019 the "Engagement Letter for the Sustainable Funding in Portugal", an initiative targeted at contributing for the promotion and development of the financing of Carbon Neutrality until 2050.

Sustainable mobility measures

Incentive to the use of video conference and e-learning instead of travels and use of the train instead of flying, when economically feasible.

In 2019, the Bank signed two important environmental commitments promoted by the Municipality of Lisbon: the "Mobility Pact for the city of Lisbon" (PMEL) and the Commitment "Lisbon European Green Capital 2020 - Climate Action Lisbon 2030", both upholding climate actions and a more sustainable city.



related with an ongoing improvement of the tasks developed by teams, based on lean approaches, contributing to processes with a higher value-added for the client and with direct impact on the sustainability of the operations.

Four Kaizen Committees were held in 2019, ensuring the follow-up and recognition of the best initiatives undertaken by each Department of the Operations Division. A second team building event was also carried out with the purpose of reinforcing team spirit and recognize the performance and participation of the Employees in the Kaizen Program.

During the year 293 initiatives were implemented, of which 8% represent savings in consumer goods (ex. Paper, prints, internal mail seals, among other), reducing costs in around 244 thousand Euros.

Environmental guide for customers and employees and production of a video for advice on how to protect the environment in the workplace in Poland.

In Poland, the Bank replaced most of its car fleet by hybrid cars. This action had the goal of reducing CO₂ emissions associated with the fleet, being projected to avoid emissions of more than 500tCO₂, versus the period of time prior to the implementation of this measure.

The Bank, in the different countries where it operates reaffirmed its commitment towards the implementation and disclosure of the principles of the initiative from the **Global Pact from the United Nations** in what regards Human Rights, Labour and Environment. In Mozambique it increased its support towards the implementation of the objectives of **FEMA - Entrepreneurial Forum for Environment**.

ECOLOGICAL FOOTPRINT

As noted above, BCP Group regularly monitors a series of environmental performance indicators which measure the Bank's eco-efficiency about its main consumption of resources ⁵.

In 2019, the BCP Group saw general improvements in terms of eco-efficiency. The *per capita* indicators referring to energy consumption, emissions, water and material consumption decreased compared to the previous year, as a result of the implementation of eco-efficiency measures, investment in renewable energies, optimization of processes focusing on their dematerialization, but also the awareness of Employees regarding the rational use of resources.

In Poland, the data thereon changed versus 2018, due to the integration of EuroBank in May 2019. Thus, the data regarding energy, water and emissions include the figures from EuroBank, as of October 2019.

The energy consumption in the BCP Group is mostly of indirect origin (electrical and thermal energy), representing 71% of the total energy consumption. In 2019, there was a reduction in the order of 18% in the consumption of direct energy, associated with the consumption of fuels, and a 2% increase in the consumption of indirect energy, resulting from the consumption of electricity. The increase in electricity consumption in the Group is justified by the growth of the Bank, particularly in Poland with the acquisition of EuroBank, with a 5.6% reduction in electricity consumption per capita, on the other hand. to 2018.

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In 2019, 60% of the total of electricity consumed Portugal came from renewable origins.

⁵ The environmental performance of all the Bank's operations was monitored in 2019, namely in Portugal, Mozambique, Switzerland and Poland, and the consumptions of previous years were presented within the same geographical scope in order to ensure an effective comparability of the results

With regard to domestic activity (Portugal), in 2019, Millennium bcp ensured the fulfilment of its annual goal of reducing energy consumption (~4%), having reduced energy consumption in Portugal (electricity and fuels, including natural gas) by 12% compared to 2018.

Within the scope of the commitment of adjusting to climate changes, BCP estimates every year the Group's carbon footprint in order to be able to contribute to reducing the emissions of Greenhouse Gas Emissions (GEE). Every year, the Bank participates in the CDP (Carbon Disclosure Project), and kept its Classification B, Management band in 2019.

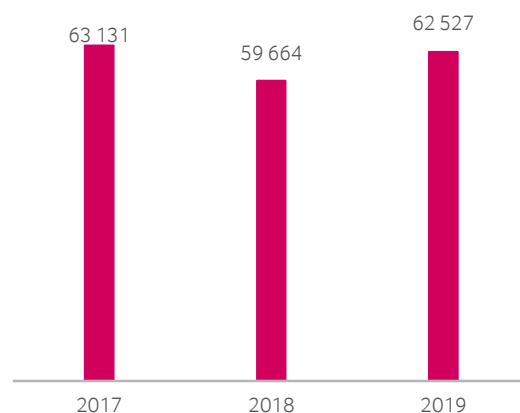
In 2019, in global terms, the Group recorded a 5.1% reduction in emissions per capita compared to 2018, corresponding to a slight increase in absolute GHG emissions associated with the Group's banking activity of approximately 0.2% compared to 2018, the result of growth in Poland.

In 2019, globally, emissions associated with fuel consumption (scope 1) decreased by 16% when compared to the previous year, reflecting the decrease in consumption of natural gas in Portugal. Emissions associated with the consumption of electricity / heat (scope 2) registered an increase of 4%, and emissions associated with mobility in service (scope 3), registered an increase of 11%, mostly attributable to the increase in emissions associated with travel. by plane, partly related to the EuroBank acquisition process in Poland.

With regard to domestic activity (Portugal), Millennium bcp presented a 3.7% reduction in its GHG emissions compared to 2018, falling short of the goal of reducing CO2 emissions (-7%).

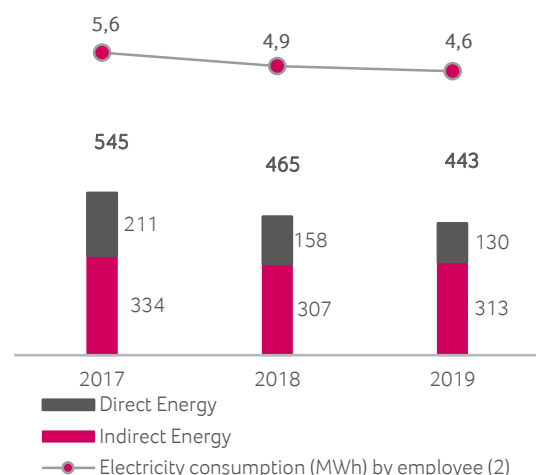
In Portugal, direct emissions decreased by 27% compared to the same period last year. Indirect emissions associated with electricity consumption increased by 19% over the previous year, while indirect emissions associated with missions in service (scope 3) also registered an increase of around 15%, due to a refining of the clearance of emissions associated with air travel.

Electricity consumption⁽¹⁾ (MWh)



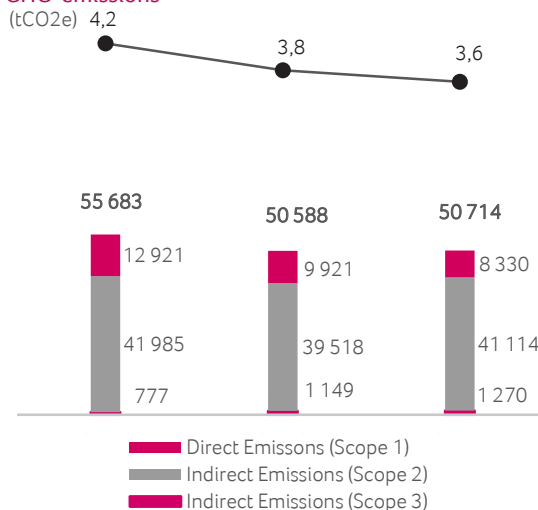
⁽¹⁾ Does not include the cogeneration plant and data center in Portugal, neither energy consumption in Mozambique.

Total energy consumption - GRI 302-1⁽²⁾ (Tj and Mwh/colaborador)



⁽²⁾ Includes the cogeneration plant in Portugal, excludes the data center in Portugal and data from Mozambique.

GHG emissions⁽³⁾ (tCO2e)



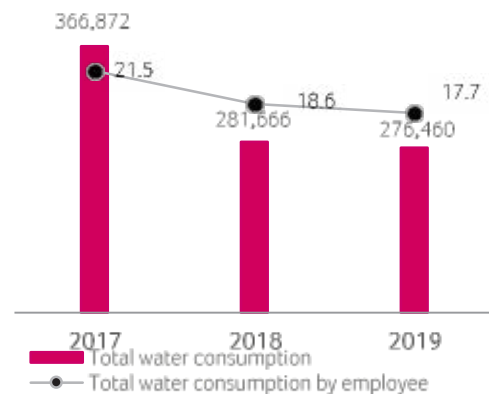
In terms of consumption of consumables, in global terms, the BCP Group recorded a reduction of 1% in the consumption of its main materials (paper and cardboard, plastic and ink / toners) compared to the previous year, as a result of the implementation of optimization measures and dematerialization of processes.

The most consumed materials in terms of weight and quantity continue to be paper and cardboard, which, in global terms, decreased by 1% compared to 2018, as a result of the dematerialization initiatives that have been implemented in all geographies. Toners and ink cartridges also decreased by 42%, as a direct result of measures to encourage non-printing and digitization.

Also, in Portugal, in 2019, the trend of decreasing consumption of materials was maintained, with a 9% reduction compared to the previous year, which narrowly failed to reach the established annual target (-10% of consumption materials). It should be noted that the A4 and A3 paper used by the Bank has a European Union Eco-label environmental certification, which ensures a responsible paper production process.

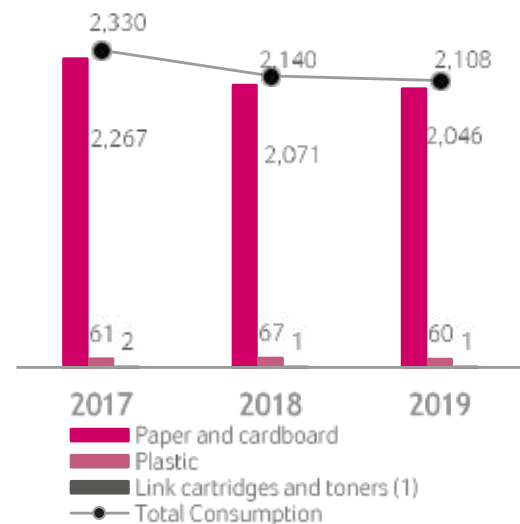
Further details on the information reported in this chapter - Responsible Business -, in particular calculation criteria, the table of Global Reporting Initiative (GRI) indicators and correspondence with the Global Compact Principles, are available for viewing on the Bank's Institutional website, at www.millenniumbcp.pt, under Sustainability.

Water consumption (4) (m3)



¹⁴⁾ Change in methodology, applied to all years (average unit cost of 4.93€/m3). Does not include Mozambique. Includes data from EuroBank since October 2019.

Materials consumption(5) (t)



¹⁵⁾ Does not include data from EuroBank.