

SUSTAINABILITY

REPORT

2019



ana_cidra e 35 outras pessoas
mbcp Nesta Giving Tuesday
associacao_acreditar um conjunto
ajudar a dar cor à esperança. Acredite
#givingtuesday #givingtuesdaypt
associacao_acreditar Muito obrigada

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SUSTAINABILITY REPORT 2019

Millennium
bcp

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Miguel Maya
Presidente da Comissão Executiva
Vice-Presidente do Conselho
de Administração



Nuno Amado
Presidente do Conselho
de Administração

Joint Message of the Chairman of the Board of Directors and the Chairman of the Executive Committee

Millennium bcp's strong commercial activity in the communities we serve in the different geographies in which we operate, was reflected in a 29% growth in business volumes and a consolidated net profit of 302 million euros in 2019. , despite the impact of 86.9 million euros of non-recurring items.

Consolidated pretax profit in 2019 grew 12.4% compared to 2018, reaching a 627.3 billion euros. Pretax profit in Portugal grew 79%. During the year, the bank improved the quality of its balance sheet through a significant reduction in Non Performing Exposures (NPEs), and remained one of the most efficient banks in Portugal and the Eurozone with a cost-to-core-income ratio of 49%.

The improvement in 2019 of Millennium bcp's financial position in terms of balance sheet quality and efficiency, the bank's appropriate capital structure, with a CET1 ratio of 12.2%, clearly above regulatory requirements, and comfortable liquidity position, with a loan-to-deposit ratio of 86% at the end of the year, all contribute to enhancing the sustainability and resilience of the bank's business model.

The bank's consistent performance has been accompanied by a steady strengthening of customer confidence, which translated into an increase of 705,000 customers, including customers from Euro Bank in Poland after its successful integration with Bank Millennium, and 141,000 additional customers in Portugal. The year was also characterized by strong growth in the number of digital customers, with emphasis on mobile customers who now represent 40% of the group's customer base.

But since we maintain - today and always - our strong commitment towards sustainability and to business practices that are ethical, inclusive and responsible, in 2019 Millennium bcp was involved with people, society and local communities in the geographies where it is present, striving for the continued creation of social value and the protection of the environment.

We continued, through the Millennium bcp Foundation, to provide support to culture, sponsoring events addressed to diverse target audiences, organizing themed exhibitions to share, in an accessible manner, the bank's art collection, disclosing and recognising creative merit and contributing to the recuperation of historical heritage, including buildings and museums.

Education, science and investigation are the areas where Millennium bcp Foundation is present through its active and consistent policy of support for multidisciplinary projects and initiatives that stand out because of their innovative features, their social and environmental impact, and for their ability to bring value to society.

In social aid, we reinforced, in all the countries where we operate, Millennium's commitment to the mostneedy and vulnerable persons. In Portugal we continued our long-standing partnership with the Banco Alimentar food bank, participating in in the regular campaign for the collection of food at a national level. As is customary, many volunteers from Millennium bcp contributed their time, and many also took part in in internal initiatives to support charitable institutions such as the Make-A-Wish Foundation, ReFood or the Acreditar Association.

In Mozambique, special emphasis is given, within the context of the Social Responsibility Program “Mais Moçambique pra Mim”, to the bank’s participation in the recuperation of the Paediatric Emergency Services of the Hospital Provincial de Tete, the offer of a well to the population of Namialo in Nampula, providing access to drinking water, and the reconstruction of the 3 de Fevereiro Elementary School in Búzi, destroyed by cyclone Idai. In Poland, highlights include “Milantrop”, a corporate volunteering program that aided charitable projects involving more than 500 volunteers and benefiting about 10,000 persons. In Angola, a highlight was LOGOS – Geração com Valor”, a social transformation project that provides daily support to around 2,000 children and youths from the poorest communities.

In terms of the commercial performance it develops in the markets in which it operates, the bank continued to support families, entrepreneurs, managers and investors by providing them with sustainable credit solutions that are appropriate to their financial needs and capacities, both at the individual and corporate levels. In terms of accessibility, Millennium offers integrated platforms and innovative electronic banking functionalities for the digital marketing of products and services, which represent a major contribution to inclusive banking, a hallmark of Millennium bcp across its various operations.

Given that the global context that continues to be characterized by a swift transformation of the banking relation and of the channels that support it, the Millennium bcp Group continues to consider improving the levels of financial literacy as a priority. Programs with public recognition, such as “Financial ABC” in Poland, addressed to children of pre-school age which has already provided knowledge to more than 53,000 children at a national level, the “Banking Olympics” in Mozambique addressed to young people in middle school, already in its 10th edition, or the Money Lab - Laboratórios de Educação Financeira in Portugal, for high-school students, are examples of initiatives the Bank has developed over the years to boost the financial knowledge of citizens, especially among youths. These programs focus on the importance of a universal adoption of appropriate banking behaviours and of a more informed and clear decision-making.

Concerning microcredit, the Bank continues to promote entrepreneurship and self-employment and this type of lending has been broadly disclosed to entities involved with vulnerable segments of the population as an instrument to fight unemployment and social exclusion, enabling the creation, in 2019, of 368 jobs. Since 2005, Millennium has supported the creation of to more than 7,000 jobs resulting from projects funded by our microcredit.

Another highlight, in the context of equal opportunity, diversity and inclusion, is the investment made in the training and personal and professional development of the bank’s employees, a priority reaffirmed with determination in the bank’s strategic plan for 2018-2021. Millennium bcp is a bank committed to gender equality, with noteworthy initiatives to support women during their pregnancies as well as parenting, together with a balanced work/family ratio which are being implemented on a continuous basis and justified the inclusion of the bank, for the first time, in the Bloomberg Gender-Equality Index.

Concerning our environmental performance, we developed the Sustainability policy that incorporates and promotes a culture of responsible consumption and investment, with the goal of keeping a consistent reduction of the ecological footprint as a way to protect the environment, conserve natural resources and fight against and adapt to climate change. As a result, the group was able to reduce its consumption of water in 2019 (-1.8% vs. 2018), and production of waste (-8.9% vs. 2018), and stabilized greenhouse gas emissions (not including the credit portfolio) at around 50,000 tons of CO₂. The bank also signed the “Mobility Pact for the City of Lisbon” and the “Lisbon European Green Capital 2020” commitment, initiatives promoted by the Municipality of Lisbon and by the World Business Council for Sustainable Development, wherein the bank promises to specific actions targeted at improving and transforming mobility in the capital, making it more sustainable.

Within the scope of the “Think Tank on Sustainable Financing in Portugal”, promoted by the Ministries of Environment, Economy and Finances within the context of the Path to Carbon Neutrality in 2050, we signed the “Engagement Letter for Sustainable Financing in Portugal”, recognising the importance of including environmental, social and governance risks in the decision-making and risk management processes of the financial sector.

In 2019, after surveying our Stakeholders, we defined the new Sustainability Master Plan 2021, the reference guide for the actions to be carried out in matters related with Sustainable Finance and Corporate Responsibility over the next two years.

Finally, Millennium bcp remains committed to complying with the 10 Global Compact Principles of the United Nations which it signed in 2005, and has been encouraging and investing in measures related to human rights, labour practices, protection of the environment and in the accomplishment of the Sustainable Development Goals of the Agenda 2030.

Through its responsible business practices, the bank plays a leading and distinctive role in all countries where it operates, contributing to the well-being of people and the economic development and improvement of living conditions, the protection of the environment and the fight against climate changes.

In 2020, given the context of increased complexity and uncertainty because of the impact of the Covid-19 pandemic, Millennium bcp will reinforce its commitment to the future, guaranteeing that, as a bank focused on our customers and on supporting the economy, families and companies, we will actively contribute to overcoming adversities and supporting the balanced and sustainable development of the communities that in which we live and that we serve.



Miguel Maya

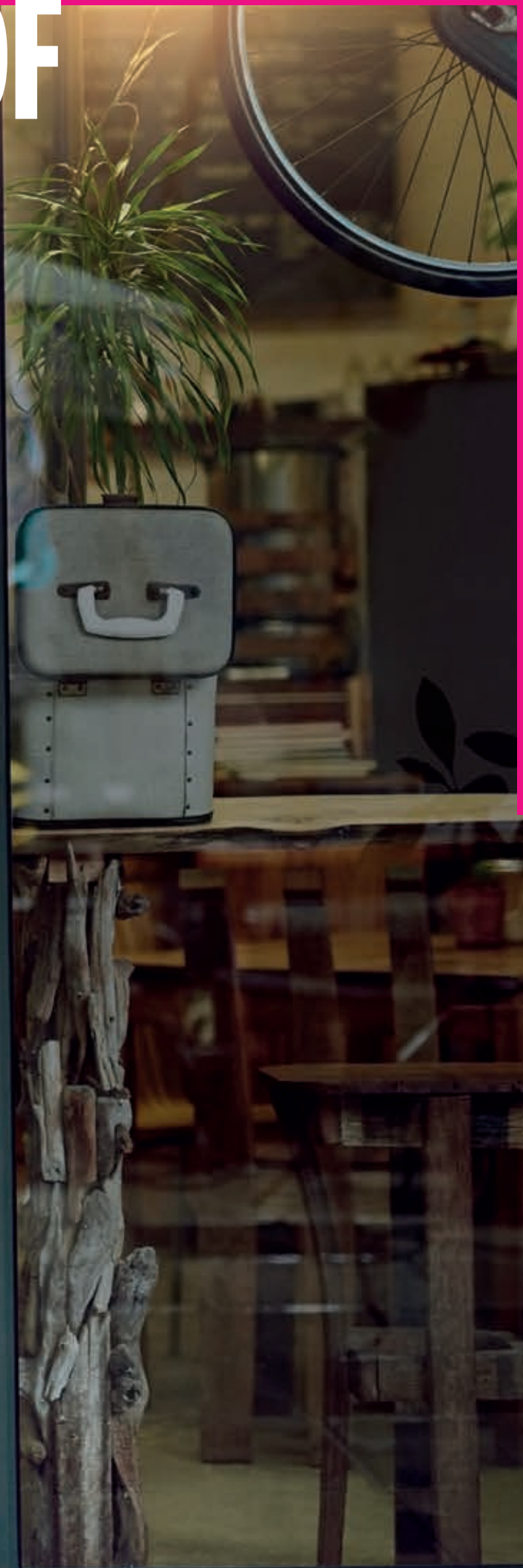
Chairman of the Executive Committee
Vice-Chairman of the Board of Directors



Nuno Amado

Chairman of the Board of Director

SUMMARY OF INDICATORS



MAIN INDICATORS

KEY INDICATORS (1)

	Unid.	2019	2018	2017	2016	2015	Var. % 19/18
CUSTOMERS							
Total of Customers	Thousands	6 617	5 827	5 429	5 482	5 557	13.6%
Number of Active Customers (2)	Thousands	5 598					
Interest paid on deposits and interbank funding	Million euros	301	327	343	362	603	-7.9%
Claims registered (3)	Number	136 562	108 244	76 918	72 498	79 108	26.2%
Claims resolved	Percentage	92.2%	99.3%	97.7%	93.2%	97.2%	---
ACCESSIBILITIES							
Branches	Number	1 536	1 101	1 120	1 163	1 342	39.5%
Activity in Portugal		505	546	578	618	671	-7.5%
International activity		1 031	555	542	545	671	85.8%
Branches opened on Saturday		143	122	118	112	144	17.2%
Branches with access conditions to people with reduced mobility		875	866	800	828	978	1.0%
Internet	Users number	2 214 885	1 980 905	1 665 987	1 700 114	1 541 811	11.8%
Call Center	Users number	431 169	429 982	353 003	261 620	273 610	0.3%
Mobile banking	Users number	2 601 401	2 106 289	1 520 378	1 268 804	929 401	23.5%
ATM	Number	2 988	2 952	2 950	2 965	3 115	1.2%
EMPLOYEES							
PORTUGAL EMPLOYEES	Number	7 204	7 095	7 189	7 333	7 459	1.5%
Breakdown by professional category	Number						
Executive Committee		28	28	28	26	34	0.0%
Senior Management		221	178	150	146	171	24.2%
Management		2 157	1 728	1 642	1 669	1 702	24.8%
Commercial		10 664	9 446	9 424	9 453	10 406	12.9%
Technicians		4 388	3 682	3 531	3 459	3 609	19.2%
Other		1 116	1 027	1 061	1 167	1 330	8.7%
Breakdown by age	Number						
<30		3 350	2 393	2 235	2 225	3 029	40.0%
[30-50[10 648	9 318	9 498	9 820	10 673	14.3%
>=50		4 583	4 350	4 103	3 875	3 550	5.4%
Average age	Years	41	41	41	41	38	0.0%
Breakdown by contract type	Number						
Permanent		16 840	14 685	14 668	14 876	15 904	14.7%
Temporary		1 681	1 376	1 168	1 044	1 035	22.2%
Trainees		453	339	208	0	313	33.6%
Employees with working hours reduction	Number	254	215	187	202	153	18.1%
Recruitment rate	Percentage	12.5%	12.3%	9.7%	8.2%	7.3%	---
Internal mobility rate	Percentage	16.3%	16.6%	18.5%	18.0%	16.4%	---
Leaving rate	Percentage	11.9%	11.0%	10.3%	9.1%	10.0%	---
Free association (5)	Percentage						
Employees under Collective Work Agreements		99.7%	99.7%	99.6%	99.6%	99.5%	---
Union Syndicated Employees		76.9%	78.6%	78.5%	78.9%	72.0%	---
Hygiene and safety at work (HSW)							
HSW visits	Number	184	159	376	194	180	15.7%
Injury rate	Percentage	0.0%	0.0%	0.0%	0.0%	0.0%	---
Death victims	Number	-	0	1	0	0	---
Absenteeism rate	Percentage	4.8%	4.3%	4.2%	4.0%	3.6%	---
Lowest company salary and minimum national salary	Ratio	1.3	1.3	1.1	1.9	1.7	4.8%
ENVIRONMENT							
Greenhouse gas emissions (6)	tCO ₂ e	50 714	50 588	55 683	59 864	58 439	0.2%
Electricity consumption (7)	MWh	65 989	59 664	63 131	68 055	76 513	10.6%
Production of waste	t	617	677	605	555	1 180	-8.9%
Water consumption (8)	m ³	276 460	281 666	366 872	372 409	229 012	-1.8%
SUPPLIERS							
Time of payment and time contractually agreed, in Portugal	Ratio	1	1	1	1	1	0.0%
Purchase from local suppliers	Percentage	91.4%	92.2%	86.4%	91.7%	92.8%	---
DONATIONS							
	Million euros	2.1	2.0	1.9	1.7	2.0	4.2%

(1) Data for 2016 na 2017 does not include Angola, whose operation ceased to be fully consolidated, being classified for accounting purposes as a discontinued operation in 2016.

(2) Primary holders with at least 1 product with a balance > 50 cents, in absolute value and with card transactions in the last 90 days, or holding financial assets ≥ 100 euros.

(3) It includes a structural change effect in the complaint handling process at Bank Millennium Poland, aiming at improving the Customer experience by optimizing the immediate treatment.

(4) Employees information (and not FTE) for: Portugal, Poland, Mozambique and Switzerland.

(5) The value reflects only operations where the regimes are applicable. Collective work agreement: Portugal and Mozambique. Syndicate: Portugal and Mozambique.

(6) Dados não incluem Moçambique desde 2015.

(7) Data include electricity from public grid. Does not include the cogeneration plant in Portugal neither energy consumption in Mozambique since 2015.

(8) Data does not include Mozambique neither Switzerland since 2015.

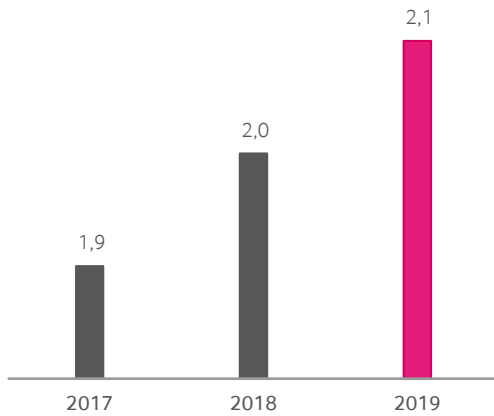
MAIN HIGHLIGHTS



Main highlights

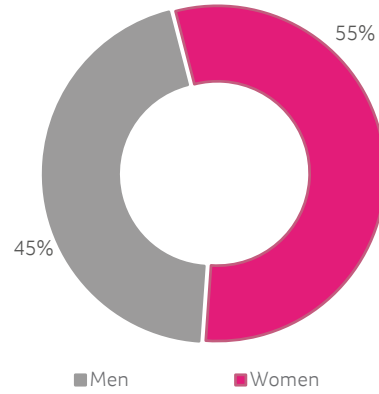
Donations

(Million euros)



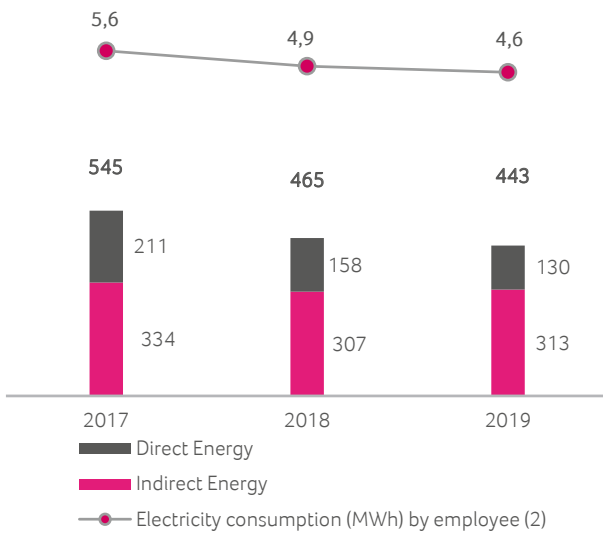
Breakdown by gender

(Percentage)



Total energy consumption ⁽¹⁾

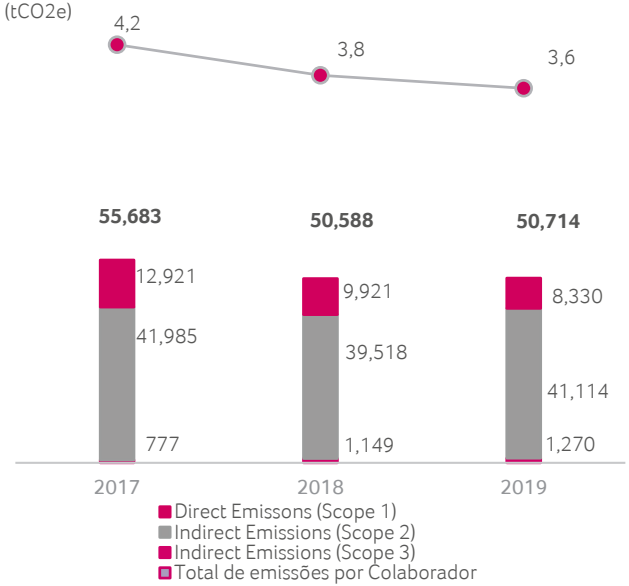
(Tj and Mwh/colaborador)



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

GHG emissions*

(tCO2e)



^(*) Greenhouse gases. Mozambique is not included.

INTRODUCTION



Introduction

Banco Comercial Português publishes every year, since 2004, Sustainability Reports in accordance with the GRI (*Global Reporting Initiative*)

Material issue: REPORTING AND COMMUNICATION

Sustainability Report

These reports, already in their 16th edition, are a complement to the non-financial information included in the Annual Report of the Bank and enable an integrated vision of the performance of Group Millennium in the Economic, Social and Environmental Areas but also the detail relating to each one of its operations located in Portugal, Poland, Switzerland and Mozambique.

Relating to the formats adopted and after the issue of autonomous Reports from 2004 to 2008, the Bank decided, in 2009, to include in Volume I of the Annual Report a brief chapter on the activities carried out by Millennium in the wake of Sustainability and to publish the full version of the Sustainability Report only in digital format.

In 2010, to translate the alignment of the sustainable development and social responsibility policies with the business strategy of Millennium bcp, this Report became part of the Annual Report. The document Progresses and Targets was also published, a report that describes the development stage of the actions envisaged in the Sustainability Master Plan of the year it reports to. This reporting method adopted in 2010 continued to be used in 2011 and 2012.

In 2013, Millennium bcp decided to include a chapter - Responsible Business - on Sustainability in the Bank's Annual Report and it published again - in a separate and independent volume only available in digital format - a document detailing the activities developed during the year by the BCP Group, which it continued to do until 2016.

The report concerning 2017 and 2018, already made in accordance with DL 89/2017 of 28 July, regarding the mandatory annual disclosure of non-financial information and information on diversity by certain large companies kept a dual format based on the summary information included in the Annual Report - Non-financial Statements - and on the detailed information included in the Sustainability Report, a format that the Bank decided to continue to adopt in this report concerning 2019.

This document, with an international scope, intends to comply with the expectations of the Stakeholders of the BCP Group identified by means of the materiality tests made regularly and of the ongoing feedback received through the platforms, channels and available communication flows.

This report was made in accordance with the principles set forth by the GRI (Global Reporting Initiative), for the option "in accordance core" and respective supplement of the financial sector, the principles of inclusivity, materiality and responsiveness of the Standard AA1000APS (2008) and verified by an external entity in compliance with the principles defined by the International Standard on Assurance Engagements 3000.

The scope and methods to estimate the reported indicators and reporting limits are detailed at the end of the report - under Methodology -. The information additional to the one reported, the table of indicators GRI and the compliance with the Global Compact Principles are available for consultation at [em www.millenniumbcp.pt](mailto:em.www.millenniumbcp.pt), Sustainability area.

This Report, together with the [Annual Report of Millennium bcp](#), the [CSR Report of Bank Millennium](#), with the [Annual Report of Millennium bim](#) and with the [Annual Report of Foundations Millennium bcp](#) and Bank Millennium, discloses information on several aspects of the performance of BCP Group in material issues, duly identified in the materiality matrix available in the chapter Relation with *Stakeholders*.

BCP also acknowledges the importance of the Sustainable Development Goals (SDGs) of the United Nations. Considering that the accomplishment of its 17 objectives imply a joint effort from the States and private entities, namely from companies, the Bank assumes the commitment of actively working towards a sustainable development, featured by social inclusion and responsibility in terms of environment, in all countries where it operates.



Hence, the justification for the direct involvement of Millennium bcp in the fulfilment of the SGD must be found, first and foremost, in the matrix of the Bank, especially in its relation of proximity with people and capacity to add social value but also in the search for inclusive and innovative products and distribution channels focused at providing the best service to its clients.

This way, within the scope of an ongoing process with which we intend to establish the relation - and identify the points of convergence - between the Bank’s activity, its ethical values and corporate culture and the one now set forth by the SGD, this is the moment to identify and characterize the Bank’s contribution for the accomplishment of the objectives and the way Group BCP is matching its value proposal in the different countries to the needs and expectations of the interested parties.

Thus, and throughout this document we identify the SDGs for which the activity of Group BCP mostly contributes.

Sustainability Policy

The BCP Group pursues dynamic strategies adapted to the new challenges imposed by the several interested parties with which it establishes relations. The main objectives of the adopted sustainability policies, which foster a culture of Social Responsibility, has been 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 context, it is possible to divide the Bank's intervention into three major areas of intervention:

- Environment - implementation of measures that foster a fair and inclusive transition into a zero-carbon economic development model, including the incorporation of the environmental component in the Bank’s risk models and in the offer of products and services;
- Social - involvement with both the external and the internal communities;
- Corporate Governance - integration of the principles of sustainability in the Bank’s decision-making processes.

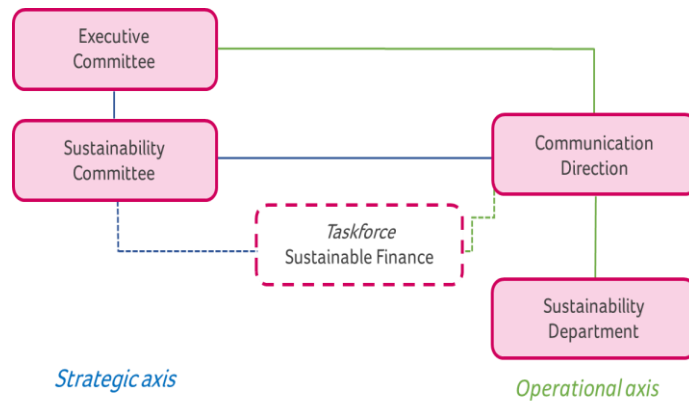
Therefore, as an integral part of its business model, Millennium bcp takes on the commitment to create social value by developing actions to - and with - the various stakeholder groups with the goal of directly and indirectly contribute to the economic and social development of the countries in which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

Governance Model

Millennium bcp recently revised the Bank's governance model, creating a Sustainability Commission ([Regulations of the Sustainability Commission](#)).

This commission, that emanates from the Executive Committee, being chaired by the CEO, is the body responsible for the appraisal, debate and supervision of the implementation, within a corporate standpoint, of a sustainability strategy - that includes the economic, social, environmental, and climate changes components - of Millennium bcp, having the following tasks:

- To assist the EC in integrating the principles of Sustainability (Environmental, Social and Corporate Governance) in the decision and management processes of the Bank.
- To assess and approve the initiatives required to implement the actions defined to materialise the strategic axes of the Sustainability Master Plan in force, as well as other changes or adaptations necessary to meet the defined objectives.
- To follow-up and monitor the progress of approved initiatives, compliance with the respective deadlines and budgets and the evolution of the results achieved, as well as the key performance indicators of the plan's dimensions.



Commitments

In the wake of the subscription in 2005 of the United Nations Global Compact Principles and re-affirmed in 2018, BCP Group commits to support its 10 Principles establishing a set of values in what concerns Human Rights, Labour Conditions, Protection of the Environment and Anti-corruption.

In 2019, within the scope of the "Think tank on sustainable funding in Portugal", promoted by the Ministries of Environment, Economy and Finances (within the context of the Route to Carbon Neutrality in 2050) that had the participation from the major banks that operate in the market, supervisors and sector associations, two documents were produced: (i) "[Guidelines to accelerate sustainable funding in Portugal](#)"; and (ii) "[Engagement Letter for the Sustainable Funding in Portugal](#)" - subscribed by Millennium bcp -, targeted at showing the importance of including environmental, social and governance risks in the decision-making and risk management processes in the financial sector.

The Bank also joined the “Business Mobility Pact for the City of Lisbon”, a joint initiative from the Municipality of Lisbon (CML) and, WBCSD - *World Business Council for Sustainable Development* and from BCSD Portugal, that aggregates in a public voluntary agreement, companies that operate in Lisbon and have as a common goal to improve and transform mobility in the city, making it more sustainable.

For that, Millennium bcp is decided to, within 2 years, (i) increase the proportion of electric and hybrid *plug-in* vehicles in its operational fleet and in those for private use and (ii) keep, for the Employees use, a pool of cars able of being reserved and used as necessary for service travels.

Millennium bcp also subscribed the “European Green Capital 2020 Commitment”, promoted by the Municipality of Lisbon, that joins more than 200 significant entities of the city, companies, schools and institutions, in a commitment towards more climate actions and targeted at sustainability and able of fostering a collective dynamics to comply with the targets defined by the Paris Agreement and accelerate the achievement of Carbon Neutrality

Within this framework, Millennium bcp proposes to achieve, until 2030, the following initiatives:

- #1 Energy - Install LED lighting in all buildings (until 12/2020);
- #2 Energy - Install (more) equipment to produce photovoltaic solar energy in the buildings more exposed to the sun and with enough area for that purpose (until 12/2030);
- #3 Water - Implement solutions enabling re-use water (until 12/2021);
- #4 Circular Economy - Eliminate the plastics that are used only once (until 06/2021);
- #5Citizenship and Participation - Disclose materials from the Green Capital to the employees and/or Clients (until 12/2020).

Within the scope of its Sustainability Strategy, Millennium bcp subscribed the “CEO Guide to Human Rights” an initiative from the World Business Council for Sustainable Development and from the Business Council for Sustainable Development (Portugal). The Guide includes the policies and practices of reference and intends to contribute for the implementation and promotion of the human rights in the organization and in their value chains.



Within the scope of the Commitment with Diversity and Equality of Gender - already translated in the corporate policy “Equality and Non-Discrimination” -, the Executive Committee approved a plan of action regarding gender equality, the implementation of which is regularly supervised by the Human Resources Commission. The initiatives proposed are aggregated in four major pillars, namely:

- Strict application of the Remunerations Policy and promotions, considering criteria of equity in merit versus the group of Employees exercising similar functions, regardless of gender;
- Increased participation of the gender less represented in leading positions in the programs for the development of Leadership competences
- Recruitment of new employees using diversity and wage equality criteria
- and work-life balance support.

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.

In Poland, Bank Millennium adopted an Environmental Policy, assuming the commitment to fund environmentally responsible investments, also aimed at reducing the consumption of energy, while foreseeing sector exclusions concerning the financing to new mines of coal and new investments with generation of energy from coal sources, exception made to the initiatives aimed at reducing the levels of pollution.

Partnerships

BCP, aware of the importance of sharing good practices and of an active participation in the pursue of Responsible Business Principles, is an associate and a member of the corporate bodies of BCSD Portugal - Conselho Empresarial para o Desenvolvimento Sustentável.

It is also member of the Global Compact Network Portugal from the United Nations and, within a logic of proximity and support to the surrounding communities, of the Program Oeiras Solidária (POS).

It also participates in a selected number of work groups and discussion forums on Sustainable Finance, a presence that should be understood within the scope of the Action Plan from the European Union, the ongoing alterations in the ruling and regulatory framework and evolution of the risk and business management practices applicable to ESG (Environmental, Social e Governance) issues, in what also represents an opportunity to re-assess impacts, anticipate trends and project future transformations.

This way, it is part of the Work Groups on Sustainable Finance from (i) APB - Associação Portuguesa de Bancos, (ii) EBF - European Banking Federation, (iii) BCSD Portugal e (iv) AEM - Associação de Empresas Emitentes de Valores Cotados em Mercado.

It is also a member of the (v) Technical Debate Group for Sustainable Financing in Portugal from the Ministry of Environment, (vi) the Technical Sub-Commission on Sustainable Finance ISO/TC 322 da APEE - Associação Portuguesa de Ética Empresarial and from ISO - International Organization for Standardization and (vii) the Task Force on ESG Taxonomy from APB.

2019 MAIN EVENTS



Main Events 2019

Banco Comercial Português carries out, every year, several social and environmental actions and initiatives within the scope of its sustainability strategy and social responsibility policy.

JANUARY

- Volunteers from Bank Millennium, from the region of Kujawsko-Pomorskie, in Poland, equipped the library, promote reading and give lessons on entrepreneurship at the elementary school no.3 in Mogilno.

FEBRUARY

- In a joint initiative with the Municipality of Cascais, more than 50 Millennium volunteers planted 400 trees in Sintra Cascais nature reserve.
- Fundação Millennium bcp support the publisher A+A Books in the production of the Guide on Architecture on the architect Carrilho da Graça. This was the 4th Guide of the collection Guias de Arquitetura 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;
- Attribution of one more Rui Osório de Castro Award/ Millennium bcp by Fundação Millennium bcp, distinguishing the development of innovative projects and initiatives in the area of child cancer.

MARCH

- The Employees from Millennium bcp in Portugal, in a partnership with Associação HELPO and to complement the support given by the Bank, in the amount of 50.000

Euros, collected internally a few tons of essential goods to be donated to people affected by cyclone Idai.

APRIL

- Bank Millennium in Poland was awarded with the “POLITYKA CSR Silver Leaf 2019”, an award attributed to companies that implement Corporate Social Responsibility policies and practices in their daily activities.
- 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.
- The “Financial ABC”, a program of financial literacy from Fundação Bank Millennium addressed to children from pre-school was awarded with the 1st prize at the competition “Golden Banker” under the category “Socially Responsible Bank”.

MAY

- More than 50 Millennium bcp volunteers participated, at a national level, in the food collection promoted by the Food Bank.
- Fundação Millennium bcp supports the ARCO Lisboa - Feira Internacional de Arte Contemporânea Arco, and the holding of the Millennium Art Talks, a program for debating and exchanging ideas on international modern art;

“

*Millennium bcp: a bank committed
with People and with the futur*

JUNE

- Bank Millennium in Poland, one of the leading companies in the management of Corporate Social Responsibility policies and practices, is once again in 2019, part of the top 10 ranking of Socially Responsible Companies of the Responsible Business Forum;
- Bank Millennium, ranked first in the category “Accessibility” (reduction in physical and digital barriers) in the Bank’s Ranking published by Miesiącznik Finansowy Bank;
- Fundação Millennium bcp supports the digital an involving exhibit to celebrate the 25th anniversary of Museum Arpad Szenes - Vieira da Silva;
- Fundação Millennium bcp continues to support the program GOS - Gestão de Organizações Sociais, developed by AESE Business School in a partnership with ENTRAJUDA (Courses 17th and 18th, in Lisbon and Porto).

JULY

- Festival ao Largo, already in its 11th edition, is a yearly initiative that gives the best of opera, ballet and symphonic music shows at Largo de São Carlos, in Lisbon;
- The 5th edition of the financial literacy program "Financial ABC" from Bank Millennium in Poland, addressed to children in pre-school age came to an ed. This program enables providing knowledge to more than 10.000 students from 120 kindergartens located throughout the country;
- Millennium bim in Mozambique, held the 14th edition of the Mini Basketball Tournament, involving more than 2,000 athletes, aged between 6 and 11 years old, from 11 'provinces of Mozambique.
- The exhibit “Abstração”. Share Art Collection Millennium bcp” at the Museum Amadeo de Souza-Cardoso, which was inaugurated within the scope of the Festival Mimo Amarante;

- Millennium bcp, within the scope of its sustainability strategy, subscribed 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.

AUGUST

- Within the scope of its corporate volunteering program, Bank Millennium rehabilitates another elementary school for children with special needs, this time in Moñki, Poland.
- Fundação Millennium bcp supports the 2019 edition of the Festival “Todos-Caminhadas de Cultura”, this year under the theme “Avizinhar o Mundo”, an initiative from the Municipality of Lisbon that promote multiculturalism and dialogue between the different quarters of Lisbon;
- Launching of an innovative service in Portugal that allows opening an account by merely showing the citizen’s card.

SEPTEMBER

- Millennium bim sets-up a library in the Elementary School of Siaia, in the province of Gaza, Mozambique, addressed to more than 3.000 students. This is the result of another volunteering action carried out within the scope of the 10th edition of the Banking Olympics;
- Millennium bim sponsored the first Mozambican Opera, - "O Grito de Mueda" -, which has premiered at the Cultural Centre from University Eduardo Mondlane, in Maputo;
- Fundação Millennium bcp supports the Carpe Diem Art and Research, namely the Contest “Young Art Fundação Millennium bcp 2019” for students of visual arts;
- Fundação Millennium bcp supports the MoneyLab - Laboratórios de Educação Financeira, *roadshow* of financial literacy addressed to high-school students;



A leading bank, at the service of economy, society and families

- Within the scope of its Sustainability Strategy, Millennium bcp subscribed the “CEO Guide to Human Rights” an initiative from the World Business Council for Sustainable Development and from the Business Council for Sustainable Development (Portugal).

OCTOBER

- Millennium bim holds, on the World Savings Day and within the scope of its Social Responsibility program “Mais Moçambique Pra Mim” (“More Mozambique for me”) an action to increase the awareness on saving habits targeted at more than 15 thousand students from 35 schools throughout Mozambique;
- Millennium bim rebuilt the elementary school destroyed by the cyclone Idai, in the district of Búzi, with a fund-raising campaign from clients and employees of the Bank in Mozambique;
- Millennium bim once again supports the 9th Edition of the Solidarity Race Helpo, which was held in several cities of Mozambique.

NOVEMBER

- Confirmation of Millennium bcp in the index of the 200 more sustainable companies in Europe, in accordance with the sustainability index “Ethibel Sustainability Index (ESI) Excellence Europe”;
- Completion of the conservation and restoration works of the Room D. João IV, in Palácio da Ajuda, supported by Fundação Millennium bcp;
- Millennium bcp launches the internal action for the collection of colourful child sticking plasters, painting books and pencils for the children supported by the association ACREDITAR

DECEMBER

- Bank Millennium in Poland was included in the index WIG-ESG of the Warsaw Stock Exchange as a recognition for the work developed in environmental, social, economic and corporate governance issues;
- Fundação Millennium bcp supports, within the scope of Associação World Monuments Fund Portugal - the conservation project of the Jerónimos Monastery.
- Bank Millennium, in Poland, distinguished as “Employer of the Year 2019” for its social benefits, investment in the development of its employees and for its Corporate Social Responsibility;
- Millennium bcp participates, at a national level, with 120 volunteers in the food collection campaign promoted by the Food Bank and held every six months.
- Millennium bcp launches the internal action for the collection of donations “Millennium Solidário – Campanha de Natal 2019”, in favour of the children supported by Fundação Make-A-Wish;
- Millennium bcp subscribes the Business Mobility Pact for the City of Lisbon, a joint initiative from the Municipality of Lisbon and BCSD Portugal, wherein it assumes the commitment to, by means of specific actions, contribute for a more sustainable mobility in the region of Lisbon.
- The Executive Committee of Millennium bcp approves the Sustainability Master Plan 2021, reference framework of the specific, incremental, and transformation actions to be carried out by the Bank in Portugal covering the several components of Sustainability.



*... but also in the preservation of cultural heritage,
In the protection of the environment and
support to local communities.*



RELATION WITH STAKEHOLDERS



Relation with Stakeholders

The 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.

Material issue: **MANAGEMENT OF STAKEHOLDERS**

Identification and integration of expectations

In 2019, a new survey to stakeholders was carried out. This process that involved, through representative sample, the main interested parties, namely (i) Qualified shareholders, (ii) Clients from all Bank's segments, (iii) Employees, (iv) Community, (v) Suppliers and (vi) Media, obtained a response rate of 66%, enabling to update the identification of themes with greater relevance and impact on the Bank's activity, included in the new Materiality Matrix and in the 2021 Sustainability Master Plan.

The strategy of Millennium bcp in terms of Sustainability is translated in the Sustainability Master Plan (SMP), a plan of commitments that aggregates several 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.

After defining in 2009, for the triennial 2010 - 2012 (afterwards extended to 2013), its first SMP in Portugal, the Bank drew up and approved in 2013 the new SMP for the two-year period 2014 - 2015, which was then deemed pertinent to extend until 2018. In 2020, the new SMP 2021 was developed and approved. Its process for identifying material issues included: consultation of stakeholders, consultation and analysis of studies - financial sector trends -; more relevant and frequent issues - Analysts -; SMP Millennium bcp 2018; consultation with the areas directly intervening in the issues included in the Sustainability policies.

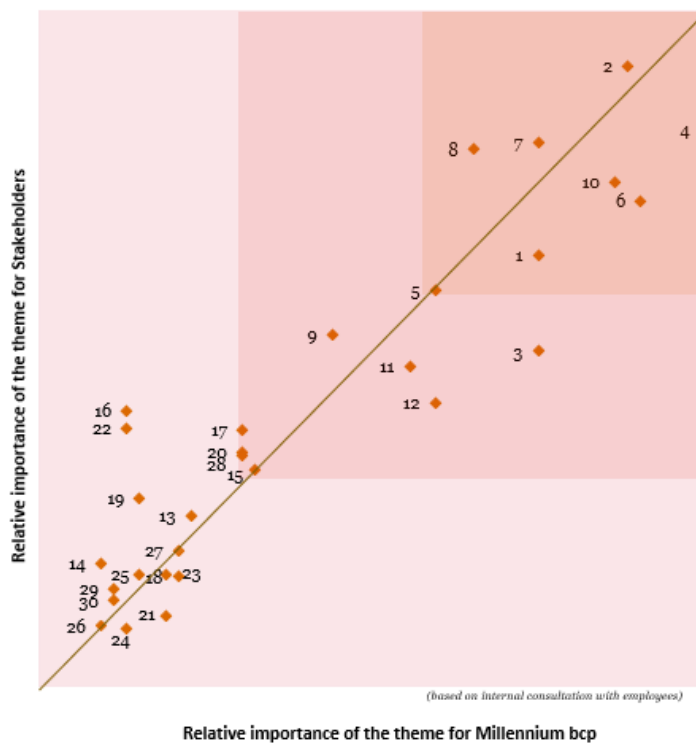
The strategy of Millennium bcp in the wake of sustainability is defined, in all its components, in the 2021 Sustainability Master Plan.

“

The strategy of Millennium bcp in the wake of sustainability is defined in the 2021 Sustainability Master Plan

MATERIALITY MATRIX

Materiality Matrix



- 1 – Sustainability Governance Model
- 2 – Economic performance, business and sustainability strategy
- 3 – Brand and reputation management
- 4 – Ethics and conduct
- 5 – Combating corruption and money laundering
- 6 – Risk management
- 7 – Quality of service, customer satisfaction and ease in filing complaints and complaints
- 8 – Information security and data protection
- 9 – Transparency of information provided to customers about products and services
- 10 – Innovation
- 11 – Development and training of human capital
- 12 – Attracting and retaining talent
- 13 – Diversity and equal opportunities
- 14 – Occupational health and safety
- 15 – Reconciling personal and professional life
- 16 – Respect for Human Rights
- 17 – Investment in the community

- 18 – Corporate volunteering
- 19 – Financial Literacy
- 20 – Climate change, energy efficiency and alternative energies
- 21 – Eco-efficiency
- 22 – Environmental training and awareness (to employees, customers and the community)
- 23 – Products / services with social benefit and support to the business fabric
- 24 – Products / services with environmental benefit
- 25 – Financial inclusion
- 26 – Accessibility conditions for people with reduced mobility
- 27 – Integration of environmental and social criteria in credit risk analysis and investment management
- 28 – Over-indebtedness prevention
- 29 – Responsible supplier management
- 30 – Digital transformation in banking and its impact on sustainability

The identification and the ongoing follow-up of the themes considered material by the Stakeholders of Millennium bcp - as the one carried out in 2019 - 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 Sustainability Master Plan 2021 which, through a close, transparent and consequent relation, intends to face the main expectations identified during the regular surveys made to the Bank's main Stakeholders foresees, in its different aspects, the following initiatives and actions.

Material issue:

STRATEGY AND RESULTS

SUSTAINABILITY MASTER PLAN (SMP) - 2014 - 2021

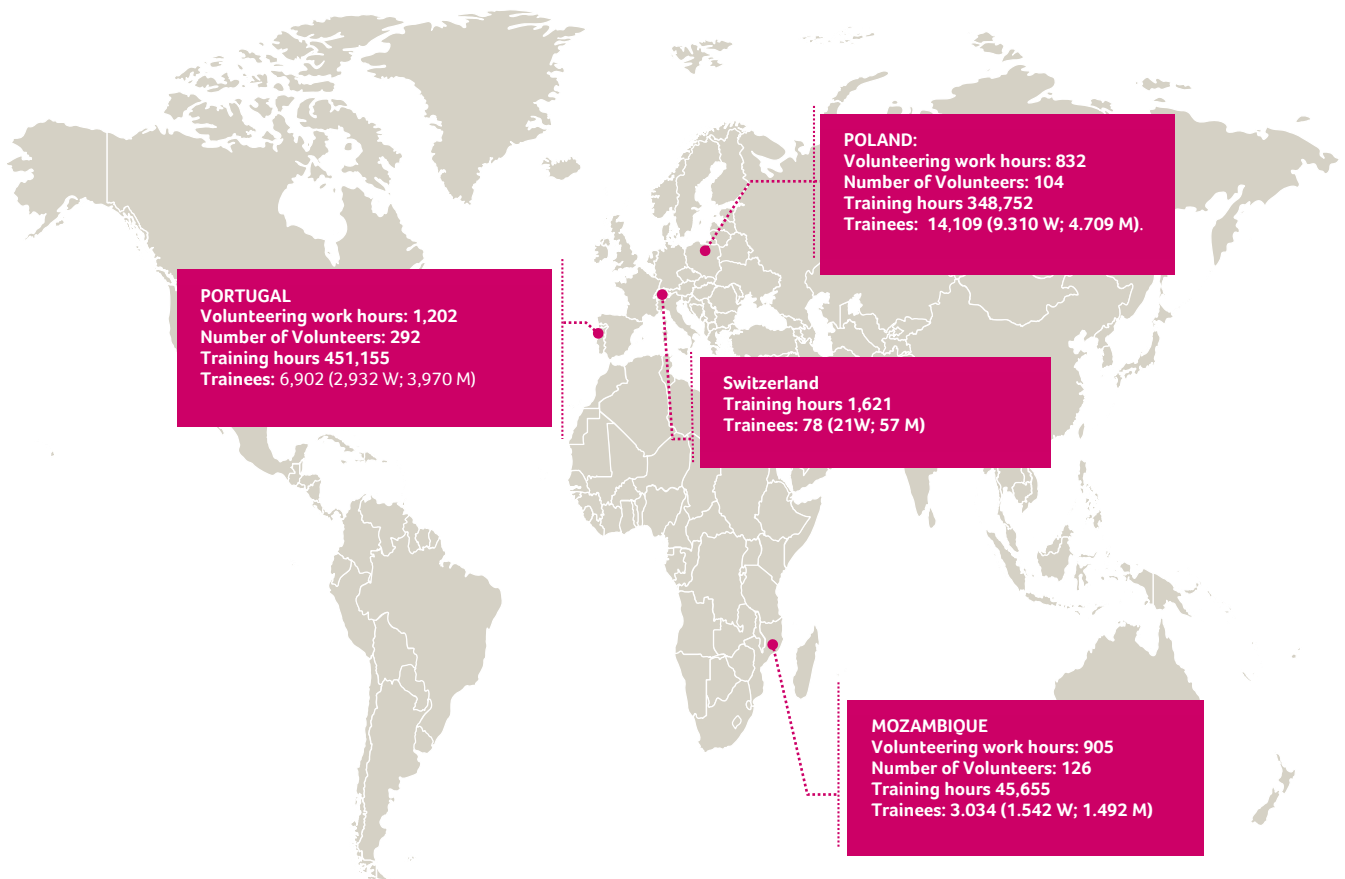
Area	Actions
Governance Model of Sustainability and Corporate Policies	<ul style="list-style-type: none"> - Implement a governance model of the Sustainability Area that allows multidisciplinary action, transversal to the organization, including, whenever justified, the international operations; - Revise and update the Group's corporate policies; - Revise the Group's assessment and remuneration policies.
Training on Sustainability	<ul style="list-style-type: none"> - E -<i>Learning on Sustainability (and Sustainable Finance)</i>.
Management of the brand and reputation	<ul style="list-style-type: none"> - Reinforce the positioning of Millennium bcp in sustainability indexes; - Subscribe to sustainability principles and commitments; - Define the positioning of BCP concerning the SDG; - Include sustainability in corporate events; - Reinforce communication and disclosure of micro credit; - Improve reporting and communication on sustainability.
Risk management, ethics and conduct	<ul style="list-style-type: none"> - Foster a culture of compliance and of a strict management of risk; - Ensure the integration of environmental and social risks in the risk assessment process.
Information Safety and data protection	<ul style="list-style-type: none"> - Guarantee the Employees management and information
Quality of Service and customer satisfaction	<ul style="list-style-type: none"> - Optimize service levels; - Foster a culture of ongoing improvement; - Creation of a Customer Charter.
Responsible Management of suppliers	<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.
Policies and regulations on sustainable financing	<ul style="list-style-type: none"> - Follow up the development of the Action Plan for sustainable finance of the European Commission.
Transparency in the information provided to customers on products and services	<ul style="list-style-type: none"> - Include items on the sustainability of the proposed investments in the communication with clients.
Risk management	<ul style="list-style-type: none"> - Include ESG risks in the 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.
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 products "ESG", that promote the transition of the economy to a sustainable model.
Accessibilities	<ul style="list-style-type: none"> - Improve the implementation of differentiated working schedules for customer servicing; - Improve digital accessibility of clients.
Capture and retention of talent	<ul style="list-style-type: none"> - Support to the adoption of healthy lifestyles; - Improve the mechanisms ensuring a greater proximity between the Employees and top managers. - Development of the balance between work - family.
Volunteer Actions	<ul style="list-style-type: none"> - Making and approval of a Volunteering Policy; - Volunteering program.
Conscious Business Project	<ul style="list-style-type: none"> - Conscious organization.
Human Rights	<ul style="list-style-type: none"> - Analyse and communicate positioning in the human rights risk management.
Financial Literacy	<ul style="list-style-type: none"> - Program of financial literacy; - Implement social and/or environmental awareness actions common to the entire Group;
Investment in the community	<ul style="list-style-type: none"> - Develop campaigns together with non-governmental organizations and charitable institutions to foster a sustainable development; - Reinforce association with Fundação Millennium bcp;

	<ul style="list-style-type: none"> - Reinforce and systematize partnerships with entities that promote and develop Entrepreneurship near local communities; - Develop social responsibility actions; - Measure the impact on the community.
Climate changes, energy efficiency and alternative energy sources	<ul style="list-style-type: none"> - Contribute to limit global warming to 2°C (Paris Agreement).
Environmental performance	<ul style="list-style-type: none"> - Minimize the environmental impact of the operations.

We shall present, in the following chapters, the most relevant initiatives carried out during 2019 together with the results obtained and the performance reached by the Bank in the several material issues identified in the materiality matrix. The 2019 Annual Report presents the performance of the BCP Group in the following issues: Governance Model, Risk Management and Shareholding Structure in the respective sections – Governance (and Corporate Governance Report), Risk Management and BCP Share.

This report, together with the Annual Report ensures, this way, the disclosure of the most relevant information on the performance of the BCP Group in the material issues identified by its main Stakeholders.

MAP WITH ENVIRONMENTAL PERFORMANCE EVOLUTION BY LOCATION





ECONOMIC RESPONSIBILITY



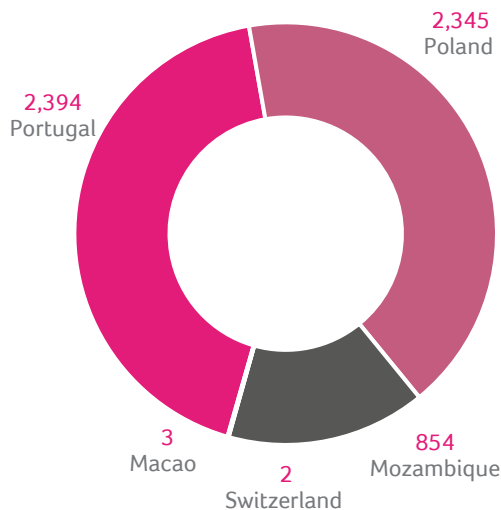
Economic Responsibility

The BCP Group has been developing its activity in a responsible manner towards Employees, Customers, Shareholders, Suppliers and remaining Stakeholders, always guiding its performance by the compliance with internal principles of rigour, the applicable legislation and the regulations issued by the supervision and regulatory authorities:

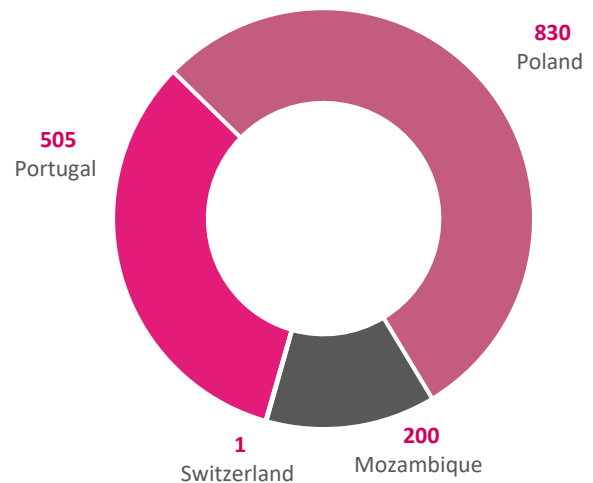
Millennium Network

Millennium bcp is a bank with its decision-making centre in Portugal; it is the largest Portuguese private bank, serving, in 2019, approximately 5.6 million Customers with a network of 1,536 branches. The international activity of Group Millennium is carried out by banking operations headquartered in affinity markets and in countries with a recognized growth potential – Poland, Switzerland and Mozambique –, where it operates, under the Millennium brand, with 1,031 agencies.

Active Customers
(Thousands)



Branches breakdown
(Nr. of Branches)



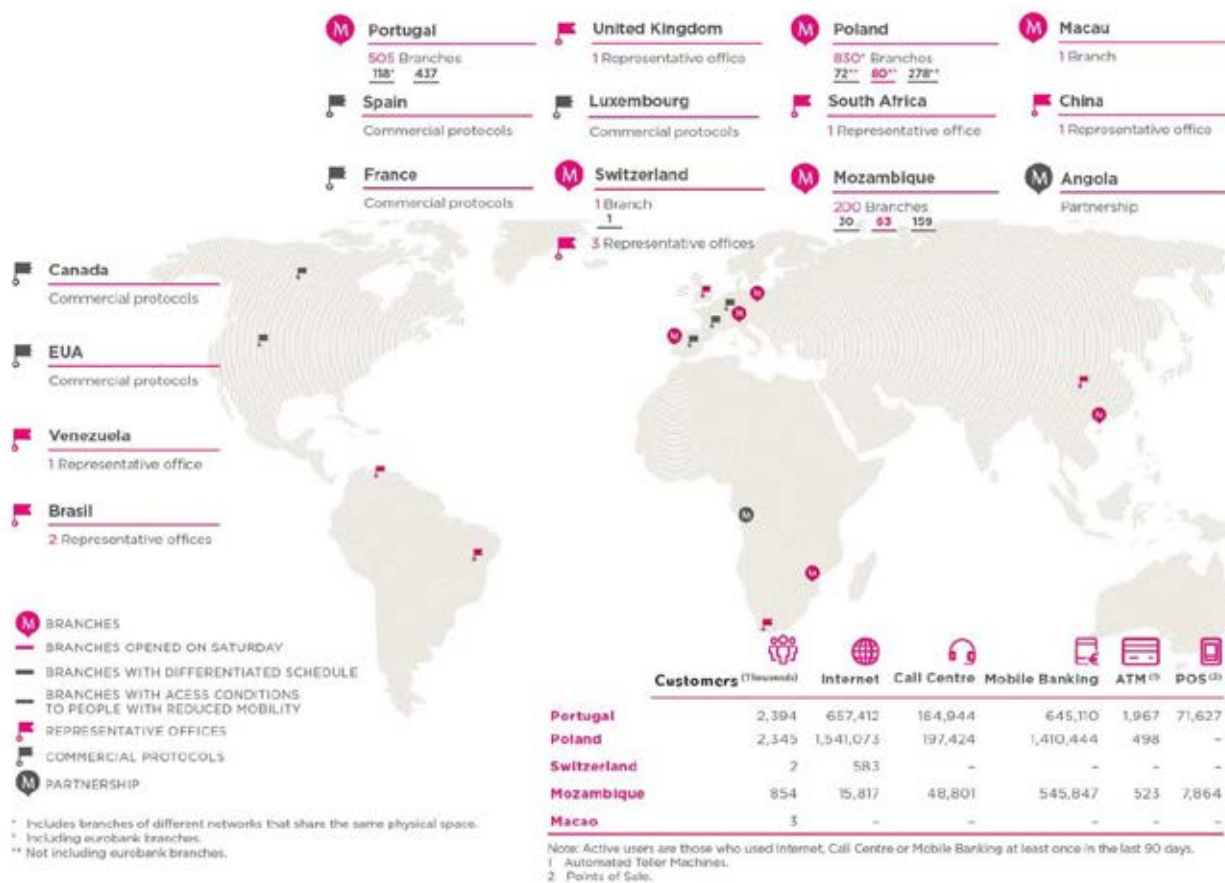
Active clients: First holders with, at least, 1 product, with a balance > 50 cents, in absolute value and with transactions using cards in the last 90 days or with financial assets ≥ 100 euros.



*5.6 million of active clients
in 2019, of which 2.4 million in Portugal...*

Moreover, Group BCP also ensures a presence in the five continents by means of representation offices, branches, business protocols and business promoters.

Millennium network



Accessibilities

Material issue: ACCESSIBILITIES

The BCP Group is constantly seeking to be near its customers by means of diversified distribution channels – Branches, Internet, Call Centre, Mobile Banking, ATM and POS – to adequately respond to the contact needs between the Customer and the Bank.

REMOTE CHANNELS AND SELF-BANKING

	Internet	Call Centre	Mobile Banking	ATM ^(*)	POS ^(**)
Portugal	657,412	184,944	645,110	1,967	71,627
Poland	1,541,073	197,424	1,410,444	498	-
Switzerland	583	-	-	-	-
Mozambique	15,817	48,801	545,847	523	7,864
TOTAL INTERNATIONAL	1,557,473	246,225	1,956,291	1,021	7,864
TOTAL FOR THE GROUP	2,214,885	431,169	2,601,401	2,988	79,491

Note: Are considered active users those that used internet, the call centre or mobile banking at least once in the last 90 days. Does not include clients from AtivoBank.

(*) Automated Teller Machines

(**) Point of Sales (information SIBS)

In the wake of its social commitment, it promotes accessibility to disabled persons in the several channels used to contact the Bank: i) the Branches are accessible to individuals with a reduced mobility. In Portugal and in Mozambique, as in the remaining Group's operations, the Bank promoted a policy of prioritized service in the entire Branch network ii) internet with functions that observe the recommendations issued by the Web Accessibility Initiative (WAI). In Poland, Bank Millennium was the first bank to be awarded with the certificate "Internet site without barriers" (renewed in 2018) and iii) POS with equipment for blind customers such as mobile phones and keyboards that are programmed to give vocal instructions. The Call Centre, available 24 hours per day in several languages, and the Mobile Banking for the rapid and easy access that they represent, are also privileged access channels for disabled or blind persons.



In 2019, in Poland, Bank Millennium was ranked first in the category "Accessibility" (reduction in digital and physical barriers) in the bank's ranking published by Miesięcznik Finansowy Bank.

The Branches continue to represent a relevant contact channel for many clients. Thus, the bank in the several countries where it operates, diversifies the servicing hours to guarantee and respond to the accessibility needs and requirements of its Clients. In this context, we must point out the Branches that give access to individuals with a reduced mobility, which correspond to 87% of the total network in Portugal and to 42%, in the remaining countries, a reduction versus the figures of 2018 explained by the merger, in Poland, of Euro Bank into Bank Millennium. In Portugal, 118 branches have differentiated office hours going from 8.30 a.m. to 7.00 p.m. Poland has 72 branches with these office hours and Mozambique has 30.

We must also mention the opening of Branches on Saturday, extended working hours that, abroad, can be found at a total of 143 branches and even represent, as is the case in Mozambique, more than 1/3 of the branches of this operation.

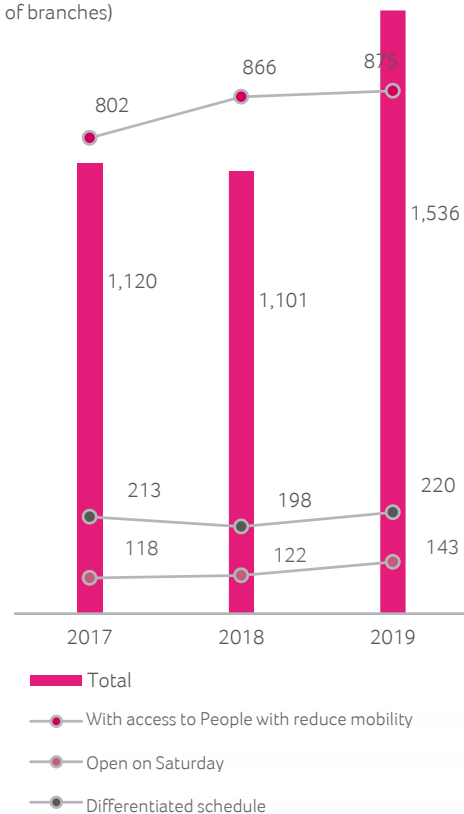
In Portugal, Millennium bcp continues to revolutionize its branch network. The Customer Branch Experience 2.0 of Millennium bcp is an innovative approach focused on the client, made through a cultural change, the re-design of products and processes and the integration of digital channels.

In this new generation of Branches, paper is no longer used, and the formalization of agreements is replaced by digital signatures through tablets; the treasury activity will be available 24 hours a day with the new smart transaction machines, the first to allow the automatic payment of cheques at any time, as well as withdrawals and deposits of coins. This equipment can also be used without a Multibanco card. The client only must use the multichannel code provided by the Bank.

Besides the technological innovation, the Branches also make available spaces especially devoted to customers with areas lounge, free wi-fi, wireless chargers and areas for digital experiences with access to the Bank's apps. The communication with the client is also innovative, with a digital price list and electronic advertising panels.

Within this context, the Bank already inaugurated 42 branches with this new layout in the entire country, a process that, within the context of the global renewal and modernization of the Branch Network, will be pursued during the next few years.

Branches accessibilities
(Number of branches)



Information security

Material issue:

ELECTRONIC SAFETY

The information security programme implemented at the Bank is oriented towards the protection of information, taking into account confidentiality, integrity and its availability in accordance with legal and regulatory requirements.

Information is protected in a manner that is consistent with its importance, value and sensitivity so as to increase the Group's resilience and ensure the protection of stakeholders, reputation and the activities for the creation of value.

The information security policy sets forth the guidelines for the implementation and maintenance of the information security program of Millennium bcp. It is based upon a structured number of policies, procedures and standards, aligned with good international practices, namely the regulation ISO/IEC 27001 - *Information security management systems – Requirements* and with the guidelines EBA/GL/2017/05 - *Guidelines on ICT Risk Assessment*.

The information security program is oriented towards the management of the information security risk and is based on a number of key general principles that aim to protect information, namely the governance of information security, the security of human resources, the awareness on information security, the classification of information, control on accesses and segregation of functions, the supervision and response to security incidents, the assessment of security risk and the capacity to recover.

In order to prevent, detect and mitigate intrusion attempts, the practice of illicit acts and new threats to security, the Bank invests strongly on a 24x7 security monitoring and on an incident response procedure, as well as on routine procedures to regularly assess the risk of business supporting information systems. In spite of the high number of security events which are detected every day, in 2019 there wasn't any serious security incident nor signs that the information systems are compromised.

Considering that the Information Security is a responsibility of all, Millennium bcp promotes a regular information security awareness process, covering a number of relevant items, namely *passwords*, work station, e-mail and mobility.

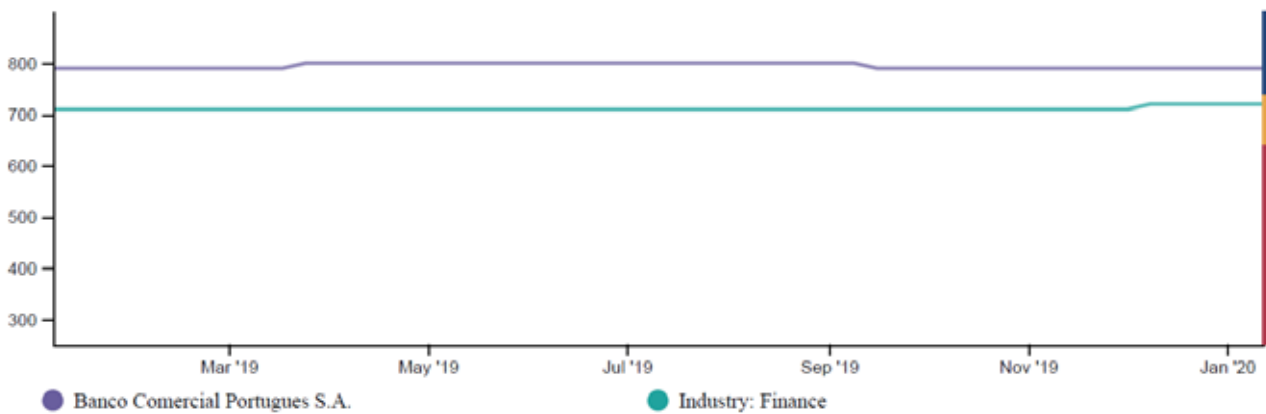
During 2019, Millennium bcp implemented a SOC (*Security Operations Centre*) and provided the team that responds to information security incidents with the operational tools to reinforce the existing capacity of detecting, responding and recover from a security incident.

Also in 2019, Millennium bcp began implementing the cyber security strategic plan approved by the Executive Committee, with the purpose of implementing the new identified security solutions and strengthen those already in place, to mitigate the existing risks, consisting in the four macro initiatives - *Cyber Risk, Strategy & Assets, Organization & People, Governance & Cybersecurity by Design, Cloud & Infrastructure, Application Security, Digital Identity, Data Privacy & Protection, Cyber Defense*.

Millennium bcp joined the platform BitSight. This platform collects and analyses in an ongoing manner, data on security behaviour and the implementation of the security measures of the associated companies, identifying signs of compromise (e.g. Infected machines, inappropriate configurations, incorrect behaviour by the users), to determine the BitSight security rating.

The companies are classified in a scale from 250 to 900, the classifications are updated daily and remain available on the iBitSight platform. The higher the classification is, more efficient is the company in the implementation of good practices in cybersecurity. The BitSight security rating enables obtaining an indication on global cyber security performance of the Bank and to compare it with the one from the Portuguese banking industry. During 2019 the period under analysis, Millennium bcp kept, in a consistent manner, one of the best safety ratings of the Portuguese banking industry.

The evolution recorded by the BitSight security rating of Millennium bcp and by the Portuguese banking industry throughout 2019 was the following:



Additional reference to the business continuity management system implemented by the Bank through which the availability of processes and systems to support the most significant business is guaranteed.

Innovation

The relation of clients with its Bank or with the banking industry in general has been significantly changing. This attitude has several causes, of which we point out technology and the surging of new players that open new possibilities to bank clients.

The cost of not making part of this evolution, serving the clients of the different segments with several needs, is too high to be ignored by the banking industry.

In Millennium bcp the required attention was given to this phenomenon and two lines of activity were included in the Bank’s strategic plan for 2018-2021, one related with the mobilization of talent and other with the digital transformation of the Bank with a strong focus on *mobile*, which we believe is already the main platform concerning the use by the clients of the bank products offered by the Bank.

This vision on the digital transformation of the Bank includes different priorities, notably:

- The transformation of the customer experience in the relation and use of the services and products made available by the bank in digital channels. We include herein a new form of participation of the customer in the design of the product, either through customer research or recurrent tests with customers;
- The use of a new approach for the development of products and services, adopting the agile as a principle for the functioning of the teams, demanding multidisciplinary, new competences and, above all, a time to market more adjusted to the times we live in, launching pilots and testing solutions, creating value in a recurrent manner and using best in class design abilities;

- The re-design of the main end-to-end client events, particularly those handling businesses deemed as key (e.g. Personal loans, investments, etc.);
- *NextGen Ops* as a new platform for the automatization of bank services, resorting to state-of-the-art technologies, focused mainly on automation, *Robotic Process Automation* (RPA), *Optical Character Recognition* (OCR) and *Natural Language Processing* (NLP). It will include also the re-engineering of processes through new work flow solutions;
- new solutions on *analytics*, using models with *machine learning*, that are giving the bank the possibility to leverage significantly in areas where it seeks to meet its client's needs;
- A new approach to the distribution model, focused on convenience and on the migration of transactions into digital channels, allowing the physical network to focus on the relation with the clients and on the satisfaction of their most complex needs;
- a strategic plan for the re-definition of the IT function, adopting new approaches more appropriate to the current needs, of which we may emphasize, as main pillars, the use of cloud, the design of API for internal and external consumption, an architecture based on the use of micro services and an increase in investment in cybersecurity.

This way, and as an example of the developments already implemented within the context of the strategy described above, we highlight the new (i) Millennium bcp APP, (ii) the processes for credit contracting available on the APP, (iii) the investment solutions developed for branches and (iv) the new tool to aggregate payment bank accounts to meet the challenges placed by PSD2.

In Poland, Bank Millennium assesses the market trends related with innovation. The Bank's experts prepare, every year, the report "Millennium Index – Regions' Innovation Potential" that describes and explains the discrepancies recorded in terms of innovation in the different regions of Poland.

This report is made by experts of Bank Millennium and represents a contribution for the public debate on factors that promote and inhibit the development of the different regions of Poland, contributing also to reduce the gaps that exist between them. In 2019, in the fourth edition of the report, the contents were further developed with the inclusion of comments from an extensive number of corporate experts and scholars.



Shareholders

Millennium bcp provides a space to its shareholders, the "Shareholder's Club", through which it intends to be closer to those who own stakes of its share capital. With the "Shareholder's Club" the individual owners of shares of Banco Comercial Português deposited in Portugal may communicate in a close manner with the Bank wherein they invested and access products and services of the Bank under preferential conditions and to a set of benefits agreed between Millennium bcp and its partners.

In 2019, were issued 651 discount vouchers within the scope of the 201 established partnerships, representing an increase of 22.6% if compared with the figures recorded in 2018.

Millennium bcp's Shareholders Club is free of charge and is hosted in a specific area of the website millenniumbcp.pt. This area also gives the shareholder the possibility of getting information on the BCP Group's most relevant events and activities, accessing the information addressed to investors and well as receiving a specific Newsletter.

Employees



In line with the Sustainable Development Goals (SDGs) of the United Nations.

Material issue: WORKING CONDITIONS AND HUMAN RIGHTS

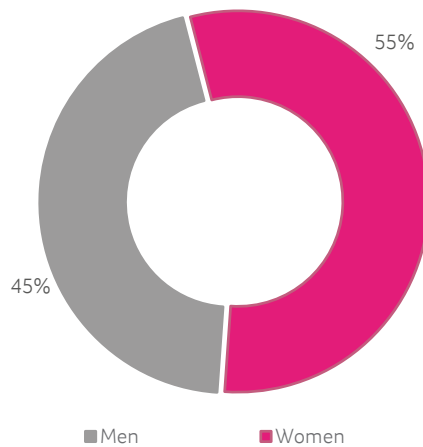
The BCP Group gives to all its employees a fair and equal treatment, with equal opportunities, promoting meritocracy at all stages of their professional careers, defining the remuneration of the employees in accordance with his/her category and degree of compliance with the established goals, observing a salary ratio of 1:1 between men and women, with similar functions and levels of responsibility.

The general principles ruling the BCP Group contain values and performance guidelines applicable to all employees resulting in an express orientation so that, regardless of their hierarchical level or responsibilities, all Employees act in a fair manner refusing any discrimination but also in the reaffirmation of the alignment with the ten Global Compact Principles, according to which the Group recognises and supports the freedom of association and the right to the collective negotiation of work contracts and rejects the existence of any form of forced and mandatory work and of child labour.

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

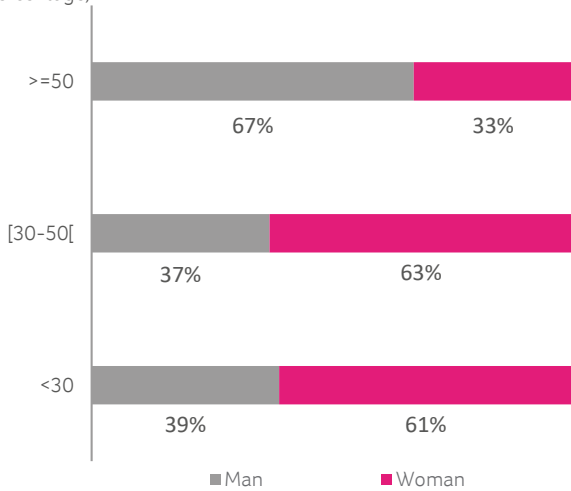
https://ind.millenniumbcp.pt/en/Institucional/sustentabilidade/Pages/cod_internos.aspx

Breakdown by gender
(Percentage)

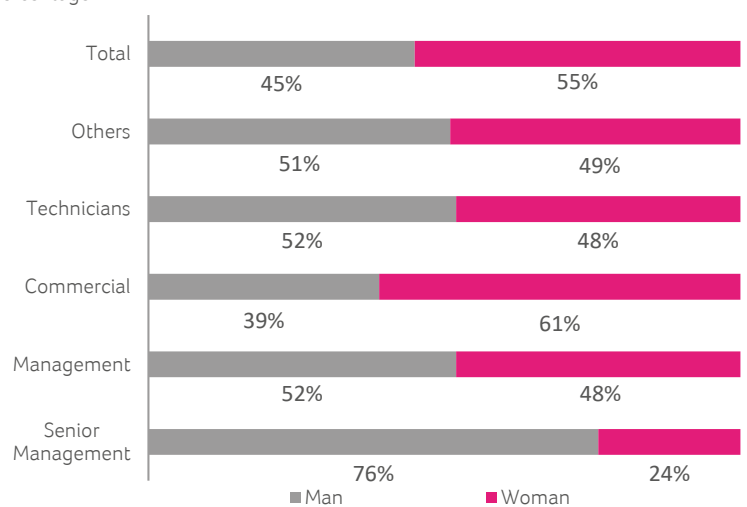


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Age breakdown by gender
(Percentage)



Professional category by gender
Percentage



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

Within the scope of gender diversity in management functions (Executive Committee/Senior Management and Management) in 2019, globally, 45% of these functions were 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.

In 2019, the Bank, in Portugal, published its first plan for gender equality, a document that describes a number of specific actions and practices to implement in the next two years in order to foster diversity and inclusion.

Millennium bcp also signed the “Commitment Agreement of the Organisations for Equality Forum (IGen)”. This Forum promoted by the Commission for Equality in Labour and Employment. (CITE) intends to encourage its members to implement specific and tangible actions to ensure gender equality.

In Poland, Bank Millennium, re-affirming its commitment to respect and promote diversity both in Clients and Employees, is one of the companies that joined the Charter for Diversity of the European Union, coordinated locally by the Responsible Business Forum.

Millennium bcp subscribed in 2019 the “CEO Guide to Human Rights” an initiative from the World Business Council for Sustainable Development and from the Business Council for Sustainable Development (Portugal). The Guide includes the policies and practices of reference and intends to contribute for the implementation and promotion of the human rights in the organization and in their value chains.

BCP was also included, for the first time, in the Bloomberg Gender-Equality Index, joining to the group of the 325 companies that, in the world, stood out in terms of implementation of practices and policies on gender equality, diversity and inclusion.

The presence in this index, that puts together companies from 42 countries representing more than 50 different activity sectors is a landmark that shows the Bank’s commitment with the development of its Sustainability Plan and the recognition of its commitment on matters related with equality of gender and a clear and transparent non-financial reporting.

Within the scope of inclusion and diversity, we must refer the agreement established with ICF Inclusive Community Forum from Nova SBE, an initiative devoted to the life of disabled persons and whose objective is to promote a more inclusive community and of which Millennium is now a partner.

The goal of this partnership, established within the commitment assumed by Millennium bcp in complying with law 4/2019, that establishes the system of employment quotas for disabled persons (with a disability equal or above 60 per cent), is to help the bank to respond to the challenge that the inclusion of disabled people represent for all, being mainly a way to benefit from the opportunities offered by such inclusion. By being more inclusive the bank is (i) ensuring a greater variety of points of view and an organization that is increasingly more diverse and sustainable and (ii) new ways to increase the number of talented employees.

In Poland and in Mozambique, together with the offer of products and services addressed to women, are also being developed initiatives, such as sessions of debate and reflection on the role of women in the economy and in companies.

The Organizational Environment Questionnaire is carried out every year, being addressed to all employees of the Group performing functions in Portugal and in representation offices. In 2019 it had the participation of 82% of the Employees, a percentage that translates the strong involvement of the Employees in the life of the organization. The results show stability in most indicators; motivation stood at 76 index points and satisfaction with the area at 78 points. The satisfaction with the Bank attained 72 points and the satisfaction with the Direct Manager, 82 index points.



*BCP subscribed to the ten
Global Compact Principles of the United Nations*

Material issue:

CLOSENESS AND TRUST

Within the scope of the strengthening of the mechanisms for bringing the Employees and top managers closer together, besides the visits made by the Executive Committee to branches and central services and the establishment of regional meetings with Employees, were also carried out regular television interviews with the Chairman of the Executive Committee wherein the Employees have the opportunity to raise questions on the Bank's life.

Training

GRI 404-1

The development of the personal and professional competences of the Employees is one of the Bank's priorities considering the need to ensure its ongoing alignment with the strategic goals defined by the organization. Seeking to promote excellence in the relations established with Customers, the Bank recognises the importance of ongoing training to ensure business sustainability and endeavours to provide its Employees with the tools necessary for the execution of their activities.



In overall terms, 5,763 training actions were ministered, corresponding to over 847 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.

In Portugal and in order to respond to the challenges placed by the market and as a way to comply with the increasing legal and regulatory demands, the Bank founded in January 2016 its corporate school, the Millennium Banking Academy (MBA), the first in-house academy of a Bank in Portugal, certified by the General-Directorate of Employment and Work Relations (DGERT).

The Millennium Banking Academy is based on the talent of the Bank's best Employees and its aim is to share knowledge and disclose good practices, being also a school envisaged for the outside world since our abilities are proven in the reality of the market. The MBA mission is to place Millennium bcp as the most significant banking school in Portugal, developing professionals with ethics, technical excellence and rigour in their performance.

Pursuing this training strategy, the Bank launched in 2019 the Digital Academy with the purpose of providing the Employees with the technical and behavioural techniques that are key for the business transformation process within the context of Digital Transformation. It is an Academy designed to serve all Employees, with contents appropriate for the different profiles and functions and with experienced tutors that select the best offer and also the partners better suited to develop customized modules and tailored courses.

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%
Remote	59,592	63,512	62,143	-6.2%
NUMBER OF HOURS				
In person	319,236	298,361	326,841	-1.4%
E-learning	343,403	121,634	469,357	70.1%
Remote	184,544	205,998	143,575	10.4%
PER EMPLOYEE	46	39	59	5.3%

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



In 2019, the average number of training hours per Employee was 46

The Bank also pursued the training program *Vender Soluções e Encantar Clientes* training more than 354 Commercial Managers. This commercial skills training is addressed to Employees in Mass Market and the purpose of which is to provide them with the tools that enable them to reach excellence in customer servicing and respond successfully to daily challenges.

By resorting to experimental methods, the trainees work in the room, for two days, key-concepts from internationally recognized authors. This training program has a post-training follow-up by the MBA for 3 months to monitor the implementation of concepts on the field. The satisfaction of the trainees with the Program was high (99%).

Globally, in Portugal in 2019, 449 training sessions took place, 191 in person, corresponding to a total of 451,155 hours. Regarding themed areas, the Bank continued to be mainly focused on matters related with the commercial activity, management and finance and legal and regulatory issues.

In Portugal, in 2019, were given 24.993 on job training hours, more 40.6% than in 2018. Therefore, it was possible to reach the defined goal of guaranteeing a growth above 5%.

In 2020, pursuing a strategy that ensures an increasingly better training, our goal is to increase once again the training hours on job to figures above 5%.

In Poland, the bank continued to invest in the training of its employees always with the purpose of developing technical and behavioural competences, able to improve quality and efficiency in the work developed and in the compliance with the goals of Bank Millennium.

It is within this context that the Employees participate, every year, in training actions, external and internal, on specific themes, and also on conferences and congresses.

In 2019, the bank carried out 4,778 training sessions, investing significantly in issues related with Client service, products, compliance, risk, health and safety. Thus, the bank continued to provide commercial training that, including the preparation of new employees, also includes carrying out workshops in Client service, sales, credit and investment and also e-learning courses on products - new or improved -, procedures and bank apps.

The carrying out of training due to the implementation of new legal and regulatory frameworks was also a priority, an example of which being that, in 2019, 2070 trainees attended the courses on health, hygiene and work safety.

In the segment Prestige, training continued to privilege the increase of knowledge on financial markets, investment, products, commercial, trading techniques and on the management of the relation established with the clients.

Regarding Companies, the bank implemented a similar programme, implemented through e-learning courses and workshops given by two external companies. The Company Advisers were also trained by an external company on national and regional support funds.

From the initiatives carried out by Bank Millennium, we must point out the "M#leaders", an innovative programme of structured development for Branch managers of the retail network with the objective of enhancing their leadership competences.

By resorting to a holistic approach combining workshops, case studies, group coaching and brainstorming, participants were given the possibility of increasing their knowledge on leadership, management, communication, team work and motivation.

In Poland, we must point out an initiative especially addressed to the women of Bank Millennium, the 3xM (ille). This project consists in the regular making of conferences with inspiring women of the organization and a special guest. The meetings are followed by debates and networking that, by allowing the exchange of contacts and experiences, help to broaden horizons and personal objectives. In 2019, were carried out three meetings on (i) "The power of women in businesses", (ii) "The image of a businesswoman" and (iii) "The DNA of a businesswoman". This cycle of debates counted with the participation of 180 women employees of Bank Millennium.

On themes concerning Compliance, Bank Millennium, in 2019, trained 8.498 people (5.515 W and 2.983 M). On risk-related issues, 120 Employees received specialized training and 92 employees received training on human rights.

In Switzerland, whose training actions virtually include all its Employees, the 66 actions developed, in a total of 1,621 hours, addressed commercial and leadership issues. Reaching 78 Employees, 95% of its staff, they essentially consisted in training sessions especially designed to cope with the needs identified in this operation. 90% of the Employees in this country also received training on Risk.



In Mozambique, the year is marked by the first year of activity of the Millennium bim Academia (MBA).

The mission of this training academy, the first of a bank institution in Mozambique, is developing, within an environment of continued learning and sharing of knowledge, professionals with ethics, a technique of excellence and rigour in the activities they exercise.

Based on three main pillars: i) ensuring training per functions for the Retail Employees; ii) providing diversified and consistent training to support the Employee's main needs; iii) Creation of a training curriculum per employee, it provided in 2019, a total of 45,655 of general and specialized training hours to 3,034 employees (1,542 women and 1,492 men).

One of the priorities of Millennium bim for 2019 was the development of Leadership skills. This program began in 2018, with the definition of the profile and of the 8 competences of Líder Millennium bim: Client-oriented, Expedite Learning, Project the Future, Qualifying People and Teams, Increase Cooperation, Critical Thinking, Operational Rigour and Ethics, Global Mind and Cultural Intelligence. During 2019, the program comprised the Executive Committee and senior managers, through the participation in sessions on Emotional Leadership/Best Practices in Leadership, a process that will be now extended to the remaining management functions. 150 Employees were trained, in a total of 250 hours.

The year of 2019 was also marked by a universal training addressed to all employees on practices for the prevention of money laundering and terrorism financing. 2.679 employees from the bank and Insurance Company were trained. The training, with a 4-hours duration, was given in person at a national level, totalling 2.544 hours.

Concerning MBA, in its third year of activity one must also point out, the technical training actions, namely those intending to increase knowledge on issues related with Technology, Operations and the Financial area, addressed to 272 Employees, in a total of 2.446 training hours. In 2019, Millennium bim, trained 2,674 Employees on issues related with Compliance, 12 on issues related with Risk and 17 related with occupational safety and health.

Talent Management

Managing individuals is one of the strategic pillars of the competitiveness of the BCP Group. Simultaneously with the valuing 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 used in the different countries where the Group operates are especially designed for employees showing high performance levels and potential and provide: i) a more transversal vision of the business and of the Organization's best practices to the newly-admitted employees; and ii) addressed to employees with experience, the opportunity to acquire crucial competences enabling them to, in the future, exercise functions with a higher degree of complexity and responsibility.

In Millennium bcp, in Portugal, 2019 saw the carrying out of the M Power, the first edition of a program that involved 323 Employees, being an investment that is crucial to provide Millennium bcp with a positive leadership able of mobilising teams for the transformation that banking business is going through, with respect for profile diversity, taking into account the values and emotions of other people.

After almost one year of training and development, the participants in M Power were once again challenged with a disruptive initiative: develop competences and emotions in an immersive manner within a context of a very special volunteer work: training of disabled persons (mental or physical) increasing their employability – in a program named M Social Power, that opens the organization to structuring values, such as inclusion and diversity.

This program was recognized by the RH Magazine, under the category of Training and Development in 2019.

We must also point out the 2nd edition of the training program inGenious, addressed to 40 young talents from the Bank's areas of analytics and technology.

In Poland, we must continue to emphasize the internship programmes "Millennium Bankers" which, in its 2019 edition, counted with 24 participants and received the certificate Praktyka Wysokiej Jakości for the second consecutive year - and also the internal platform for the recommendation for the hiring of candidates suggested by the Bank's employees - the "Sharehire" - through which the Bank identifies candidates that better match the required profile

We must also mention the 17th edition of the program Ambassador, completed in 2019. During the program, 5 ambassadors of the bank aided, at the main academic centres of Poland, towards the construction of a relation of proximity and trust between the academic community and Bank Millennium as a potential employer. In the course of this cooperation, extended to the entire academic year, the ambassadors supplied information, in an active manner, on the growth opportunities offered by the Bank with its offer of traineeships, employment and workshops.

Bank Millennium, in a partnership with the Law School of Warsaw created the first Centre of *Coworking for Start-ups*. The objective of the Centre is to put together students and graduates who created or are in the process of create their own *start-up* and wish to compare their ideas with the business reality. It is a place of for meetings, networking, and debates/conversations with experts, both from the University and Bank Millennium.



In addition, in 2019, Bank Millennium, among other initiatives to support the academy, started a cooperation with the Student Scientific Circle of Finance from the University of Management and Economics of Warsaw, through which they presented to student's opportunities for career development at the Bank.

Also, in Mozambique, within an increasing demanding context, Millennium bim continued to be extremely focused at attracting and hiring young talents. This way, and with the purpose of preparing the future generation of leaders, the bank identified in 168, Employees with High Levels of Performance and Potential, based on their merit, competences and skills for the assumption of new responsibilities.

The 5th edition of "People Grow" was also launched, now with three new specific programs for IT, Risk and Analytics. This programme that, once again, benefited from a visual image, a specific platform and a series of lectures held in the main universities of the country, received more than 4,400 applications.

GRI 404-3

Assessment 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.

The level of involvement of the Employees in the evaluation process – of those who evaluate and those that are evaluated – was the same if compared with the previous years and the evaluation process registered a participation of around 99.9%.

In Portugal, where 97.4% of the Employees were assessed, the bank implemented two new processes of the People Management model that separate the evaluation of the Employee’s performance (past) from their Development (future). These two events take place on different dates.

The M Desempenho has two components: objectives and behaviours; the expected behaviours from each Employees are aligned with the Bank’s values. The M Desenvolvimento (development), the new process to manage the professional development of the employees, wherein the employee makes his/her own assessment on his/her competences, proposes improvements and respective implementation plan and shares his/her career prospects, enabled, during 2019, to satisfy many of the needs identified by the employees, namely in terms of training but also of mobility, wherein 25% of the employees who showed that desire did move to other functions/location.

74.7% of those being evaluated and 86.9% of the evaluators replied that they are satisfied or very satisfied - with the evaluation method and around 0.89% are not satisfied.

The international activity evaluated 99.9% of its employees; Poland evaluated 100% and Mozambique 99.6%.

Together with a permanent attitude of incentive towards the development of the Employees and the adoption of practices of excellence, the BCP Group maintains a policy of recognition of the merit and of the commitment shown by each Employee by means of: i) an incentive system applied throughout the Bank; ii) a plan of professional development due to merit; and iii) specific awards attributed to Employees that were excellent in the exercise of their functions.

The BCP Group, together with the formal performance evaluation process, identifies and recognises Employees that were excellent in the performance of their functions by means of specific awards, notably the Excellence Award - delivered at the Bank’s objectives meetings. Hence, in 2016, the Bank distinguished 16 Employees, in 5 different categories, in Mozambique.

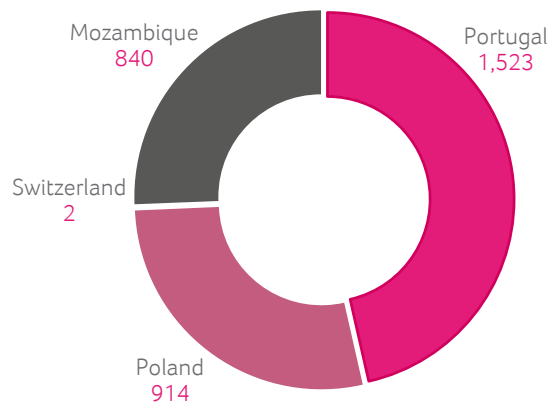
In Poland, the Bank launched the 2nd edition of the programme IMPakt, an innovative initiative wherein the Employees appoint and vote for their colleagues. In this programme, 40 Employees were recognised for their performance.

In this operation, 11 Employees were also recognized with a distinction awarded by the Chairman of the Board of Directors for their participation in key projects.

Still within this context, and in Portugal, the Millennium Recognition Program intends to recognise the employees who stand out while in the exercise of their functions, providing visibility to all those that commit and stand out by means of 5 different distinctions: M Impacto, M Líder, M Excelência, M Equipa and, since 2019, M Formador.

By enabling the sharing amongst all Employees, the exemplary projects, contributions and attitudes, it gives visibility to Employees, teams and projects that embody the values of Millennium, contributing for the union of all employees around a mission and common values.

Promotions
(Number of Employees)



An internal website was created for that purpose so that all employees can see how people get recognition at Millennium bcp, who gets it and why. In a clear and transparent manner, each employee can see the rules, the different categories to receive awards, make an application or support other people's applications.

In the third edition of this Program, more than 70 employees were distinguished. The 4th edition of the program UP awarded the best Commercial Managers of the Retail, Companies and Corporate, Large Corporates, Private Banking and Investment Banking and respective guests with a trip to Marrakesh.

Finally, in this operation, we must refer the program Millennium People, that enables 1st line Managers to award their staff throughout the year, in a close and immediate manner - through vouchers "Millennium Gifts" -, showing, this way, their own annual recognition for the work performed.

In the whole of Group BCP, materializing a policy for recognising merit, the Bank ensured the professional appreciation of 3,279 employees (1,776 women and 1,503 men) of which 1,523 employees in Portugal, 914 in Poland and 840 in Mozambique.

The BCP Group continues to bet on the ongoing improvement, believing in the value that can be generated by the innovation processes, stimulating creativity and the sharing of experiences by all Employees.

The internal programmes for the generation of ideas – Mil Ideias, with 47 suggestions in Portugal, - Call 2 Action -, in Poland and the recent programme – Ideias que Contam (Ideas that Matter) in Mozambique are based on the recognition that the Employees are a creative force that generates ideas of value, representing a means to value and increase their individual abilities through the direct participation with an idea and indirect through comments or votes.

In Mozambique the "Fórum - Ideias que Contam" (Ideas that Matter), a space for sharing and discussing ideas which, throughout the year, counted on the participation of 752 Employees, was responsible for more than 855 ideas and 340 Comments. 2 ideas were already adopted, 22 are being implemented and 75 are waiting to be implemented.

These programmes, which are being reassessed in all the countries where the bank operates, are the basis for the continuous improvement of the internal processes of the organization, for the increase not only of the value of the products and services offered to Clients but also the ability to make a swift adaptation to new realities, namely functional, and represent an opportunity for the identification of good practices that can be extended to the entire organization

Staff

In 2019, the number of employees of the BCP Group increased significantly, 15.7% (more than 2,518 Employees) versus 2018, an increase mostly justified by the purchase of Eurobank in Poland. Of the 18,585 Employees of the Group, 61% worked in the international business and 39% in Portugal.

EMPLOYEES

	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%
TOTAL INTERNATIONAL	11,377	8,966	8,647	26.9%
TOTAL FOR THE GROUP	18,581	16,061	15,836	15.7%

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

In Portugal the reduction in staff trend was reversed with the recruitment of 109 more employees versus the previous year. 342 new employees were admitted to service (53% were women) mostly for the performance of commercial functions (59%) and for Digital Banking. 249 employees left the Bank, 70% by mutual agreement and/or retirement plan and 26% by initiative of the employee. Among the Employees who left, 58% worked in the commercial areas and 12% in management functions.

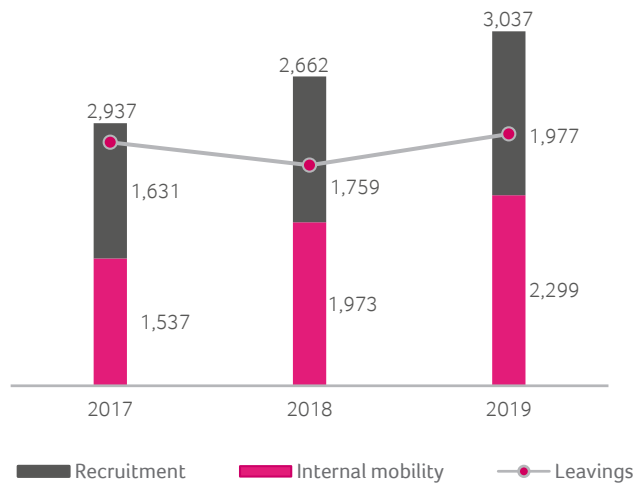
In Mozambique there was also an increase in staff (2.3% versus 2018), with the engagement of 229 new employees, 79% for the performance of commercial functions. 158 employees left the Bank, 50% of which were allocated to commercial functions.

In Poland, with the purchase of Euro Bank, the number of employees grew significantly (37% more versus 2018), reaching 8.615 employees. 69% of the Employees of Euro Bank are women. Even so, without the effect Euro Bank”, staff would have increased with 83 new employees.

The BCP Group sees mobility as an opportunity for the Employees to develop their professional careers and their skills, and therefore fosters their contact with different realities of the Bank whenever possible. In that sense, the Employees internal mobility processes assume a strategic importance for Millennium.

In 2019, 19.5% of the Group's Employees were involved in internal mobility processes, notably in Portugal and Mozambique where, respectively, 25.0% and 42.8% of its Employees moved from their areas/ departments.

Employees turnover and mobility
(Number of Employees)



Ethics and professional conduct

Material issue: **VALUES, ETHICS AND CONDUCT**

The BCP Group considers that the respect for its defined mission and values and also the compliance with its strategy depends, first and foremost, on each Employee and therefore it fosters a culture of rigour and responsibility, based on permanent information disclosure, training and monitoring mechanisms able to ensure strict compliance with the established rules of conduct.

Compliance Office

The Compliance Office's mission is to assure that all the management bodies, the functional structures and all the Group's employees comply with the legislation, rules and requirements (internal and external) that guide the activities carried out by the Bank and its subsidiary companies in order to avoid the risk of the institution incurring in legal or regulatory sanctions, financial losses or negative effects in terms of reputation, resulting from non-compliance with the laws, codes of conduct and good business practices and duties that bind the company.



Within the scope of prevention of money laundering and terrorism financing (ML&TF), the activities of the compliance area, during the first six months of 2019, very focused on risk, included the filtering of operations a process that ensured the compliance with the sanctions and embargoes regimes imposed by the competent national and international authorities, monitoring them to prevent potentially irregular situations and also the prior validation, substantive and formal, of the opening and maintenance of entities, accounts and of credit operations. This functional perimeter, based on dedicated technological solutions, also foresees the definition and management of risk models according to the evolution of the various competing variables to establish scorings to be applied to operations.

Thus, in 2019, we must point out the following:

- The implementation of the new IT tool for monitoring transactions (SAS-AML), more customized and innovative, based on tailored risk scenarios that enables the detection of patterns, relations and behaviours of the parties involved in the transactions with the purpose of optimising the detection of suspicious ML/TF risk situations;
- The continuation of several new algorithms for the detection of suspicious patterns that enable strengthening the internal controls to prevent ML/TF;

- The reinforcement of the mechanism and means of analysis related with risk involved at the beginning of the business relations in what concerns increased risk involving ML/TF;
- The reinforcement of the control mechanisms to assess analysed trade finance, translating the process for the centralization of the transactions of Fircosoft to mitigate the risk coming from increased risk jurisdictions;
- The implementation of several actions to improve the processes associated with the establishment and maintenance of business relations with politically exposed persons (“PEPs”);
- The development of actions to maintain and update the information on clients, based on the recovery and update of records KYC (*Know Your Customer*), focused on clients with a higher ML/TF risk profile.

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 5,798 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. In international operations, 20.733 employees received training, 17.892 of which in Poland where some actions took place, such as those on the Code of Conduct.

In Portugal, the figures recorded, representing a decrease if compared with the figures of 2018 (year when universal training on AML/TF took place) continues to show the importance attributed to training processes on Internal Control issues but also on practices for the prevention of ML/TF, of which in highlight in this country:

- Update of knowledge of the prevention of ML/TF, considering the new challenges and new risks of this function and the alterations due Law 83/2017;
- Training on the alterations due to the entrance into force of MiFID 2, mandatory (requires certification) addressed to all employees with a direct or indirect responsibility in the sale of financial products, comprising new certifications and update of the existing ones;
- Training on the remote opening of account through video conference (*Onboarding* digital);
- Training on the Bank's Code of Conduct, mandatory for all newly-admitted employees;
- Training on the entrance into force of the new regulations on data protection.

TRAINED EMPLOYEES ⁽¹⁾

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

GRI 406-1

	2019	2018	2017	VAR.% 19/18
Activity in Portugal:	5,798	30,300	28,123	-80.9%
International Activity	20,733	2,219	9,093	834.3%
TOTAL	26,531	32,519	37,216	-18.4%

⁽¹⁾ Attendance in training sessions.

Pursuing the alignment of strategies and priorities in risk management of the Group's operations, apart from the update of several Group Codes publishes and monitoring of their application in the several international operations, the Compliance Office reinforced its compliance function regarding the activities of those operations by implementing a number of initiatives, notably the new centralized area for the monitoring of compliance activities in subsidiaries abroad.

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 reviews and updates of rulings related with governance and compliance policies, mentioned above, originated several initiatives implemented with the purpose of strengthening prevention measures, anticorruption and report of irregularities, of which we point out:

- The control on the acceptance of gifts by the members of the Management and Supervisory Bodies and Employees;
- The development of a communication procedure and consultation to the Compliance Office;
- The prior assessment by the Compliance Office, of requests for the performance of extra-professional activities with the objective of identifying situations of conflicts of interest.

This Code of Conduct is directly applicable to the members of the management and supervision bodies, all employees of the Group, with or without a permanent work contract and to the companies providing outsourcing services to the Group.

To this extent, it works as a general main guideline to face potential ethical conflict and help in the making of an appropriate decision.

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

In addition, and given the importance of maintaining an internal communication on compliance issues, the Bank continued to regularly publish contents on the BCP Group's intranets with information able of contributing for the exercise of the activity observing the duties of honesty, solvency and financial integrity foreseen in the Code of Conduct; non-compliances and breaches are sanctioned in accordance with the internal regulations in effect.

In accordance with the regulations in effect, the Bank gave to the Compliance Office the function of supervising and validating all the development of new products and services, as well as the contents of all advertising items, detached or included in advertising campaigns of products and services sold by the Group. The trend, already observed in previous years, of compliance with the duties of information and transparency in the disclosure of financial products and services remains, and the Bank acts in accordance with the recommendations issued. Thus, 2019, BCP did not, within this context, was not object of any administrative proceedings brought forward by Banco de Portugal or by CMVM.

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, it made a total of 2,608 communications to local Judicial Entities and replied to 3,499 requests.

COMUNICATIONS TO LOCAL JUDICIAL ENTITIES

	2019	2018	2017	VAR.% 19/18
OWN INITIATIVE				
Activity in Portugal:	306	432	300	-29.0%
International Activity	2,196	352	228	523.9%
RESPONSE TO REQUESTS				
Activity in Portugal:	103	364	160	-37.0%
International Activity	3,359	2,038	1,167	36.7%
TOTAL	5,964	3,186	1,855	87.2%

Internal Audit

The Audit Division is a component of the internal control system of Banco Comercial Português and its main mission is to ensure before the Bank's *Stakeholders* - particularly to the Audit Committee and the Executive Committee of the Board of Directors - the efficiency and adequacy of the Bank's internal control system as a whole and also ensure the adequacy of the governance and risk management processes used by the Bank and by the Group.

The mission of the Audit Committee is exercised by means of the adoption of audit principles that are recognized and accepted worldwide, issuing recommendations based on the results of the assessments made, which should improve the efficiency and effectiveness of the internal control system, adding value to the organization and contributing to the accomplishment of its strategic goals.

The exercise of the internal audit function plays a crucial role in the competences of the Audit Division and has an independent and permanent nature.

The audit programmes include the assessment of behavioural issues, the compliance with the legislation and with all the remaining rules and codes of conduct, the proper use of the delegated competences and the respect for the performance principles in force in what concerns the relations established with the Clients, internal and external. Pursuant to the strategic guidelines defined for the internal audit function, the bank has been intensifying the adoption of the integrated method/end-to-end in audits and processes.

Throughout 2019, as part of the execution of its Activities Plan, the Audit Division also assessed the issues related with the management of environmental and social practices resulting from or related with the object of each audit. Especially in what concerns the audit programs addressed to networks, we must point out the procedures for the prevention and detection of practices eventually showing signs of money laundering.

The prevention and mitigation of the risk of fraud as well as the detection and investigation of fraud attempts or situations, internal or external and the execution and monitoring of the consequent eventual disciplinary or judicial proceedings are also a priority in the distribution of resources allocated to the Audit Department. Furthermore, all the claims, complaints or denouncement of situations that show socially inappropriate behaviours by the Employees, either among themselves or relating to Customers are also assessed and investigated and will originate disciplinary proceedings whenever deemed justified.

DISCIPLINARY PROCEEDINGS DUE TO RULES INFRINGEMENT

GRI 419-1

	2019	2018	2017	VAR.% 19/18
Activity in Portugal:				
Internal Rules	27	13	13	107.7%
External Rules	0	4	5	-100.0%
TOTAL	27	19	20	42.1%

In 2019, the preventive controls carried out and the subsequent individual assessments of potentially irregular situations as well as of situations reported by other organic units of the Bank originated 289 preliminary investigation proceedings. That same year, 27 disciplinary proceedings brought against Employees of the Bank in Portugal were completed. By the end of the year there were 16 proceedings underway. None of the cases involved situations of corruption.

The Coordinating-Manager of the Audit Division is also responsible for coordinating the internal audit function in all the subsidiary companies of the BCP Group promoting the harmonization of procedures and assessment criteria and the sharing of knowledge, namely by assisting them in the preparation and execution of audits relating to interests that are common to the several institutions.

The standardization of the practices in force in the internal audits of the several operations of the Group increased throughout the years either by the adoption of joint approach methods, safeguarding eventual differences due to local regulations or by the setting up of audit teams, at Group level, responsible for the execution of audits relating to specific issues in any of the countries where the Group operates

Also, within the scope of Ethics and Professional Conduct and to reinforce the commitment of Millennium bcp towards Individuals and Society, it subscribed and published the Human Rights, Equality and Non-Discrimination Policy and, among other, the Sustainability, Social, Environmental and Human Rights Policies. These policies are available for consultation on the Bank's website, in the Sustainability area: https://ind.millenniumbcp.pt/en/Institucional/sustentabilidade/Pages/cod_internos.aspx

Service Quality

Material issue:

SERVICE QUALITY

The quality of service is ensured by the ongoing implementation of initiatives that contribute to achieve an enhanced rigour and control of execution, ensuring that the operational and business processes function in an efficient and reliable manner, being continuously monitored and perfected, thus contributing to a progressive increase of customer satisfaction.

Satisfaction Surveys

GRI 102-43, 102-44

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, 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 2018. Over 130 Customers were surveyed.

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, (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 sue 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 recorded a slight drop versus 2018 (0.4 p.p.), reaching, in 2019, 78,6% of completion of the customer service choreography defined by the Bank.

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, the simplification of processes and, naturally, the development of the Employees' skills.

Pursuing the ongoing objective of strengthening Employee skills so customer service can be improved, in 2019, the Bank reformulated the monthly training sessions format, which are now shorter and increasingly focused on a specific selling technique or choreography, with a presentation proposal shown in video.

In addition, the Bank launched in May a new weekly news service called "Moment #1", which explores in a short video practical topic about products, tools and service choreography.

The Bank also launched in 2019 a program for Mass-Market, called Be Number One (B#1), based on detecting Employee's development needs concerning products, servicing, methods, choreography and leadership vectors. Practical training sessions in dynamic digital formats adjusted to the needs of each employee were made available.

Continuing the project #1 in Prestige, the bank implemented a recurrent program for the certification of new managers, guaranteeing that the servicing competences were assimilated and applied in the relations established with our clients.

Alterations were also introduced in processes and methods, namely the reduction of business goals whenever a manager starts following up a new portfolio, thus reinforcing the relation with clients, privileging the strengthening of in person contacts.

The Bank carried out 30 surveys, using different approaches, for monitoring the satisfaction of the Clients with the several Direct Channels and Business Networks. Regarding the remote channel's 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 the 87% who wish to continue to use this service and the 82% of companies that wish to continue using the Internet Banking - Companies are a good example.

In 2019, Millennium BCP was once again distinguished within the scope of its Digital Channels with the awards Global Finance "World's Best Digital Bank Awards", as the best bank in the management of information security and fraud (in the areas of Consumer and Institutional), for the third consecutive year. Millennium BCP was also distinguished in "Best Homebanking website in 2019", within the scope of the awards "leitor PC Guia 2019."

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, operational procedures, technological solutions and procedures in force.

In Portugal, these opinion surveys are now carried out every two years and the global value obtained in the 2019 survey, 79,8 i.p., is in line with the one achieved two years prior.

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

With the objective of enhancing the measurement of the satisfaction and loyalty of the several Customer segments, Millennium bcp continued to follow-up several external market studies made by specialized companies so as to get indicators enabling to position the Bank in the sector and assess, in an ongoing manner, the market's perception in what concerns the quality of the service provided, the Bank's image and the products and services it trades.

One of these studies is the CSI Banca, carried out by Marktest. It is a reference study for the banking sector, made in 2 annual stages, based on an econometric model that aims measuring the satisfaction and loyalty of the Customer and its perception of the quality of the products and services pursuant to a benchmarking rationale. The CSI Banca index, wherein Millennium bcp ranked 1st in the last six months of 2019, is a result of two indexes, one which intends to evaluate the satisfaction of the Clients which prefer to use the Banks' branches (Index CSI Balcão) and another which intends to evaluate the satisfaction of the Clients who prefer to use internet banking solutions (CSI Internet Banking Index).



Another study that the Bank follows-up is the BFin, made by DataEe, focused at the characterization of the banking sector in Portugal, according to the company's perspective, relating to products and services made available by the Banks. In the 2019 survey, Millennium bcp was once more considered the Main Bank for companies in Portugal. Millennium bcp was also mentioned as the "Overall Best Bank for Companies" having "Products Most appropriate to companies", being "More Innovative" and "Closest to Customers". It also leads in the recommendation indicator (Net Promoter Score Scale) among the 5 largest banks operating in Portugal.

One needs to point out, within this context, that being distinguished as runner-up in the Consumers Choice Award, in the category "Large Banks", that fact reinforces the recognition of the effort that Millennium bcp has been making for the modernization and simplification of bank products and services, but also of the significant focus on the proximity with the Clients, on a faster servicing and on the sustainability of the value proposals.

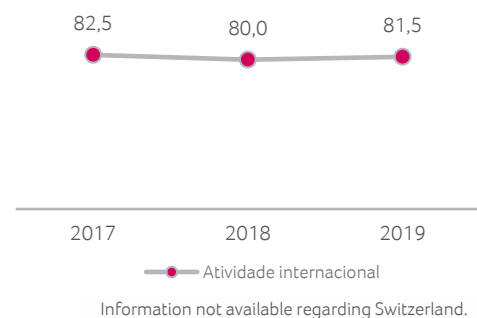
In the international activity, customers' overall satisfaction levels with the Bank recorded a value of 81.5 index points (i.p.), influenced by the downturn in Mozambique, which fell from 73 to 76 i.p.

In this operation, the evaluation and monitoring of Customer Satisfaction is permanent through market studies addressed to the different business segments and through specific surveys - of which the ones regarding remote channels are the most recent example - and the "Mystery Client" in the Bank's branches. Globally, in 2018, the Bank carried out 3 market studies and 4 direct or specific surveys which enabled getting the opinion of more than 3,300 Clients.

The Operating Quality index of the branches of Millennium bim, recorded in 2019, an increase to 3.3 points, thus exceeding in 0.3 the goal defined for the year (3,0). This indicator is an instrument to support management that measures rigour in the execution of transactions and the compliance with the Servicing levels by the Branches using 5 metrics: (i) Time spent in the sending of account opening processes, (ii) Number of account opening processes that are returned (iii) % of de reversions in cash operations, (iv) % mistakes in ATMs e (v) Loan processes not handled on the day they take place.

In the surveys to customer satisfaction from the Companies and Corporate networks, the figures obtained were 68 and 75 i.p. respectively, that exceed the 73 and 64 recorded in 2018.

Customer Satisfaction (Index points)



An additional reference must be made, within the scope of the model to assess experiences through the indicator NPS (*Net Promoter Score*) of clients at the branches of Millennium bim –and after listening to 1.063 Clients –, the global result achieved in this 2nd year reached the aggregated figure of 50,04. i.p.. Regarding the assessment of customer experience in the Prestige Segment, the same attained, globally, 79 i.p..

In Poland, Bank Millennium also benefits from robust processes and instruments to assess the quality of the service rendered to clients. In 2019, with 87 i.p. of global satisfaction, the internet banking and mobile banking channels reached 96% and 97% of positive reviews, respectively. Also branch servicing showed a very positive evolution, showing 90% of satisfaction.

Aligned with the recommendation made by the Clients, also the recognitions made by several independent entities confirm the quality of the service provided by the Bank in this country. We point out the “Service Quality Star”, a distinction attributed by the Polish Service Quality Standard to companies committed with the highest standards of customer servicing.

This operation, apart from the regular satisfaction surveys addressed to the Retail (NPS of 53), Prestige (NPS 75) and Business (NPS 31) and Companies (NPS 42) segments, also carries out "Mystery Client" actions by means of an outsourcer.

Bank Millennium, materializing an holistic approach and aware of the impact that the popularity of the new digital channels is having in the behaviour and needs of the clients – an impact which is not only seen in electronic banking but also in traditional channels, namely the branches, –, has been making evaluations which, with the use of innovative techniques, enabled to improve the service space and choreography.

Lastly, in 2019, the Bank carried out 5 market studies and 20 direct or specific surveys which enabled getting the opinion of more than 68,500 Clients throughout the year.

Claims

Concerning claims on products and services, one of the priorities of the BCP Group is to ensure the ongoing improvement of its management in the countries where it operates, either by optimizing, simplifying and accelerating the reply procedures or by the regular assessment and monitoring of the satisfaction of the claimants with the solution presented to them. The identification and assessment of the origin of the claims aiming at their correction are also part of an unequivocal orientation of the Bank for Client servicing.

	2019	2018	2017	VAR.% 19/18
CLAIMS RECORDED				
Activity in Portugal:	32,811	26 648	22 104	23.1%
International Activity	103,751	81 596	54 814	27.2%
CLAIMS SOLVED				
Activity in Portugal:	28,706	24 296	20 649	18.2%
International Activity ⁽¹⁾	97,185	83 157	54 535	16.9%

(1) Includes justified claims due to disrespect for Client's privacy in Poland (106) and in Mozambique (10) due to operational incidents while processing personal data.

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% if compared with the previous year, with a total of 32,811. The majority of these claims is related with cards, particularly the purchase 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.

Poland recorded 86.894 claims, 27,8% more than in 2018, partly justified by the aggregation of claims active on the date of the merger Bank Millennium and EuroBank. The majority of these claims and of the increase recorded (69%) is attributable to current and term accounts, credit and debit cards and transactions made with cards. To improve the measured satisfaction with the claims resolution, Bank Millennium has been developing a programme for the continued improvement and simplification of this process and defined as a goal a 7-day deadline to conclude the process. An average deadline that in 2019 was totally achieved, attaining 6 days.

In Mozambique, with 16.905, the number of claims also increased 24.4% if compared with 2018. The claims focused especially card and current accounts. This operation reached, as a result of the simplification of the claims workflow and of procedural improvements implemented, an average time to solve claims of 5 working days (7 working days in 2018).

The clients of Millennium bcp may submit claims or complaints for actions or omissions by bodies and employees of the Bank to the Ombudsman. All the claims addressed to the Ombudsman Office are firstly handled and managed by the Bank's concerned areas and the Ombudsman Office is exclusively responsible for analysing and issuing a final opinion to claims received in connection with prior claims presented by the Clients that obtained an unfavourable decision.

The Ombudsman's Office, regulated by its own Regulations, is a body independent from the Bank's hierarchical structures, defending and upholding the rights, guarantees and legitimate interests of Millennium bcp's customers that address it.

CLIENT OMBUDSMAN'S OFFICE

Activity in Portugal:	2019	2018	2017	VAR.% 19/18
RECORDED CLAIMS	2,339	1,848	1,534	26.6%
Claims	1,776	1,342	1,099	32.3%
Requests	512	458	390	11.8%
NEW CLAIMS	51	48	45	6.3%
Concluded	49	45	8.9%	8.9%
Upheld	25	22	13.6%	13.6%
Not upheld	24	23	4.3%	4.3%
Average Response Time (days)	11	14	14	-21.4%

Thus, and looking at the activity developed in 2019, the Ombudsman Office received 2,339 claims (1,848 in 2018), figures representing, in accrued terms and year over year, a 27% increase versus 2018.

The Ombudsman Office analysed 1,776 Claims (1,342 in 2018), that were forwarded to the Customer Care Centre, the area responsible for ensuring the analysis and final response to the claimants; 512 Requests (458 in 2018), were forwarded to the respective services of the Bank which are responsible for ensuring the claims assessment and final response to the claimants and 51 New Claims (48 in 2018) which, for their nature, were analysed and replied by the Ombudsman Office.

The acceptance rate regarding New Claims was 51% and the average response time was 11 days (14 days in 2018).

The issues - from a product or financial standpoint - that raised the greatest number of claims from the Clients, were those related with "Deposit Accounts" (25% vs 26% in 2018) and "Cards" (14% vs 10% in 2018).

When one assesses the business areas with a greater number of claims, the one showing the highest number is Retail Banking, with 86% followed by Activobank with 8%.



SOCIAL RESPONSIBILITY



Social Responsibility

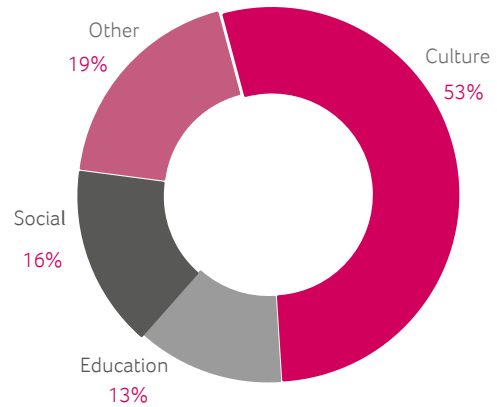
The BCP Group's strategy is the promotion of a culture of social responsibility, developing actions for and with several groups of Stakeholders aiming at, directly and indirectly, contributing to the social development of the countries where it operates.

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 2019, the number of hours of volunteer work was 1,202 in Portugal and 2,939 in the total of the Group's operations, figures showing a positive evolution versus the 1,008 and 2,358 hours recorded in 2018, reaching the 7% goal defined for 2017.

In 2020, materialising a strong commitment and so that are able to (always) be close to Individuals and the community, the Bank proposed a 10% increase in total volunteer work hours.

Donations allocated by intervention area (Percentage)



Participate and sharing

Material issue:

PARTNERSHIPS WITH NGO/PUBLIC CHARITABLE ORGANIZATIONS AND VOLUNTEER WORK

In Portugal, Millennium bcp has continued to foster and create opportunities for the Employees' participation 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 Taguspaq.



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 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 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 Re-food, with the objective of distributing meals to the local communities. This initiative enabled 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.
- In addition, some internal corporate social responsibility campaigns were carried out, in line with the logic of proximity with communities, such as the Solidary Christmases promoted by ActivoBank in favor of “Santa Casa da Misericórdia da Amadora” and the Operations Division and Direct Bank in support of ReFood (Odivelas), actions that allowed to support dozens of needy families.



Material issue:

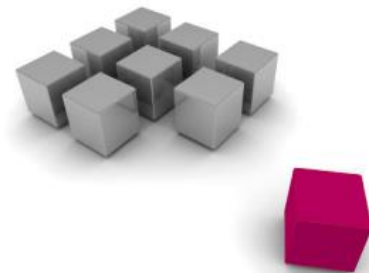
ENVIRONMENTAL AND SOCIAL AWARENESS

Millennium bcp also carried out a number of supporting actions to institutions and initiatives able of generating social value, of which we highlight:

- 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 255 institutions, of which 88 to Entrajuda.
- Culturally speaking, we must point out the 11th edition of the 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.
- Support to external solidarity initiatives, namely the project “Vela Sem Limites”, an initiative from Clube Naval de Cascais which enables 60 disabled individuals to regularly practice sailing and to many other to have their first sea experience.
- Support to external solidarity initiatives, particularly the 10th edition of “Meninos do Céu” in Chaves, an action promoted by the Associations “Les Enfants du Ciel” and “Meninos do Céu” with the support of Banque BCP and of Millennium bcp, wherein approximately 400 children with special needs had the chance of making their first flight.

UM COMPROMISSO...

SUSTENTABILIDADE



VENDA DE "PIRILAMPOS MÁGICOS"



- Provision by Millennium bcp of a location in Tagus Park for charitable organisations to collect funds and disclose the work carried out. In 2019, an example of this practice is the sale of Pirilampo Mágico, promoted by CERCÍ Oeiras;
- In 2019, took place one more edition of the Mercado de Natal Solidário, that joined at the Bank's premises, in Taguspark, a number of institutions that had the opportunity of disclosing their mission and activities and, at the same time, raise funds. Attended the following institutions: Ajuda dde Mãe, CEIFAC, CERCICA, Associação Capulana, Casa das Cores, ASPA, Associação Rabo de Peixe Sabe Sonhar and Centro de Educação para Cidadãos com deficiência.;
- Project "Girl Move", an association that intends to support young Mozambican girls to have access to a more and better training to be able to break the cycle of poverty and, this way, build their own future and contribute for a better society. Millennium bcp granted, in 2019, another one-month training to a young Mozambican girl.
- Millennium bcp is present in the "Portugal Chama", prevention campaign launched by the state Portuguese, with a view to avoiding fires, protecting people, forest and minimizing the economic and social impact of fires.

In Poland, Bank Millennium continues to carry out a significant number of actions within the scope of culture and volunteering, notably: 12 volunteer actions were carried out in 2019, involving 126 volunteers and totalling 905 hours. Amongst these initiatives, we must point out:

- 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. Bank Millennium The projects developed so far counted with the participation of more than 567 volunteers and benefited more than 13.624 persons;
- Since 2013, every year at Christmas the Bank organizes a solidarity auction for the sale of handcraft. 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;

- Races “Charity Corporate” – the employees of Bank Millennium continue to regularly participate in races for charity with the support of the Bank.

Within the scope of Culture, pursuant to a medium/long term plan based on partnerships established with reference cultural institutions for the support of specific programmes, we must point out: i) the 8th edition of the Sacrum-Profanum Contemporary Music, a contemporary music festival organized by the Cracow Festival Office; ii) “Złota Tarka” Old Jazz Meeting, a musical event sponsored by the Bank since 2002; iii) the Gdańsk Music Festival – concerts of contemporary and classical music with a programme chosen in each edition by the Resident Artist in an open and adjustable format, supported by the Bank since 2013; iv) Golden Sceptre, an annual award organized by the Polish Foundation for Culture, that aims to celebrate Polish artists who distinguished themselves in the musical area.

Bank Millennium - representing the most significant cultural support - was also a partner, for the 12th consecutive year, 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.

The strategy for inclusion and removal of barriers defined for accessing banking services is also extended to the events supported by the Bank. In the case of Docs Against Gravity, an App with audio contents is made available and these contents allow people with special needs to better understand the films exhibited.

In Mozambique, the Bank's social commitment is materialized since 2006 by the programme - More Mozambique for Me - one of the references of the BCP Group within the scope of Corporate Social Responsibility, proximity and support to local communities. Millennium bim carried out 3 volunteer actions in 2019, involving 104 volunteers and totalling 832 hours.

Accordingly, the bank continues focused on projects in the areas of health, education, culture, sustainability, sporting activities for children and young people and development of the community:

- 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;
- Millennium bim Race - 14th edition of a sports event which seeks to foster the development of running, the appearance of new talent and the adoption of healthy living habits. The one held in 2019, with the participation of 2.000 athletes was the greatest one ever.





- 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.
- 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;
- 4th edition “Playing without frontiers” - an initiative from the Ministry of Education and Human Development that provides to 300 disabled children aged 6 to 12 an opportunity for practising physical exercise, playing games and enjoying other leisure activities to increment their ability to interact, respect, tolerance and self-esteem;
- 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;

- Support to the production of the book “Futuros Presidentes”, a project developed in partnership with Associação HELPO, creative artists from Agência Portuguesa Big Fish and with the children who accepted participate and share their dreams in this book that proves that, through education, everything is possible, even dreaming to become President of the Republic;
- Action for the renovation of the Nursery of the Neonatology Unit of Hospital Central de Maputo, wherein 35 employees coloured the walls of the paediatric wing with the purpose of providing a more friendly environment to the hospitalised children.
- Millennium bim Responsável - 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 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.
- Due to the cyclone Idai, Millennium bim and its employees developed several actions to support the victims of this natural disaster, of which he highlight;
- Millennium bim and its employees donated more than 15 tons of food and essential relief items to INGC - Instituto Nacional de Gestão de Calamidades for immediate support to the people affected by natural disasters in Mozambique;

- Millennium bim Responsável – volunteer action at Centro de Reassentamento de Nhamatanda to help in the selection of clothes and delivery of food to the communities affected by cyclone Idai;
- Millennium bim contributes, through Associação Moçambicana de Bancos, for the re-building of Hospital Central da Beira;
- “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.



Clube Empresarial da Gorongosa - Millennium bim started to give 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; The several projects that currently are taking place at Parque Nacional da Gorongosa have, as main purpose, to restore the ecosystem, support local communities in their socio-economic development and create, in a sustainable manner, a tourism industry, a prime example in nature conservation and creation of opportunities for local communities.



We must also refer the program “Partilhamos Valores para a Vida”, a corporate volunteering program of Banco Millennium Angola (BMA) which in 2019 joined once more the campaigns for the collection of food of the Angolan Food bank. The 748 volunteers, together with their families, contributed for the raising of more than 32 tons of food channelled to social solidarity associations and duly referenced families. This program, initiated in 2018, had an impact on more than 16.000 people and had the participation of more than 800 volunteers who offered 3.500 hours of social work.



We must also mention the program “LOGOS - Geração com Valor”, a social transformation project of Fundação BMA that provides daily support to around 2.000 children and young people from the poorest communities.

In 2019, Millennium participated in the Giving Tuesday, a movement of solidarity that tries to mobilize people and companies to support social and humanitarian causes within their communities, in several places of the world.

In Portugal, where the initiative was held for the first time, Millennium bcp joined the internal campaign “Vamos Dar Cor à Esperança”, in favour of Association ACREDITAR.

In Poland, Bank Millennium joined this international movement through the making of the Christmas Solidarity Auction for the sale of handicraft, in this case in favour of disabled children who are members of the family of employees.

In 2020, the goal is to, in articulation with the entity responsible for its organization, to extend the Giving Tuesday to Millennium bim, in Mozambique.

Financial Literacy

In all its operations, the BCP Group assumes as one its strategic goal the increase of financial literacy. An example of that commitment are the actions that the Bank has been developing on an ongoing manner to increase the financial knowledge of the individuals, namely young people, always bearing in mind the importance of a generalized adoption of responsible banking behaviours and of a clear, balance and informed decision-making process. Within this context, the Group promoted a diversified group of initiatives throughout 2019, among which we highlight in Portugal:

- 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: supporting the client to balance his/her personal budget. In the M Vídeos area of the website it is also possible to find tutorials and savings suggestions;
- The Bank continued to regularly share contents related with financial planning at the “Millennium bcp” Facebook page.
- Also, with the goal of stimulating saving habits, the ActivoBank launched a live streaming video App on its Facebook page, called “Conversas Activo” (also available in Youtube), on issues that contribute for a major knowledge of the issues related with the provision of financial services.
- The Bank also participated in the Work Group of Associação Portuguesa de Bancos (Portuguese Bank Association), together with several financial institutions and Instituto de Formação Bancária, whose mission is 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. This competition counted with the participation of 100.000 young people all over Europe;
- Boost of the Quiz on Financial Literacy for students of the secondary education on the Financial Literacy Day held on 28 October. This Quiz is played by means of an app for mobile phones and the objective is to test the financial knowledge of young people. The same was an initiative promoted by APB and was part of the festivities promoted within the scope of the National Plan for Financial Literacy;
- We must also point out the 2nd edition of the “Innovation Challenge” held by APB, together with Junior Achievement Portugal (JAP), on 21 November in Lisbon. This initiative consists on a challenge proposed to students who have one day to work on the respective solution. This challenge is focused on the creation of innovative and creative processes based on real business situations with which the organization must deal during their day-to-day activities. This year, the challenge proposed by APB had the participation of 50 university students.



In Mozambique, the “Millennium bim - Banking Olympics” took place, 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 in the management of their savings and pursue entrepreneurial projects. In its 10th edition, this initiative counted with the participation of 400 students, representing 10 schools (Maputo, Matola and, for the first time, the Province of Gaza). After trials, 40 finalists were selected. At the grand finale the students presented innovative solutions which are easy to be used in their schools or quarters. 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



This year, with the introduction of the theme ‘Social Volunteer work’, the students carried out volunteer actions which allowed the creation of two libraries for children attending basic education. In Maputo, a library was set-up in the Elementary School of Chiango which will benefit 1.200 children. Another library was set-up in province of Gaza, at the Elementary School of Siaia and will benefit around 3.000 children.



Savings was one of the subjects Millennium bim took to heart, undertaking, within the scope of a programme promoted by Banco de Moçambique, training sessions for 2,300 students and 44 teachers. The training was conducted by employees of Millennium bim in a partnership with schools and their teachers. It took place in 43 schools from 5 provinces from the north to the south of the country, namely Inhambane, Tete, Sofala, Nampula and Maputo.

Also in Mozambique and part of the activities promoted by the Central Bank in the context of the 2019 World Savings Day, Millennium bim participated in the Savings Central Fair, an event where several educational initiatives took place, including a trip to Museu Nacional da Moeda, with the purpose of promoting the children's and young people's awareness of the importance of saving and of financial inclusion.

Together with the activities developed in schools, the Bank also carried out, in its personal Facebook page, a campaign on the theme wherein, through graphic images, alerted to the importance of keeping saving habits.

In Poland, we must point out the “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”;



Concerning the education of young people, the project "BAKCYL - Bankers for Financial Education of Youth" is a joint initiative of the Polish banking sector, designed and organised by the Warsaw Banking Institute. The BAKCYL, counting with the volunteer participation of employees of the banking sector as trainers, is addressed to students of the secondary school. Its goal is to provide practical financial knowledge which may contribute for the informed use of financial products and services by the new generations and it involved, in 2019, 71 volunteers of Bank Millennium who ministered 352 classes.

In this operation, we must point out the Finance Manager, a free of charge online service that enables to make a follow-up of the family budget through the automated classification of the entries made in the current accounts and of the use of credit cards and the possibility of creating budgets for the control of expenses. Apart from that, the Bank continued to maintain a consolidated practice of disclosing information on this issue to its Clients.

The “Millematy” videos are also available on YouTube to and showcase concepts on bank products and services in a simple and straightforward manner.

Fundação Millennium bcp

Culture, Science and Social Solidarity are the three main components of the activities performed by Fundação Millennium bcp. By supporting projects in these three areas, the Foundation aims at developing society, in its several components, and promote the activities developed by the supported entities so that these are able to increase their innovation and sustainability potential.

A component of its strategy is to support initiatives that, individually and as whole, promote the development of contexts that foster growth, modernization and sustainability.

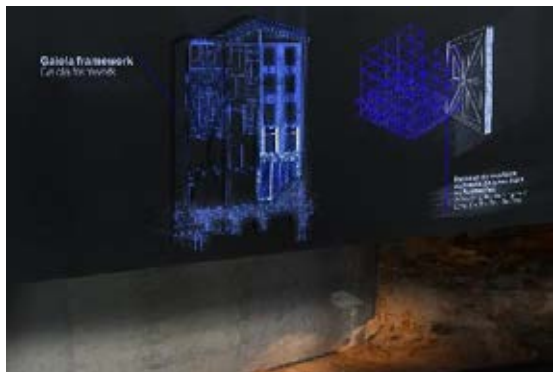
Having culture as its main priority, the Foundation continues to intervene significantly in a significant manner in the recovery and preservation of classified cultural heritage as well as in the promotion of a substantial number of activities related with the disclosure of artistic and architectonic heritage. In that sense, it provided support to projects oriented towards the development of national museums, the recovery of national architectonic and art heritage and the disclosure of modern art and of new artistic talents.

The Foundation provided support to 116 projects, 59% of which in the cultural area, 17% in Science and Education and 24% in Social Solidarity.

Culture

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 Correiros (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 Brükner;
- 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;
- 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;
- 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; This edition had the participation of 52 studios and 190 artists, 178 Portuguese artists and 12 from abroad;
- 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;
- 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;
- 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, under the theme "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 Alcobça - 27th edition of the Cistermúsica - the Music Festival of Alcobça 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 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;
- AICA - International Association of Art Critics – AICA awards of Visual Arts and Architecture attributed every year in Portugal to one plastic artist and one architect.

Education and Investigation



In line with the Sustainable Development Goals (SDGs) of the United Nations.

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;
- Portuguese Centre of Geo-History and Pre-History - support to investigation on palaeobotany;
- MoneyLab: Financial Education Labs – road show the purpose of which is to fill gaps regarding 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.



Social Action



In line with the Sustainable Development Goals (SDGs) of the United Nations.

Finally, in the area of Social Solidarity, the Foundation provided aid to actions carried out by different entities, providing assistance 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’ 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.

For more information, please see the 2019 Activities Report of Fundação Millennium bcp at:

<https://www.fundacaomillenniumbcp.pt/en/a-fundacao/informacao-coorporativa/>

Products and Services

Material issue:

PRODUCTS INNOVATION AND SUSTAINABLE SERVICES

GRI FS7, FS8

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.



Microcredit



In line with the Sustainable Development Goals (SDGs) of the United Nations.

In Portugal, Millennium bcp continues to reinforce its commitment to Microcredit activity, with its value proposition still being recognised in the Portuguese market as an alternative for the funding, encouragement and achievement of entrepreneurial action, comprising an effective instrument in the fight against unemployment, poverty and social exclusion.

In 2019, the institutional dissemination of this credit model, which incorporates Millennium bcp's Corporate Social Responsibility policy, to entities operating locally and closest to the socially excluded segments of the population continued to be one of the strategic priorities of Millennium bcp Microcredit. Within this context, more than 230 meetings were held with Municipalities, Parishes, Schools, Entrepreneurial Associations and entities of the social economy, plus the participation in 45 disclosure sessions, and in 18 employment and entrepreneurship promotion fairs.

Developing further this policy of proximity were also signed 22 new cooperation protocols for entrepreneurship and promotion of access to micro credit ,3 with public entities namely those signed with the Municipalities of Peso da Régua, Sobral do Monte Agraço and Santana, in Madeira.

We must also refer the participation in Informa 2019 – Employment and Training Fair of Vila Nova de Gaia and in the Fair of Qualified Jobs of the University of Trás-os-Montes e Alto Douro in Vila Real, but also in the 8th Week of Entrepreneurship of Lisbon.

As a corporate member of the European Microfinance Network (EMN), the purpose of Millennium bcp is to make an analysis on the growth and evolution of microfinance in Europe.

The alterations in the organizational structure of microcredit to place it closer to clients, materialising its Social Responsibility Policy. The provision of this instrument since 2018 in the entire Bank's network, reinforced the commitment of Millennium bcp towards micro credit as an opportunity to help those with an entrepreneurial mind and a feasible business idea, encouraging them to use this solution to develop their business and create his/her own job. This alteration placed Micro credit near the surrounding community.

Millennium bcp's Microcredit, created in 2005, is recognised as a comprehensive service providing permanent support to the Customer throughout the duration of the funding contract. Its social responsibility nature is revealed by a permanent focus on the Client's reality, circumstances and needs. Since 2005, it adds up to 7,006 jobs resulting from projects funded by Millennium bcp's Microcredit.

As a result of the work developed, the Microcredit of Millennium bcp financed 177 new operations, totalling 2,924 million Euros of credit granted and the creation of 368 new jobs. The volume of active credit granted to the 676 operations in the portfolio, up to 31 December 2019, totalled 5,114 million Euros.

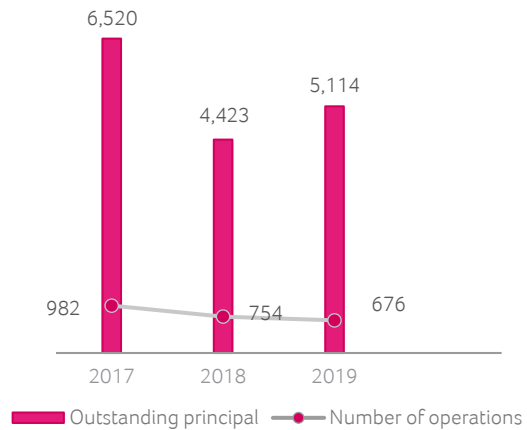
In 2019, the Millennium Microcredit proposed to increase in 10%, versus 2018, the institutional contacts established, assuming that the main strategic priorities of Microcredit are based on the disclosure of this funding model and the promotion of entrepreneurship in the different regions of Portugal. With 417 contacts established, corresponding to a 0.2% increase (416 contacts in 2018), the defined goals were not achieved.

We must point out the 22 new partnerships for entrepreneurial spirit signed, exceeding in 15.7% the figures achieved in 2018 (19).

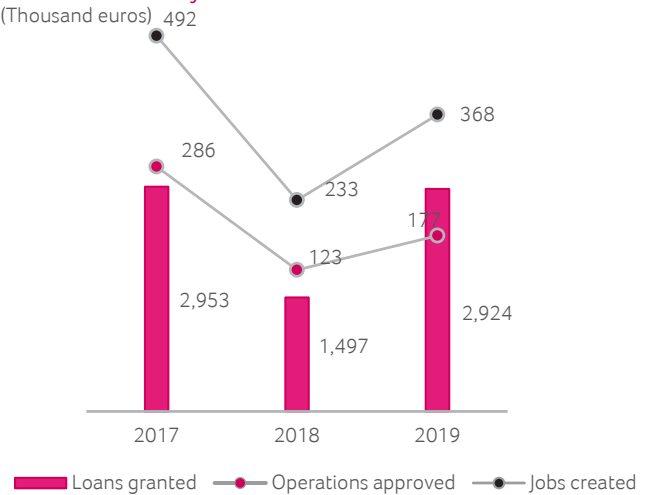
Regarding jobs created through the projects supported by Microcredit Millennium bcp, these reached 371, more 47.2% than in 2018 (252).

In 2020, in Portugal, the minimum goal is to increase the number of institutional contacts, of new partnerships and jobs, in 10%.

Microcredit loan activities
(Thousand euros)



Microcredit activity
(Thousand euros)



The new - Operations approved - may have not be implemented in 2019 exercise.

Financial Advisory Service

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). The Bank's concern continues to be proposing to Clients the solution which is more adequate to their available budget, so that they can keep meeting their liabilities by reducing costs with credit payments.

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).



Since 2005, it already adds up to 7,006 jobs - of which 368 in 2019 - resulting from projects funded by Millennium bcp's Microcredit.

Companies Support Solutions



In line with the Sustainable Development Goals (SDGs) of the United Nations.

In Portugal, Millennium bcp has continued to strengthen its support to companies through protocol credit lines, matching the industry and the economy's specifics, especially:

- 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.
 - 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 support to small and medium-sized enterprises (SMEs) is granted within the scope of energetic and technological development, through PolGEFF (Polish Sustainable Energy Financing Programme) and the new Leasing Eko Energy and “MilleSun”. Thus:

- Bank Millennium Leasing, through protocols established with BERD, under the PolGEFF (*Polish Green Economy Financing Facility*), ensures financing of projects in the sector of small and medium-sized companies (SMEs) related with energy efficiency or renewable energy, including: projects to improve the energy efficiency of commercial buildings, expenses with *hardware* or projects promoting the use of renewable energy, among other. In 2019, there were 5 operations in the portfolio, amounting to 311,875 thousand euros;
- The program “Leasing Eko Energia” offers clients the opportunity of getting an investment award of 5% by the end of the leasing contract, apart from extending it to new types of machinery and equipment. With 584 operations, the total funding amounted to 9.4 thousand Euros as at 31 December.
- In 2019, Millennium Leasing provided Clients with ecological financing solutions, exemplified by the financing program for solar energy plants MilleSun. The product, with simplified operational procedures, enables clients to select suppliers “authorized” by Millennium Leasing, a factor that facilitates the granting of financing;

- The bank offers the Biznesmax Guarantee Program, within a partnership established with Bank Gospodarstwa Krajowego (BGK). The program aims at guaranteeing loans granted to finance innovative undertakings by the SMEs, being particularly focused on eco-efficient companies. The client may take advantage of the “ecological path” that the Biznesmax Guarantee Program intends to foster to finance projects involving at least one environmental category, such as electric mobility, renewable sources of energy, including solar energy plants, technologies to reduce the consumption of energy or to produce alternative fuels, circular economy, installations for the recovery of raw-materials from productive processes, among other;
- The Bank adopted a policy of loans to finance renewable sources of energy for solar energy plants below 1 MW and for wind farms above 1 MW. With this credit policy, Bank Millennium intends to foster the production of renewable energy in Poland and contribute for the achievement of the target of the European Union defined in Horizon 2020;
- Bank Millennium adopted a sector policy to support the financing of ecological investments and of energy saving projects containing exclusions concerning the financing to new mines of coal and new investments with generation of energy from coal sources, exception made to the initiatives aimed at reducing the levels of pollution;
- The Bank is also supporting the sustainable development of companies participating, under a cooperation established with BGK, in the program De Minimis Guarantees. Hence, the SMEs may use a “de minimis” guarantee to ensure the reimbursement of a loan. These guarantees may go up to 60% of the amount of the loan and up to 3.5 million PLN, being the financing term of 24 months in the case of loans to increase liquidity or up to 96 months for investment.

Bank Millennium adopted a sector policy to support the financing of ecological investments and of energy saving projects containing exclusions concerning the financing to new mines of coal and new investments with generation of energy from coal sources, exception made to the initiatives aimed at reducing the levels of pollution.

Individuals Support Solutions

The BCP Group provides products and services that, while meeting the needs and expectations of individual customers, also incorporate social benefits. Among these, we must point out the following:

- University Credit - in Portugal, for students who decided to pursue their academic career, in 2019, the Bank signed 43 new loans, within the scope of the University Credit Line, for a total amount of approximately 345 thousand euros. The volume of credit granted to the 357 operations in the portfolio is 2.8 million euros;
- University Credit with mutual guarantee - still in Portugal, the Bank also has a line with mutual guarantee available for university students. In 2019, 1,025 new loans were granted, for a total amount of approximately 5.6 million euros. The volume of credit granted to 11,741 portfolio operations is 11.7 million euros;
- Manda Mola - a type of transfer that enables transferring money to any mobile phone number. This innovation contributes for the financial inclusion process of the Mozambican society since it allows the Bank’s clients to transfer cash to beneficiaries who do not hold a bank account and have access to an Electronic Currency Account (IZI Account), that may be used through the mobile channel (Millennium IZI) or ATMs for withdrawal of cash;
- Millennium bim Já Já - is a bank service that allows the population in rural areas to use bank services through the use of POS and Bank Agents (stores, groceries, post offices, etc.) replacing the more traditional means and channels. This service provides to the population a POS that enables executing a significant number of transactions, such as deposits, transfers, withdrawals, consultation of balances or payment of services;



- Credit line Mulher Empreendedora -credit to support individual businesses, small and medium-sized companies managed by Women. This product intends to promote the development of projects related with the entrepreneurial spirit of women in Mozambique and boost the growth and appreciation of the Mozambican women through her involvement in activities that contribute for the growth of the economy;
- Update of data via IZI on Whatsapp -the clients of Millennium bim, in Mozambique, are able to know which are the missing documents (Identity card, Single Tax Identification Number, Income Statement and proof of residence) and to send them through Whatsapp, in a digital version, to the Bank, enabling, this way, the automatic unblocking of the means of payment;
- Saving Plans (Women, Health, Family, Young People) – in Mozambique are available programmed saving products that, apart from the offer of a personal accidents insurance, ensures annual malaria tests to the members of the family of the account holder, automatic credit amounting to 80% of the amount of the savings;
- Micro credit IZI - solution wherein the Client, through the mobile phone (*Mobile banking*), may benefit from a short-term micro credit to cope with emergency situations, purchases or extraordinary payments;
- In Poland, Millennium Dom Maklerski provides accounts and brokerage services to its clients - IKZE (Pension Individual Accounts). The IKZE is a welfare individual program that enables accumulating savings through a brokerage account;
- Konto 360° Student / Junior - in Poland, having as recipients young people aged 18 to 26 years in the first case and aged 13 to 17 in the second, enabling the opening of a bank account with special conditions, free of charge, that provides a first contact with the financial and banking services. In 2019, there were 355,400 active accounts.

Social Inclusion



In line with the Sustainable Development Goals (SDGs) of the United Nations.

In Portugal, within the scope of Entities that incorporate the social sector, Millennium bcp keeps available the Non-Profit Association Account, a current account with special conditions that does not require an opening minimum deposit and has no maintenance and overdraft fees. 335 accounts with these features were opened, corresponding to a total of 4,655 accounts in the Bank's portfolio.

So as to ease the inclusion of institutions from the third sector in the financial system, a protocol was signed with Instituto de Emprego e Formação Profissional, Cooperativa António Sérgio para a Economia Social and the Mutual Guarantee Societies, defining a credit line – Social Investe – to support social economy. In 2019, the Bank maintained 4 operations in portfolio, with a total value of 88 thousand Euros.

Regarding the 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.

Within the scope of the inclusion of individual Clients (resident and non-resident) with low incomes in the financial system, the Bank was one of the banking institutions that voluntarily provided the current account – Minimum Banking Services Account -, without associated costs, this account can be used with a debit card and through online banking. In 2019, 4,419 accounts were opened, presently accruing to 10,376 accounts.

Millennium bcp signed a cooperation agreement with União das Misericórdias Portuguesas to promote the project for the qualification of communities that support elderly people (PQCAPI), with advantageous solutions and short/long term funding;

In Poland, Bank Millennium also provides a solution for customers with smaller incomes – Konto 360° -, so that they can get access to banking services with special conditions.

Charitable Cards

In Portugal, the credit cards issued by Millennium bcp continue to promote solidarity:

- Loyalty Programme - gives Customers the possibility of exchanging the points on the card into donations to charitable institutions. Within this scope, the cards from the network Visa/Mastercard (Catalogue of Points) delivered donations (5€ or 10€), in a total amount of more than 9,500 euros to institutions such as Liga Portuguesa Contra o Cancro, Unicef, Acreditar, Caritas Portuguesa, O Gaiato, Ajuda de Berço, AMI and Associação Portuguesa de Bombeiros Voluntários;
- The Portugal *Restaurant Week* - an initiative that allows Customers of Millennium bcp to go to restaurants that joined for a fixed price meal (20 Euros, of which €1 is given to charitable institutions), an initiative that aims to give wider access to high end restaurants and contribute to social causes. Its 19th Edition in 2019 enabled the attribution of financial support to the solidarity institutions Fundação Rui Osório de Castro and Associação Crescer Ser, totalling the amount of around 30,000 Euros;
- The credit cards issued by Millennium bcp in Portugal and by Millennium bim in Mozambique continue to allow their holders to take advantage of the partnership with NOS and Lusomundo movie theatres, offering two tickets for the price of one for the chosen film. In the last year, this partnership for broadening access to culture distributed around 200,000 tickets.



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, more than 11.8 thousand Euros were transferred, totalling 1.537 cards, 261 of which subscribed to this year.

In Mozambique, the Bank provides the debit card “Woman”, for the female segment, which offers, besides discounts on a set of business establishments and access to several online channels, a health insurance that covers treatment expenses for breast and uterine cancer and childbirth health care. This card includes the “Woman Package”, a set of financial products and services thought out to meet the specific needs of Women.

SRI Funds (Socially Responsible Investment)

GRI FS11

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.

Employee Benefits

Material issue:

MOTIVATION MANAGEMENT

GRI 201-3, GRI 401-2

The BCP Group provides a diversified set of social benefits to its Employees that go beyond what is set forth in the legislation applicable in the different countries where it operates.

Health and Safety

GRI 403-3

In Portugal and in Poland, Millennium bcp's employees have medical clinics and a group of full time doctors, who ensure the provision of curative medicine, occupational medicine and medical assistance. The employees are also provided with a regular and broad medical check-up, largely surpassing what is defined by law for occupational medicine.

In Portugal, to improve health benefits granted to its Employees, the Bank's Internal Medical Services in Taguspark now include experts on Nutrition (920 consultations) - also available for Employees working in Porto -and Clinical Psychology (866 consultations). A service for posture correction is also available at this stage in Taguspark, the purpose of which is to correct anomalies in the spinal column and nervous system, as well as the remaining symptoms thereto related. The Physiotherapy services are also available in Taguspark and in the registered office of Club Millennium in Lisbon. In addition, a service for the collection of clinical tests is also available (211).

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

HEALTH SERVICES ⁽¹⁾

	2019	2018	2017	VAR.% 19/18
MEDICAL SERVICES				
Medical appointments made	26,539	22,507	21,409	17.9%
Check-ups made	9,416	9,142	8,831	3.0%
HEALTH INSURANCES				
Individuals involved	46,311	47,257	47,209	-2.0%

⁽¹⁾ Includes active Employees and retired Employees.

The Employees of Group BCP as well as their families also benefit from health insurances, free of charge, or with subsidized conditions which ensure very wide cover plans.

In Portugal, for more complex situations, the employees, whether active or retired, their spouses and children, may also have access to healthcare at Clínica Universidad de Navarra.

The disclosure, through internal communication corporate platforms, of information on issues related with health and well-being, prevention of illnesses and healthy life habits are a practice transversal to all operations of Group BCP.



In Poland, the “Millennium Active Zone” was created, a programme for employees that aims to promote and incentivise exercise and to disclose concepts, practices and habits for a healthy life. Within this context, in 2019, teams made up of Employees took part in the solidarity races “Corporate Run” in Warsaw and Krakow or in the “The Color Run”.

Within the scope of pandemics or other situations that may severely and broadly impact the health of the Employees, BCP Group defines and discloses contingency plans together with the Bank’s Medical Services and the local health authority. An example are the flu vaccine campaigns, such as the ones carried out in Poland on a national level.

The Bank seeks, every year, to improve and complement its social benefits policy for its Employees, always aiming to meet the needs conveyed by the Employees.



Since 2017, at Millennium bcp’s premises, Thursdays became Farmers Market Day. The covered patio of the restaurant area at Taguspark now hosts a farmer market every week to sell different products, from fruit to smoked meats. This initiative, which resulted from an idea presented by Employees, aims to give access to those working at Taguspark to seasonal produce, with a good price/quality relation and without having to leave the bank’s premises.

It is also available since the beginning of 2018, an innovative space near the meals area in Taguspark called the Books Bank a library based on a rationale of sharing wherein any employee of the Bank may take a book at his/her choice home, if he/she replaces it by another one. The Books Bank is made by all Employees. Therefore, the more the library is used, the more books it has.

One must also make an additional reference to the internal information flow, which, based on corporate communication platforms, publishes contents regarding business, operational, training and technological issues, but also contents on social responsibility, employee advantages and many other general interest pieces. In Portugal alone, 5,657 pieces were published on the intranet, 487 of which with videos produced by Millennium TV.

It is also published a weekly *newsletter*, transversal to all countries where Group BCP operates, the “About us”, a communication vehicle through which the news and the most relevant events that mark the activities of Millennium in Portugal, Poland, Mozambique and Switzerland are shared.



Material issue:

PHYSICAL SECURITY

BCP Group provides a work place that enables its employees to undertake their activities with minimum risk and maximum productivity. So as to guarantee these conditions, the premises are monitored regularly, there are occupational safety and health (HST) visits to the premises, so as to find and correct problems. In 2019, 184 inspections were made in the Group.

Also under this subject, and aiming to reinforce Millennium bcp's commitment to its Employees Occupational Safety and Health – which is a permanent concern in its day-to-day management –, a specific company policy on these matters is in effect at the Bank.

Following up the needs resulting from the concentration of employees from central services of Millennium bcp from Lisbon in TagusPark, and without damaging increasing parking space with the creation of a new car park, the focus continues on the daily and free use of buses that ensure transportation to and from Taguspark.

Credit

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
HOME LOANS						
In portfolio	562.1	8 294	607.7	8 747	661.2	9 405
Granted in 2019	29.8	281	25.8	304	24.7	328
SOCIAL PURPOSES						
In portfolio	11.1	2 429	9.7	2 548	12.3	2 800
Granted in 2019	3.9	981	3.5	870	3.2	848

⁽¹⁾ Includes active Employees and retired Employees.

In Portugal, Employees with term contracts do not have access to the specific conditions of the credit lines for the acquisition of a permanent residence or to loans for social purposes. Part-time employees have access to the benefits common to all, but whenever those benefits are related to the number of years, the value of the benefit is computed based on effective work time.

“

BCP Group provides a diverse range of social benefits to Employees ...

Parenting

In Portugal, the Bank, being aware of the demands that being a parent implies, put into practice a Programme for the Protection of Parenting to create the necessary conditions to enable the Employees to achieve a better balance between work and family life.

This program, which, since its inception in 2015, has benefited 726 Employees, of which 250 in 2019, contemplate:

- A guide with all the useful and legal information on the main aspects of parenting, as well as on the related benefits granted by the Bank;
- A structured process of communication through the internal portal to help Employees and hierarchies;
- Use of the outsourcing company, whenever necessary, to ensure the replacement of the absent Employee (in the Commercial areas);
- Millennium Baby Kit for the new-born babies of Employees, which includes two gifts for the baby, one of which is a savings voucher "Millennium Baby" in an amount that, after the revision made to the Work Collective Agreement in 2019, is now of 750€;
- Afternoon off work on the birthday of the child of an Employee (until the child's 12th birthday, inclusively);
- Follow-up questionnaire: a survey is made to all Employees that take parental leave so as to identify improvement opportunities.



The Program Protection to Parenthood is well rated by Employees. The highest score - above 92 points - goes to the Millennium Baby Kit, the indicator that was better scored by the Employees, the Parental Leave and the Afternoon off on the child's birthday up to 12 years old - the latter being the indicator that gets the best score from the Employees. On the lower side of the score table, the breastfeeding break is an area that could be improved in the future, notwithstanding reaching a score of 79.17 points.

Also, the Employees with children up to 12 years old (inclusive) had the opportunity to establish a Saving Baby Millennium for their children (by means of the offer of a voucher or by their own will to benefit from the best conditions of this term deposit). 250 savings accounts were opened, totalling 194,761 thousand Euros.

The creation of this programme enabled 1,728 Employees, in 2019, to take the afternoon off on the birthday of their children under 12 years old to celebrate the event with their family.

In Poland, an operation where 70% of the staff is composed of women, most of them mothers, the new Bank Millennium programme "Yes for Parents" helps them to balance their professional life with their personal and family life.

This initiative, apart from the relevant information (rights, family health, etc.) - available for consultation at a digital platform - and of several social benefits, also enabled the creation of three nurseries at the Bank's central services in Warsaw. In 2016, the range of initiatives supported through 50% co-funding by the Bank was broadened and now includes summer and winter activities for children and their families.



Support to Education



In line with the Sustainable Development Goals (SDGs) of the United Nations.

The BCP Group continued to promote academic qualification, providing financial support, under the terms of the regulations in force, to Employees who, by their own initiative, wish to get undergraduate degrees, post-graduate degrees or executive training equivalent to a post-graduate degree or a master's degree, which is relevant for their careers and the Group.

In Portugal, in terms of education and through monthly subsidies, the Bank also supports: i) Employees who qualify as Student-Employee, granting a total of 4,479 Euros, to 41 Employees; ii) Employees with children of school age, supporting 4,569 Employees, totalling 1,449 thousand Euros; and iii) school-age children of deceased Employees, The bank supported 126 children and young people with 287,841 Euros.

Culture and Leisure

The members of Clube Millennium bcp have the opportunity of balancing their professional and personal life and take advantage of discounts (with 40 new protocols in 2019) and of cultural events, of leisure and sporting ones but also to participate in regular social solidarity actions that are disclosed daily on the website and are accessible, anywhere, through the mobile solution of the Clube and the alerts system.

Being open to all employees of Millennium bcp, the Clube had, by the end of 2019, 35.307 Members, 11.443 effective members and 23.864 relatives.

In 2019, 645 events were carried out involving 17,192 entries, 62% of which were Cultural Events, 35% Sports and 3% Leisure and Spare Time.

In training, the Clube carried out foreign languages courses, namely English, Spanish, and mandarin, art course, photography and music with a total of 832 trainees, including a regular activity of painting and jewellery.



In 2019, the Clube focused on developing its way to communicate with its Members, starting by launching a new digital platform - a solution that, with a diversified number of tools, enables making a close, simple and integrated management of the relation of the member with the Clube (www.clubemillenniumbcp.pt) -, pursued with the improvement of the formats used to disclose the events - from templates to newsletters - so as to turn the information disclosed even more appealing and descriptive.

MEMBERS OF CLUBE MILLENNIUM BCP

	2019	2018	VAR.% 19/18
Active Employees	6,005	6,086	-1.3%
Retired Employees	5,438	5,468	-0.5%
Sub Total	11,443	11,554	-1.0%
Relatives	23,864	23,859	0.0%
Total	35,307	35,413	-0.3%
Total of signing up in events on the website	17,192	17,613	-2.4%

Source: Members database and website December 2019

From the events carried out in 2019, we must especially point out the 3rd edition of "Race of Clube Millennium bcp" and the "Noites de Natal Antecipadas" carried out in several locations of the country.

Accordingly, the 3rd edition of the “Race of Clube Millennium bcp / Juntos vamos apoiar a Make-a-Wish”, that took place in Lisbon with the participation of 1,224 athletes of which 393 are members, is a sporting and charitable event the purpose of which is not only to encourage and make people aware of the importance in engaging in sporting activities but also to support a charitable institution that receives a portion of the enrolments amount. This year it was possible to gather 2.100 Euros (enrolments and a supplementary donation from the Clube), an amount that allowed the Make-A-Wish to fulfil the desire of young Bruno who received a complete kit of gaming.



Concerning the “Noites de Natal Antecipadas” (Christmas Nights in advance), circus shows held in Lisbon and Porto wherein the Clube makes the traditional distribution of toys, were able to gather 9.000 Euros, a donation distributed in equal portions to “Associação Na Rota dos Povos” and to “Associação Antigos Alunos do Seminário Missionário Padre Dehon”. The Millennium bcp club also gave 1,379 tickets to the circus to children of various charitable institutions.

Also, in Portugal, the Millennium Talks continued to take place. These are conferences addressed to employees wherein external experts speak on themes with impact on the Bank’s activities and on the society in general. These moments of collective reflection and learning that may be attended in person but also seen by all the Bank’s employees through the live broadcasting from Millennium TV. The session devoted to “Inclusion of Disabled People”, with the participation of representatives from the project Inclusive Community Forum - ICF da Nova SBE, was one of its finest examples.

In Poland, employees who are members of MilleKlub, a recreational club that promotes initiatives outside work hours - sports, travels, culture and art projects -, can submit ideas / initiatives within these areas and manage them to completion, with the possibility of co-funding of up to 50% of the project. Moreover, the Kids Projects also enables the co-financing of projects to stimulate family activities.

The objective of the program Millennium Active Zone is to promote physical activities amongst the Employees and develop knowledge on healthy lifestyles. In 2019, within the scope of the program, teams composed by Employees of the Bank participated in several sporting events of athletics and cycling and, together with their families and friends, participated in the two editions of bike tours to Sweden carried out throughout the year.



In this country, we must also mention the initiative “Our People: Together to The Moon. Within the scope of the merger of Bank Millennium and Eurobank - carried out throughout 2019 - the employees from both institutions decided to complete together 384.400 km – the equivalent to the distance between the Earth and the Moon, on the 50th anniversary of the arrival of Neil Armstrong to the Moon. The Employees ran, cycled and swam – they were involved in 35 sport disciplines - to be able to cover the defined distance and, this way, donate 1 PLN for each km to charitable initiatives. The participants took 93 days to make up the distance from the Earth to the Moon. As a result, more than 89.000 Euros were delivered to institutions that support people with leukaemia, sick children and to other initiatives supporting the most vulnerable. More than 1.200 employees of Bank Millennium participated in this expedition to the Moon (EuroBank joined on 31 May). The individual record was 5.600 km. During this period, the participant burned more than 18 million calories.

In 2019, Bank Millennium was, for the consecutive time distinguished with the “Solidny Pracodawca 2019” (Reliable Employer). This award, that distinguishes the best Polish employers, recognises the quality of management of human capital, translated in reliable employment policies, the promotion of training and management of careers, in solutions and benefits addressed to employees and also in the development of social responsibility actions and in the volunteer work opportunities created by the Bank.

In Mozambique, the Millennium bim Club continued its activities - it was launched in 2016 - with the goal of supporting the development of initiatives related to sports, culture and leisure, to promote the Employees' identification, cohesion and involvement with the Bank, while promoting healthy habits, regular exercise and artistic expression.



The Employees also have preferential access to cultural events and spaces sponsored by the Bank in the various Countries where it operates, for example in 2019 the Concerts of Festival ao Largo (Portugal), the Millennium Docs Against Gravity film festival (Poland) and the Art Nucleus Exhibition (Mozambique).

Suppliers

GRI 204-1

At the Millennium Group, the process for selecting suppliers mainly obeys criteria of global competence of the company, functionality, quality and flexibility of the specific solutions to acquire and continuous capacity of providing the service. 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.

Already in 2020, in Portugal, the Bank revised the Suppliers Sustainability Guidelines that includes now all the contracts for the purchase of goods and provision of services signed by Millennium bcp.

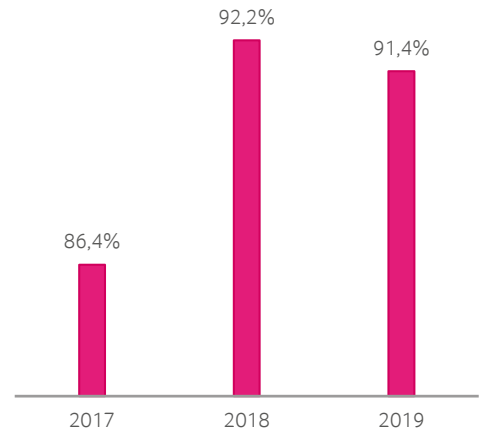
BCP conducts assessments of its suppliers, through the application of a performance questionnaire which includes parameters related to the level of compliance with the Supplier Principles. In 2019, suppliers were subject to continuous monitoring.

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.

Supply Chain (Percentage)



SUSTAINABILITY EVENTS AND SOLIDARITY ACTIONS



Signature of the “Letter of Commitment for Sustainable Financing” promoted by the Ministry of the Environment (Portugal)



Volunteer action at the Warsaw Refugee Centre in Warsaw (Poland)



Voluntary action, included in the 10th edition of the Banking Olympics, creates a library at the Primary School of Siaia (Mozambique)



50 Millennium bcp volunteers plant 400 trees in the Sintra Cascais Natural Park (Portugal)



Voluntary action to support sport and donation of material at Primary School nº 88, in Kraków (Poland)



Installation of a fountain in the village of Namialo (Nampula), improving access to drinking water (Mozambique)

SUSTAINABILITY EVENTS AND SOLIDARITY ACTIONS



50 volunteers from the Pomorskie branches, in support of abandoned animals at the Rogate Ranczo Shelter (Poland)



10th edition of the "Mini Basketball Millennium bim" Tournament (Mozambique)



Regular food collection campaign by the Food Bank (Portugal)



World Savings Day, 2019 edition (Mozambique)



The "Financial ABC" literacy program receives the first prize "Golden Banker" in the category "Socially Responsible Bank" (Poland)



Disclosure of Millennium bcp's Corporate Social Responsibility strategy to the Monetary Authority of Macau (Portugal)



ENVIRONMENTAL RESPONSIBILITY



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 implemented in the operations of BCP (available for consultation at the Sustainability section on the bank's website at https://ind.millenniumbcp.pt/en/Institucional/sustentabilidade/Documents/Internal_Codes_2.pdf)

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. One of the performance pillars is the environmental one, focused on Sustainable Operations. In terms of environment it includes 12 specific actions aimed at containing global warming (in line with the commitments assumed in the Paris Agreement) and minimising the operation's environmental impact.

Afterwards, please find a summary on the most significant measures to implement from 2020 onwards:

<p>Climate changes, energy efficiency and alternative energy sources</p>	<p>Contribute to limit global warming to 2°C (Paris Agreement).</p>	<p>Increase knowledge on the carbon footprint. Including the scope 3, both upstream and downstream of the Group's activity;</p> <hr/> <p>Redefine targets for the reduction of emissions in accordance with the <i>Science Based Targets Initiative</i>;</p> <hr/> <p>Implement the recommendations issued by the "Task Force on Climate-related Financial Disclosures" (TCFD);</p> <hr/> <p>Assess the capacity to increase the installation of solar energy plants (define production targets and implementation deadline);</p> <hr/> <p>Consumption of energy 30% renewable, through a <i>Renewable Energy Power Purchase Agreement</i> (RE PPA);</p> <hr/> <p>Purchase of energy-efficient vehicles for the bank's car fleet, 30% until 2025 and 80% until 2030;</p>
<p>Environmental performance</p>	<p>Minimize the environmental impact of the operations</p>	<p>Enhance the measures for the reduction of consumption</p> <hr/> <p>Implement measures targeted at the reduction, re-use and recycling of waste;</p> <hr/> <p>Foster individual awareness for the adoption of environmentally responsible behaviours;</p> <hr/> <p>Reduce the use of disposable plastics in the operations of BCP;</p> <hr/> <p>Scanning - target "zero paper";</p> <hr/> <p>Implement a process of environment monitoring and a set of KPI, both in Portugal and abroad, harmonising criteria and monitoring their performance.</p>

Sustainable Development Objectives

Group BCP recognises the importance of the company’s involvement in the compliance with the Sustainable Development Objectives (SDO), and identified which are the most significant contributions by Group BCP for the SDO related with environment, as described hereunder.



ODS 13 CLIMATE ACTION

BCP Group contribution

13.2 Integrate measures related with climate changes in the domestic policies, strategies and planning.

Implementation of a set of measures for energy efficiency.

Sustainable products - Investing and funding projects providing risk mitigation and adaptation to climate changes (vide chapter on Social Responsibility - Products and Services).

13.3 Improve education, increase awareness and human and institutional capacity on measures of mitigation, adjustment, reduction of impact and early warning concerning climate changes.

Raising internal awareness to the importance of adopting environmentally responsible habits

13.b Promote mechanisms for raising capacity for effective climate change-related planning and management in least developed countries and small island developing States, including focusing on women, youth and local and marginalized communities.

Participation of Millennium bcp in initiatives on climate changes and sustainable finance: member of the Work Group on Sustainable Finance of “APB –Associação Portuguesa de Bancos”, one of the representatives of the Portuguese banking industry in the Work Group on Sustainable Finance from “EBF –European Banking Federation”, being also a member of the Work Group “Sustainable Finance” from BCSD Portugal.



ODS 15 PROTECT LIFE ON EARTH

BCP Group contribution

15.a Mobilize and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems.

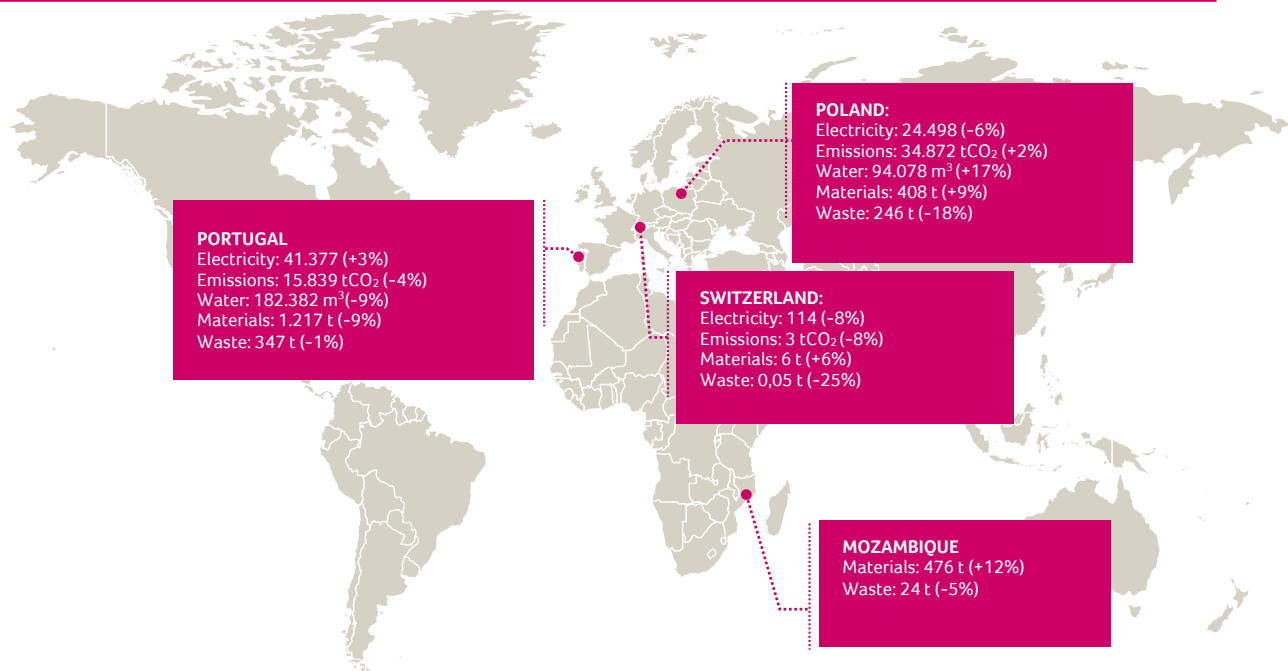
Financial products directed to finance the protection of forests, biodiversity and ecosystems - WWF Card (Poland): part of an amount of the transactions carried out by clients reversed to this institution. In addition, the card is made of environmentally friendly material.

15.b Mobilize significant resources from all sources and at all levels to finance sustainable forest management and provide adequate incentives to developing countries to advance such management, including for conservation and reforestation.

Support to initiatives and organisations that protect forests and biodiversity - BCP supports the Movimento ECO (companies against wildfires)

Main Highlights

(2019 % versus 2018)



Summary of Environmental Performance - Group BCP

	Unit:	2020	2019		2018		2017		Var.% Vs 2019 5 years
		Targets (*)	Var.% 19/18	Values	Var.% 18/17	Values	Var.% 17/16	Values	
ELECTRICITY (*)	MWh	-3%	-0.3%	65,989	-11%	66,181	-7%	74,165	-33%
ENERGY									
Total	TJ	-4%	-5%	443	-15%	465	-5%	545	-37%
Direct	TJ	-4%	-18%	130	-25%	158	-5%	211	-48%
Indirect	TJ	-3%	2%	313	-8%	307	-5%	334	-31%
WATER	m3	-2%	-2%	276,460	-23%	366,872	-1%	233,857	-50%
PRODUCTION OF WASTE	t	-4%	-9%	617	12%	677	9%	605	
MATERIALS									
Total	t	-7%	-1%	2,107	-8%	2,140	-2%	2,330	-21%
Cardboard/paper	t	-7%	-1%	2,046	-9%	2,071	-2%	2,267	-20%
Plastic	t	-10%	-10%	60	10%	67	-2%	61	-20%
CO2									
Total	tCO ₂ eq	-5%	0%	50,714	-9%	50,588	-7%	55,683	-23%
Direct Emissions	tCO ₂ eq	-7%	-16%	8,330	-23%	9,921	-6%	12,921	-48%
Indirect Emissions	tCO ₂ eq	-7%	4%	42,384	-5%	40,667	-7%	42,762	-23%

(*) national context - Portugal

Material issue:

Eco-efficiency

Operating Eco-efficiency

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.

In 2019, the Bank recorded general improvements in terms of eco-efficiency. The consumptions of energy, emission, water and materials decreased versus 2018 due to the implementation of eco-efficiency measures, investment in renewable energies, optimisation of processes focused on dematerialisation but also from the Employee's increased awareness regarding a rational use of resources. These measures enabled to reduce not only the environmental impact of the bank but also the related operating costs. In Portugal, Millennium bcp kept the energy and air quality certification for the Bank's Central services buildings, with a B (71%) classification.

In 2019, the Bank recorded general improvements in terms of eco-efficiency. The per capita indicators regarding the consumption of energy, emission, water and materials decreased versus 2018 due to the implementation of eco-efficiency measures, investment in renewable energies, optimisation of processes focused on dematerialisation but also from the Employee's increased awareness regarding a 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.



ECOLOGICAL FOOTPRINT OF GROUP BCP PER EMPLOYEE¹

	Unit:	2019	2018	2017	Var.% 19/18
CONSUMPTION PER EMPLOYEE					
Electricity	MWh	4.65	4.92	5.62	-5.6%
Total Emission of GHG	tCO ₂ eq	3.57	3.76	4.22	-5.1%
Water for Human Consumption	m ³	17.74	18.56	21.50	-4.4%
Paper for consumption	Kg	66.65	67.74	76.98	-1.6%
Plastic	Kg	3.58	4.17	3.58	-14.1%
Ink and toner cartridges	Kg	0.05	0.09	0.10	-44.6%

¹ Includes the operations in Portugal, Mozambique, Poland and Switzerland regarding the consumption of materials (ink and toner cartridges, paper and plastic); the operations in Portugal, Poland and Switzerland regarding the consumption of electricity (includes the co-generation plant) and emissions, and only Portugal and Poland regarding water consumption (excludes watering of green areas and cooling towers). In Poland, the data regarding energy, water and emissions include the figures from EuroBank, as of October 2019. The data concerning materials and waste do not include the figures from EuroBank.

MAIN OPERATIONAL EFFICIENCY MEASURES IN EACH OPERATION

Portugal

Installation of LED lighting in Taguspark 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.

The solar energy plant continues to operate: 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.



Green IT Programme: Reduction in local printing, giving preference to digital archive tools in the purchase of software development services. Aiming at reducing the CO₂ emissions throughout 2019, it was possible to verify that the use of *webcasting* means continues and that the use of these tools increased 252% and the duration of sessions in around 314% if compared with 2018. This substantial increase was a result of the introduction of the Skype for Business to replace *Webex*.

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 6.8% less prints made using the Branch's equipment if compared with 2018, resulting in a monthly savings of 141.028 prints.

In terms of documents scanning, in 2019 this measure continued active keeping stable figures versus 2018 (36.986.080 scanned documents, representing a decrease of 0.1% versus 2018). 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, and as a whole, these initiatives enabled saving 42% of the consumer goods from 2013 to 2019.

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.

Digital sale of financial products: In 2018 the Onboarding Digital service was launched, which allows the Bank to be able to open online accounts with Customer authentication via video conference. Besides that, Millennium bcp and ActivoBank implemented the 100% digital account opening process. The process is innovative, simple, fast and totally digital, setting aside a smartphone and tablet, without the need for the Client to go to any branch.



Campaigns with draw prizes were developed to encourage Customers' use of basic digital elements (e-mail, e-Statement, website and APP) allowing in 2019 to reach the historical mark of about 72% of active accounts with digital e-statements.



In 2019, the bank signed two significant environmental commitments: the Mobility pact for the City of Lisbon that intends to make mobility more sustainable in Lisbon and the Commitment "Lisbon -European Green Capital 2020- Climate Action Lisbon 2030.

Mobility: The Bank follows a policy of minimizing business trips by limiting the types of transportation and by using remote communication channels, such as e-learning, teleconference and video conference. Since 2017 the option of use/purchase of hybrid vehicles in the selection of the company's fleet is available.

Program Kaizen which promotes, daily, a set of practices 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. Every three months, four Kaizen Committees were held in 2019, ensuring the follow-up and recognition of the best initiatives undertaken by each Department. 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 244,000€.

Using digital documents such as, for example, the bank statement in digital format In 2019, 72% of the active accounts in Portugal, subscribed e-statements; 79% in Poland; 28.622 clients in Mozambique and 210 clients in Switzerland.

Poland

Adjustments to the lighting and heating systems:

- Adjusting the time lighting is on in accordance with the Bank's work hours at each floor, through an automatic shut-down system under the floor;
- Changes to the lighting control system for the bank signs outside the branches – the system adjusts to the seasons of the year; in the summer the signs are on from 19:00 to 00:00 and in the winter from 15:30 to 00:00;
- Heating was readjusted to a constant 21°C temperature;
- Automation of the air conditioning system, which is off on weekends and holidays, though an automated instant on/off control;
- Installation of LED lighting in the commercial network – in 2019 14 branches were equipped;
- Working parameters for gas heaters were optimized;

Implementation of energy audits according to the Polish law. This is mandatory every five years.

Implementation of limits of use of water in the cisterns of the sanitary facilities and installation of water diffusers in all bathrooms and kitchenettes.

Ongoing monitoring of the supply of materials necessary for the current Bank's operations and re-utilization of materials, as a way to reduce the consumption of materials and resources.

The discipline regarding the management of resources, which involves the re-use of materials and limits in the purchase of equipment. The process for the order of new assets and the necessary conditions for the purchase of new equipment (counters, shredders, swivel chairs, other furnishings) is regulated by an internal ruling and is centralized in the procurement area. Each need is verified individually in terms of the need for the purchase and its compliance with the Bank's internal rules.

The efficient management of the resources, re-using them, enables to reduce the purchase of devices (ex.: meters, shredders, cooling equipment, microwave ovens), furniture and office supplies. A tool was also implemented to control the number of security envelopes in plastic used, based on the limits established for each organizational unit.

To monitor consumption, an IT tool with a centralized management was developed that helps to keep purchase discipline through the rational verification of the need for purchasing every line item. This allows limiting the consumption of natural resources.

The method for requesting bottled mineral water, plastic cups and shakers continued to be used; the replacement of plastic bottles and cups by glass and paper, respectively, was implemented. In addition, the number of safe plastic envelopes used is subject to monitoring, based on the limits set forth for each organizational unit, based on the monthly average number of special couriers.

Measures for the reduction of paper consumption

- Ongoing monitoring of the amount of paper necessary for branches in cashier and treasury operations through the issue of monthly reports on those operations.
 - Monitoring of prints by organizational unit, sending a report to the units with the highest number of prints in order to identify initiatives to reduce their number.
 - Consolidation and reduction/ summary of the contents of documents, including the sharing of documents online to replace their distribution in paper.
 - Digitalization of the process related to customer information, updated annually, required by law, allowing related documents to no longer have to be printed, making the information available on the website and in electronic format.
 - Clients that subscribed e-statement – 79% of clients in Poland.
-

Promotion of mobile *contactless* payments

The clients of Bank Millennium have the possibility of opening a current account with the bank and create a new virtual card that does not possess a plastic component and only exists in the mobile app. We observed that the clients select that type of card in a conscious manner: 99.96% of the virtual cards are often used. In 2019, there were 92.928 virtual cards being used.

Waste management measures

The regulations regarding environmental protection (Waste Law) require that the Bank carries out an adequate management of waste by filling in the necessary documents, as well as the preparation and forwarding to duly licensed operators, being also made reports on the types and quantities of the waste produced. The Bank transfers its waste to a specialized company, licensed to operate in the recovery, collection and transportation of non-hazardous waste.

All types of metal, plastic, wood, glass, electric and electronic waste generated by the operational activities of the Bank are forwarded to recycling by a specialized company with appropriate environmental certificates, engaged by the Bank. In the buildings in Warsaw, the Bank introduced the separation of waste in four components: glass, plastic, paper and other, in accordance with the Quality Integrated System (PN-EN ISO 9001: 2015) and environment (PN-EN ISO 14001: 2015). From the information conveyed by the building management, 175% of the waste collected is recycled.

Moreover, the Bank sends documents whose storage period ended for recycling, as well as documents which are not meant to be filed, through companies engaged by the Bank. The responsibility for collection and re-use of toner cartridges of the multi-function copiers pertains to the Bank's supplier.

Mobility

Replacement of almost all the cars of its fleet for hybrid cars, which will enable it to prevent over 500 tons of CO₂ emissions, representing a 20.6% decrease versus 2016. The Bank follows a policy of minimizing business trips by limiting the types of transportation and by using remote communication channels, such as e-learning, teleconference and video conference.

In order to reduce the number of travels by plane or private car the Bank implemented an internal regulation establishing that, to travel by plane, it is necessary to get the approval of the CEO and to use the private car it is necessary to get the approval of one Director. Within this context, 1,094 visits to Branches were carried out in 2019.

Mozambique

Energy efficiency measures: some procedures were maintained, such as automatically switching off the computers and main lighting of the buildings at 20:00, and from 22:00 all lights and signs on the branches of the commercial network. Conventional lighting is being replaced by LED lighting. The replacement of the alternative sources "Generator Sets" by solar panels is under study.

Measures to reduce water consumption: Replacement of the gardens of the branches of the commercial network for paved areas, so as to reduce water consumption.

The Bank reaffirmed its commitment to the implementation and dissemination of the principles of the United Nations Global Compact Initiative on Human Rights, Work and the Environment, as well as its support in implementing the objectives of FEMA (*Fórum Empresarial para o Meio Ambiente*) - Business Forum for the Environment.

Scanning documents and promoting the use of e-Statement: Possibility of opening accounts using a tablet device, i.e., without using paper, as well as joining the Bank's statement service in Mozambique (where customers can access the statement, transaction slips and other documents in digital format), avoiding paper statements remittance.

Additionally, customers have the option to update data via IZI on Whatsapp, using the application for scanning documents (BI, NUIT, Income Statement and proof of residence). In the same channel the customer has the possibility to consult the missing documentation in the bank system.

Re-use of equipment and materials: In this geography, but also in Portugal and Poland, the Bank donates computer equipment and furniture for school use, to a number of educational institutions or social support organisations.

Reduction of plastic consumption: Plastic straws and plastic packaging of sandwiches were removed from the coffee shop in the Bank's head office in Warsaw. Additionally, employees are encouraged to bring their own glasses and plates from home.

Switzerland

Eco-efficiency measures for the reduction of paper consumption: The Bank continued to implement a set of measures: the consumption of recycled paper and the adoption of two-sided printing.

Energy efficiency measures: Conscious use of air conditioning during the summer period.

Mobility: The Bank controls internally business travels, giving preference to the use of video-conferencing over travel.

e-Statement: in 2019 around 210 clients had access to the e-Statement, thus reducing the Bank's consumption of paper.

Sorting and recycling: The Bank provides containers for the separation of paper, plastic (including one specifically for plastic cups) and glass, which are sent for recycling by means of a licensed recycling operator. The toner cartridges used are also delivered to a specialized operator.

Energy consumption

Energy consumption in BCP Group is mostly of indirect origin (electric and thermal), representing 71% of total energy consumption.

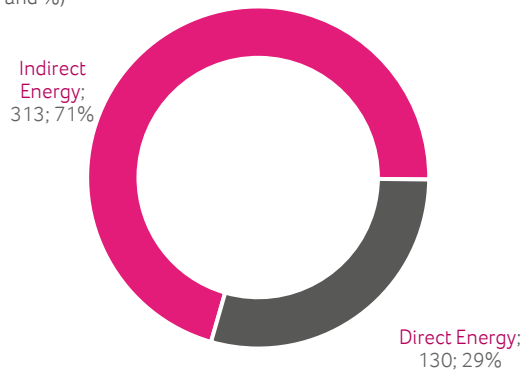
With a view to minimising this consumption, investment in operational efficiency measures was continued in the various operations, through the optimisation of processes and equipment, reinforcing a set of measures to reduce consumption that allow the simultaneous achievement of technological, financial and environmental gains.

Another of BCP Group's priorities in this area is the production and consumption of renewable energy, having the Group assumed in the 2021 Sustainability Master Plan commitments related to the increase of the installation of photovoltaic power plants and with the consumption the purchase of renewable energy, Renewable Energy Power Purchase Agreement (RE PPA).

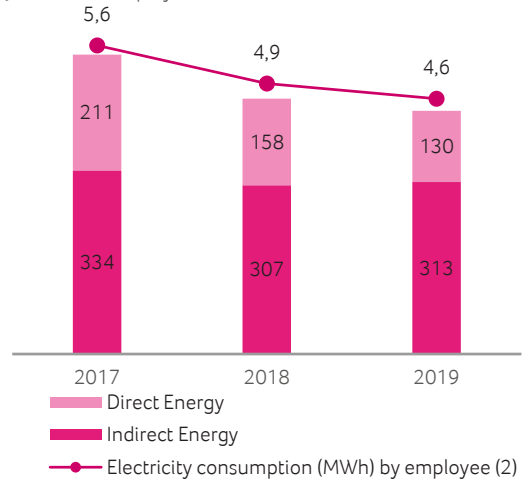
In 2019, there was a reduction of about 18% in direct energy consumption, associated with fuel consumption, and an increase of 2% in indirect energy consumption, resulting from electricity consumption. The increase in electricity consumption in the Group is justified by the Bank's growth, particularly in Poland with the acquisition of EuroBank, and it was recorded, by contrast, a reduction in per capita electricity consumption of 5.6% compared to 2018.

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

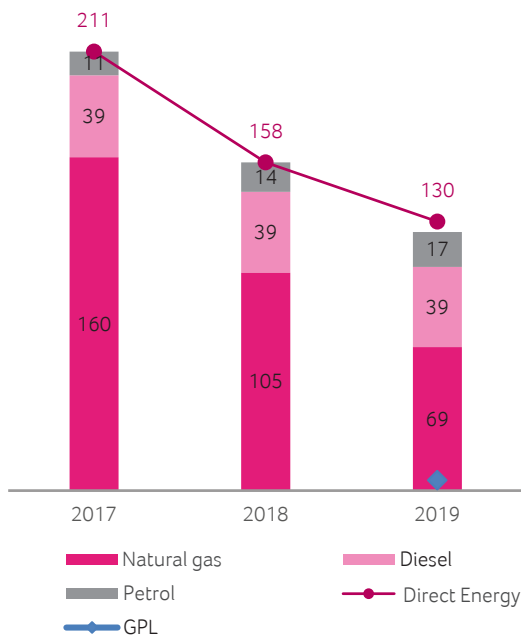
Direct and indirect energy consumption in 2019 ⁽²⁾
(TJ and %)



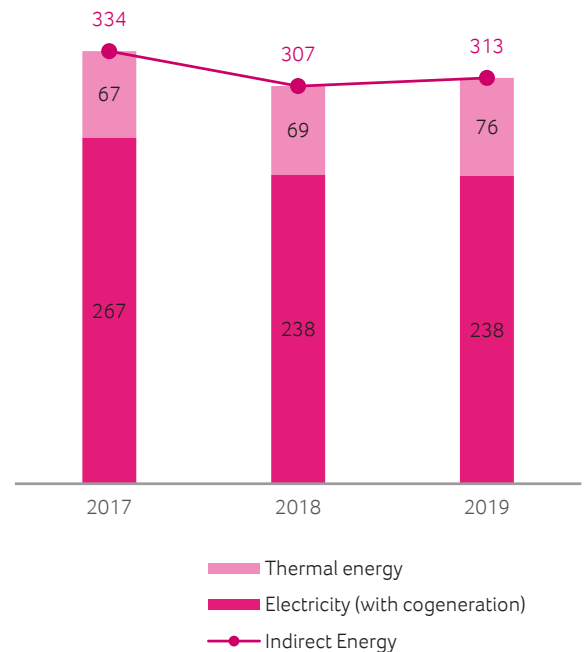
Total energy consumption - GRI 302-1
(TJ and MWh/employee)



Direct energy consumption ⁽²⁾
(TJ)



Indirect energy consumption
(TJ)



⁽²⁾ Data does not include the co-generation plant and facilities with data centres in Portugal, nor data from Mozambique. Includes EuroBank values since October 2019.



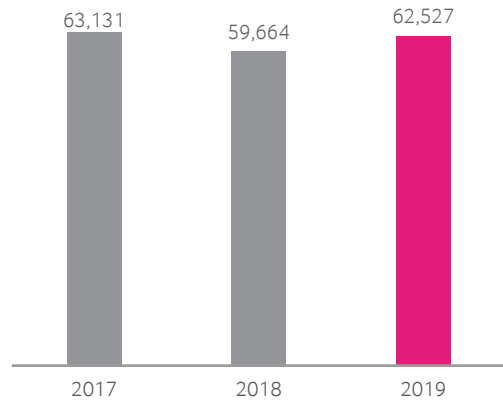
37% is the reduction of total energy consumption in the last 5 years

Regarding the domestic activity (Portugal), in 2019, Millennium bcp ensured the fulfilment of its annual target for the reduction of energy consumption (-4%), having reduced energy consumption (electricity and fuels, including natural gas) in Portugal by 12% compared to 2018.

Without prejudice to this reduction in aggregate energy consumption, Millennium bcp in Portugal increased its electricity consumption (13% compared to 2018). This increase of electricity consumption in the public grid was a consequence of lower energy production through co-generation, which was due to a temporary technical constraint in the production system; a situation that, in the perspective of fuel consumption, also justifies the 28% reduction of natural gas consumption.

The co-generation plant in TagusPark produced 8% of the electricity consumed by the Bank in Portugal, with an 8-p.p. decrease in own-production consumption compared to the previous year.

Electricity consumption⁽³⁾ (MWh)



⁽³⁾ It does not include the co-generation plant and the facilities with data centres in Portugal.

TAGUS PARK CO-GENERATION PLANT

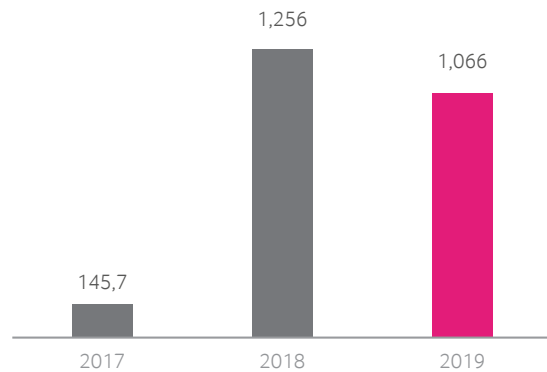
Unit		2019	2018	2017	Var.% 19/18
Electricity					
Consumed	MWh	3,462	6,517	11,033	-47%
Sold	MWh	0	41	845	-
Total	MWh	3,462	6,559	11,879	-47%
Total electricity from the public network	MWh	37,915	33,556	36,860	13%
Own-production/total consumption	%	9	23	23	- 14 p.p

PHOTOVOLTAIC SOLAR PLANT

In 2017, the Solar Photovoltaic Plant at Taguspark facilities came into operation, consisting of 3,703 panels installed in 3 buildings.

In 2019, 60% of the electricity consumed in Portugal was from renewable sources (including energy produced by the photovoltaic plant and renewable component of the electricity purchased)

Energy produced in photovoltaic panels (MWh)



Portugal

2019 Reduction goals

- energy consumption: 12% reduction, **achieved**
- 4% in the consumption of electrical energy from the public grid:
- 12% increase, **not achieved** (due to problems on the co-generation plant)

2020 Reduction goals:

- 4% in Energy consumption
- 3% of the electricity consumption of the public grid

Other goals:

Purchase of energy-efficient vehicles for the Bank's Car Fleet, 30% by 2025 and 80% by 2030

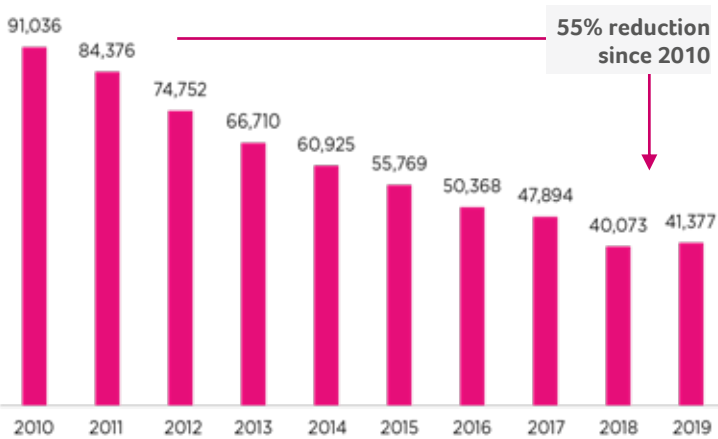
Internationally, there was an increase in direct and indirect energy consumption in the Polish operation of 32% (due in part to the integration of GPL consumption in EuroBank's fleet) and 1%, respectively, while in Switzerland there was a reduction in electricity consumption of around 8% compared to 2018.

MILLENNIUM BCP ENERGY EFFICIENCY PATH IN PORTUGAL (2010-2019)

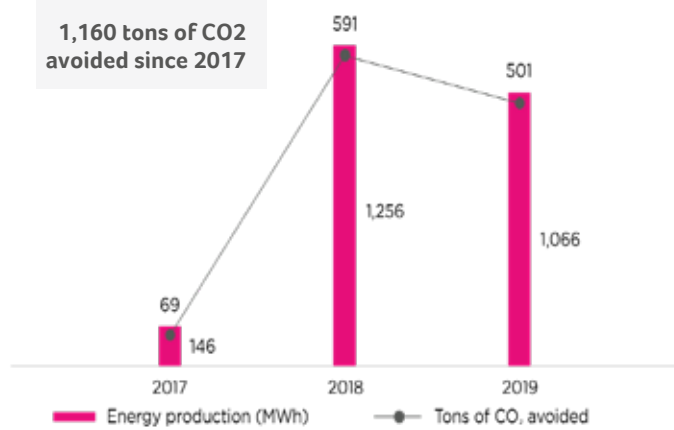
Main measures in place

Replacement of traditional light bulbs for LED	Optimisation of the functioning of lighting, HVAC and thermal power station	Green IT Programme	Environmental Signs Campaign	Regular monitoring of consumptions and energy audits	Installation of Photovoltaic Solar Energy Plant
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Electric energy consumption
(MWh)



Energy produced from photovoltaic panels
(MWh)



Reduction of electric power consumption since 2010

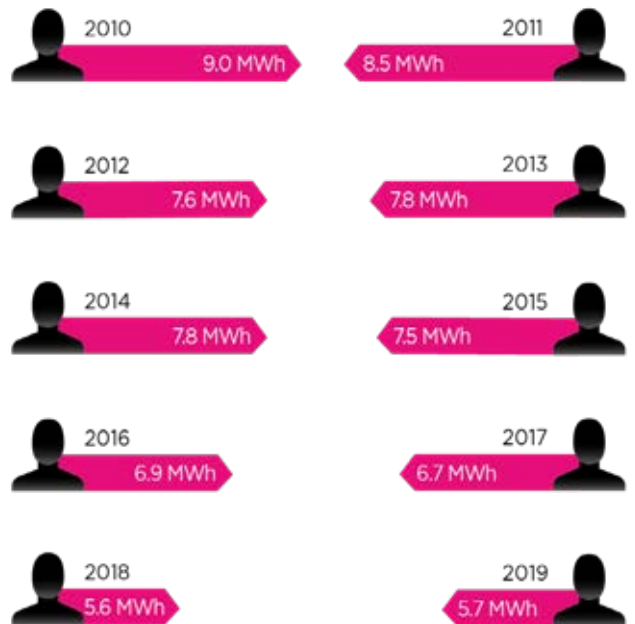
Reduction of **55%**

Reduction of electricity consumption, per employee, since 2010

Reduction of **36%**

Energy and interior air quality certification

B Rating **71%**



Material issue:

CLIMATE CHANGE

Greenhouse Gas Emissions (GHG)

The commitment of Group BCP is based on minimising its carbon footprint and on supporting its clients in the transition into a low carbon economy so as to reach the objectives defined by the international political agenda.

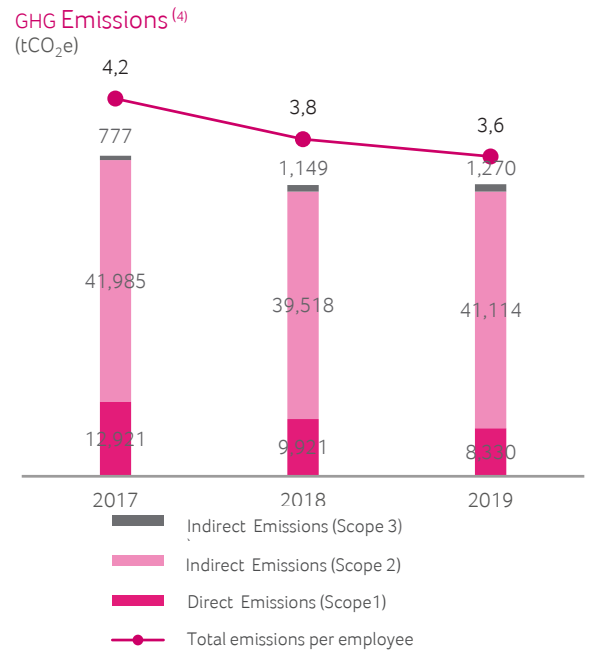
As part of its commitment to adapt to climate change, BCP calculates the Group's carbon footprint annually with a view to contributing to the reduction of greenhouse gas emissions (GHG). Seeking to improve global knowledge of its footprint, the Bank has included in its 2021 Sustainability Master Plan the objective of broadening knowledge about the carbon footprint in relation to scope 3, upstream and downstream of the Group's activity.

In addition, BCP identifies risks related to climate change and incorporates policies, standards and procedures defined to ensure the Bank's continuous operation in the event of natural disasters that may cause its interruption. 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. In this context, the Bank aims to improve reporting in this area by implementing the recommendations of the "Task Force on Climate-related Financial Disclosures" (TCFD).

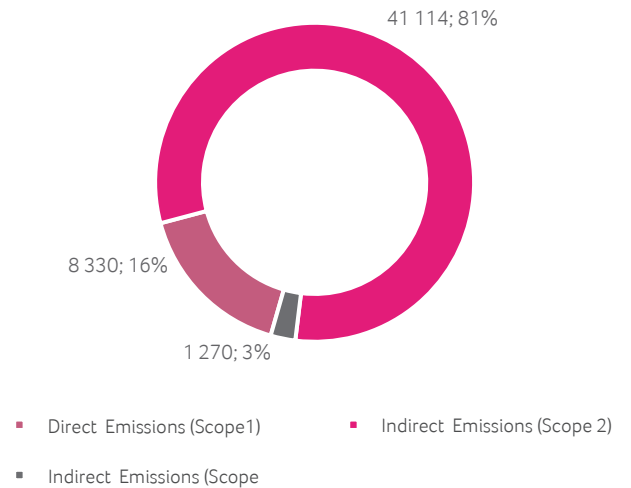
Annually, the Bank also took part in the CDP (Carbon Disclosure Project), having maintained its B Rating, Band Management, in 2019.

In 2019, in global terms, the Group recorded a slight increase in GHG emissions associated with the Group's banking activity, with an increase of approximately 0.2% compared to 2018. Emissions associated with fuel consumption (scope 1) recorded a reduction of 16% when compared to the previous year, associated with the decrease in natural gas consumption in Portugal. Emissions associated with electricity/heat consumption (scope 2) recorded an increase of 4%, and emissions associated with mobility in service (scope 3), registered an increase of 11%, mostly due to the increase in emissions associated with air travel, partly related to the EuroBank acquisition process in Poland.

There was a reduction in emissions per employee compared to 2018 of approximately 2 tCO₂, corresponding to a reduction of 5.1%.



Total emissions (scopes 1, 2 and 3) in 2019 (4) (tCO₂e and %)



23% is total of reduction of CO₂ emissions in the last 5 years

Concerning domestic activity (Portugal), Millennium bcp recorded a 3.7% reduction in its greenhouse gas emissions versus 2018, remaining behind the pre-defined goal (a -7% reduction in CO2 emissions).

In Portugal, direct emissions showed a reduction of 27% compared to the same period last year. Indirect emissions associated with electricity consumption showed an increase of 19% compared to the previous year, while indirect emissions associated with business travels (scope 3) also showed an increase of around 15%, due to a refining of the methodology for calculating emissions associated with air travels.

Portugal

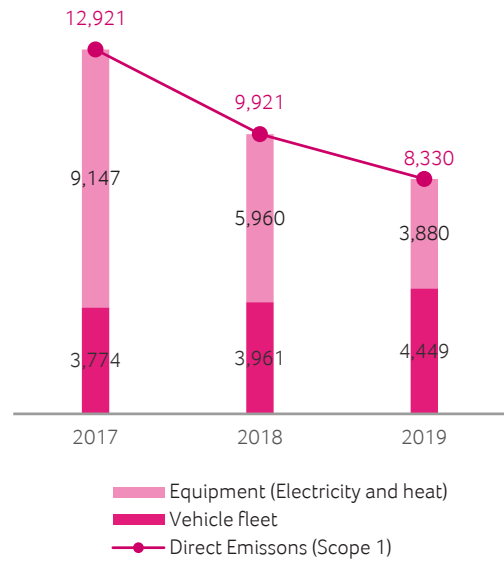
2019 reduction goals:

7% of CO2 emissions: 4% reduction, **not achieved**

2020 reduction goals:

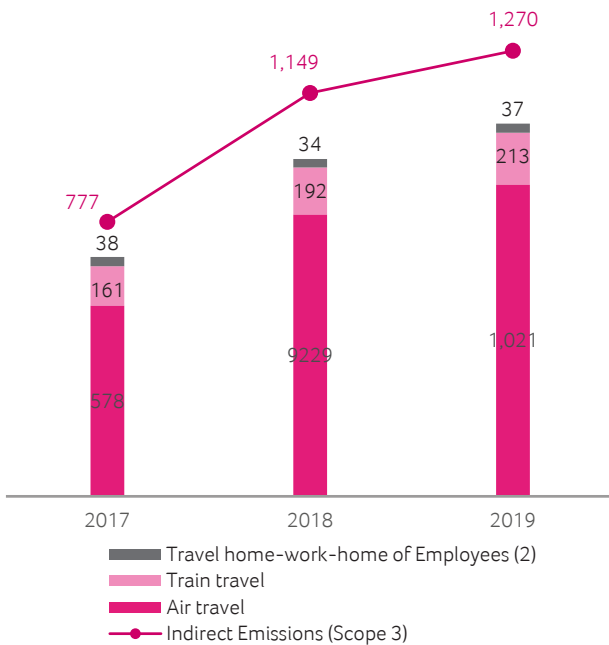
5% of CO2 emissions

Direct GHG emissions (scope 1) - GRI 305-1 (tCO₂e)

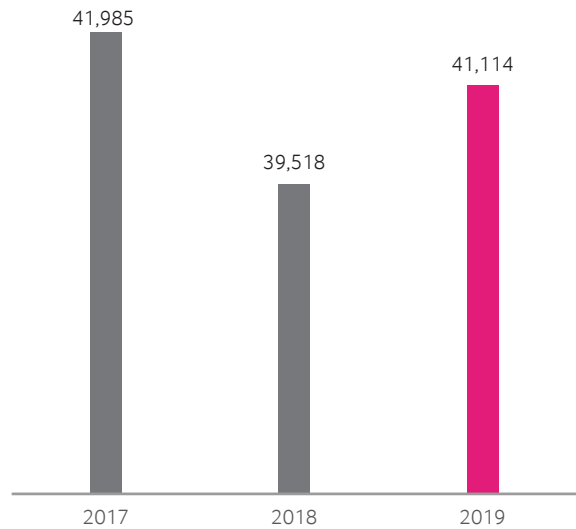


Also regarding reduction commitments, the Bank aims to define emission reduction goals in accordance with the Science Based Targets Initiative, an objective that was incorporated into the 2021 Sustainability Master Plan.

Indirect GHG emissions (scope 3) - GRI 305-3 (tCO₂e)



Indirect GHG emissions (scope 2) - GRI 305-2 (tCO₂e)



⁽⁴⁾ Data do not include values from Mozambique. Includes EuroBank values since October 2019.

Water Consumption

In global terms, the total water consumption of Group BCP maintained a downward trend, having decreased by 1.8% compared to 2018, as a result of efforts to reduce human water consumption and to raise employee awareness for a more responsible consumption, which also resulted in a 4.4% reduction in total water consumption per employee compared to 2018.

In the domestic activity (Portugal), Millennium bcp presented a reduction of 9.3% in water consumption when compared to the same period of 2018, reaching the proposed annual reduction target (-3%).

Portugal

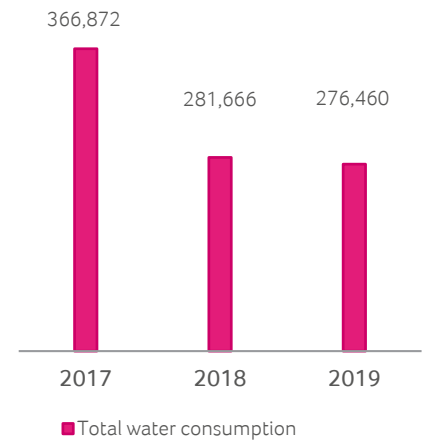
2019 reduction goals:

3% in water consumption: 2% reduction, **not achieved**

2020 reduction goals:

2% in water consumption

Total water consumption ⁽¹⁾
(m3)



⁽⁵⁾ Does not include Mozambique and Switzerland. Includes EuroBank values since October 2019. Change in the methodology for calculating data for Portugal, applied to all years, considering an average unit cost of 4,93€/m³.

Consumption of materials

In the scope of supplies consumption, in global terms, Group BCP registered a 1% reduction in the consumption of its main materials (paper and cardboard, plastic and Ink cartridges/toners) in comparison to the previous year, as a result of the implementation of process optimisation and dematerialisation measures.

The most consumed materials in terms of weight and quantity continue to be paper and cardboard, which, in overall terms, fell by 1% in relation to 2018, as a result of the dematerialisation initiatives that have being implemented in all the geographic areas. Also, toners and ink cartridges showed a reduction of 42%, a direct consequence of the incentive measures for non-printing and scanning.

Also, in Portugal, in 2019, the tendency to decrease supplies consumption continued, with a reduction of 9% in relation to the previous year, which barely made it impossible to achieve the established annual target (-10% of supplies consumption). We must point out that the A4 and A3 paper brand used by the Bank has an Eco-label certificate of the European Union which ensures that the paper manufacturing process is environmentally sound.

Portugal

2019 reduction goals

in water consumption: 1% reduction, **not achieved**

in paper consumption: 1% increase, **not achieved**

reduction in plastic consumption: 17% reduction, **achieved**

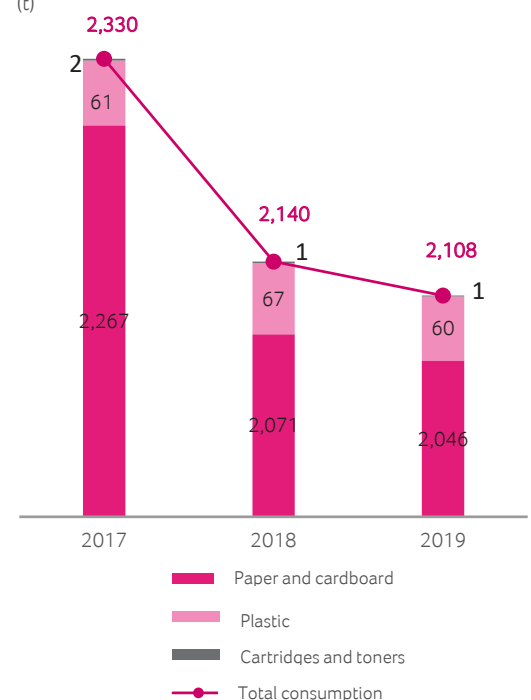
2020 reduction goals

the consumption of materials

the consumption of paper

in the consumption of plastic

Consumption of materials - gri 301-1⁽⁶⁾
(t)



⁽⁶⁾ Does not include values from EuroBank.

WASTE PRODUCED BY BCP GROUP

GRI 306-2

Waste produced	Unit	Paper and cardboard			Plastic			Ink cartridges and toners		
		2019	2018	2017	2019	2018	2017	2019	2018	2017
Activity in Portugal:	t	323.3	322.7	264.5	23.6	28.5	25.9	0.4	0.7	0.8
International activity	t	249.6	298.4	289.8	25.6	26.4	23.0	0.5	0.8	0.9
Total	t	573.0	621.1	554.4	49.2	54.9	48.8	0.9	1.5	1.7

About waste production, by 2019, there was an overall reduction of waste produced around 9%, associated with a reduction in the consumption of paper, cardboard, plastic and ink cartridges and toners.

In Portugal, there was also an estimated reduction of 1% in waste produced in total, mainly in plastic (17%), with paper and cardboard waste remaining constant compared to 2018. Like the Group, in Portugal there was also a significant reduction of 45% in ink and toner use.

Portugal**2019 reduction goals**

in waste production: 1% reduction, **not achieved**

2020 reduction goals

waste production

“

*50% is total of the reduction of water consumption
in the last 5 years*

Material issue:

ENVIRONMENTAL AWARENESS

Environmental Awareness

The environmental awareness of BCP's Employees and Customers is one of the areas of action considered in the Environmental Policy. In this context, the promotion of good environmental practices is one of the pillars of the environmental management of the BCP Group, being considered that the reduction of the environmental impact also depends significantly on the Employee's change in behaviour.

Every year, the Group develops several environmental awareness initiatives in the various operations, adapted to the local reality and context, aiming to encourage and motivate Employees to apply a rigorous management of resources in the daily exercise of their functions, thus contributing for the collective effort of transforming the BCP Group into a more sustainable entity.

KEY ENVIRONMENTAL AWARENESS INITIATIVES

Portugal

Internal environmental Signs: Use of environmental signs to promote the reduction of electricity, water and paper consumption through the adoption of behavioural practices to rationalize the use of these resources, contributing not only to the improvement of environmental performance, but at the same time to optimize operating costs and bolster the image of an organization with a strong environmental commitment.

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

Environmental volunteering: In 2019 there were two important initiatives in the field of environmental volunteering. The first, a tree planting action, resulted from a partnership with the Cascais City Council and had about 50 Millennium Volunteers, having allowed to plant about 400 trees in the Sintra Cascais Natural Park. The second was materialised in a beach cleaning action on the Cascais line and had the participation of 20 Volunteers, resulting in the collection of 200 Kg of beach waste.



Cards: Reduction of plastic consumption by extending, where appropriate, the validity period of cards.

Promote the use of videoconference and e-learning instead of travels The bank has internal rulings regarding the scheduling of travels establishing that each Employee and respective hierarch are responsible for ensuring that the purpose of the travel cannot be achieved by using remote communication channels (conference call or videoconference, for example) and that, when economically feasible, the travel should be made by train rather than by plane.

Removal of waste bins near the work stations The Bank proceeded to the general removal of waste bins, with the purpose of rationalizing the configuration of the workstations in the Bank's Central Services, contributing to the reduction of waste and, above all, their correct separation and recycling.

With this change, paper/cardboard is now deposited in collection points placed in all wings near the printers, and plastic waste, undifferentiated or organic, is deposited in the collection points available in the leisure areas.

Poland

Pro-Eco Environmental guide for clients and employees: This guide, available for all Employees and Clients of the Bank (through the intranet and the internal portal), gives several "tips" on the adoption of good practices, environmentally responsible, at the office and at home, including the selective separation of electric and electronic waste, as well as on the consumption of material, water and energy resources.

WWF Card Programme in Poland: Part of the transactions made by customers with the card is reverted to this institution. In addition, the card is made of environmentally friendly material. In 2019, 261 customers subscribed to the WWF card, totalling 1,527 active cards to date.

Environmental education: Bank Millennium has developed several environmental education campaigns, including posters in community theatres, guides and films in the bank's internal and external communication channels, an anti-pollution campaign and a more sustainable lifestyle campaign.

Promotion of "Eco" event: Event held at the Bank's headquarters in Warsaw, during which participants could do an ecological quiz, learn to wrap gifts in an eco-friendly way, create cosmetic products from natural ingredients and make sustainable Christmas decorations.

Transportation by bicycle: Promotion of bicycle transport through the development of new infrastructure for cyclists (bike stations and showers)

Switzerland

Environmental Signs: The Bank maintained the application of environmental signs in the common areas to raise employee awareness of moderate water and electricity consumption.

Sustainable mobility: Employees are strongly encouraged to use video-conferencing solutions whenever possible.

Mozambique

Gorongosa National Park: Millennium bim maintains the Gorongosa Business Club membership protocol. Under this protocol, in partnership with Millennium bim, it is possible to develop projects that aim to restore the ecosystem, support local communities in their socio-economic development, and create a sustainable tourism industry.

Financing line for Ecotourism: Millennium bim offers, through this credit line, special financing conditions to support tourism projects linked to biodiversity conservation and sustainable development

SUSTAINABILITY INDEXES



Recognition - Sustainability Indexes

Material issue:

BANK'S REPUTATION

In 2019, the BCP Group was listed in several Sustainability indexes.

In Portugal, pursuant to the evaluation carried out by Analyst ESG (Environmental Social and Governance) – VigeoEiris - i) continued listed in the index “Ethibel Excellence Europe”, which includes the 200 European companies with the best performance in terms of sustainability; ii) was confirmed in the “Ethibel EXCELLENCE Investment Register”, translating the Group’s high performance in terms of Sustainability practices for the market and potential investors.

Result of the evaluation carried out by the analyst - Standard Ethics - was also included in the "European Banks Index".

In Poland, Bank Millennium was included in the index WIG-ESG of the Warsaw Stock Exchange as a recognition for the work developed in environmental, social, economic and corporate governance issues.

In the 2019 edition of CDP - Carbon Disclosure Project, BCP Group was rated under “Management”, with an “B”.

Group BCP, already in 2020, 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.



METHODOLOGICAL NOTE



Environmental Indicators

GRI 301-1

The figures presented include the operations of Portugal, Poland, Mozambique and Switzerland.

Consumption of paper and cardboard – Total estimated based on the purchase of these materials and numbers in stock records. The weight of the paper units was found using standard paper measurements issued by the ISO 216 standard.

Plastic consumption – Total estimated based on the purchase of these materials and numbers in stock records. The calculation of the amount of plastic used in bank cards was based on the number of cards issued for Customers and on the standard weight of a card.

Consumption of ink and toner cartridges – Total estimated based on the purchase of these materials. In Portugal, the values reported include ink and toner cartridges used by the Bank through Xerox.

The material consumption values of the report history have been recalculated and materials such as paper, for example, have been added (paper used in media/communication production).

GRI 302-1

The figures presented include the operations of Portugal, Poland and Switzerland. For the latter country, only electricity consumption is shown.

Consumption of natural gas and liquid fuels - Total estimated based on purchases of these fuels. The LHV (Lower Heating Value) of the fuels used to compute energy is based on the Global Reporting Initiative, available at www.globalreporting.org, and APA (Portuguese agency for the environment), available at www.apambiente.pt.

Consumption of electricity – Total estimated based on the electricity bills.

The conversion factors used were as follows:

Energy - Fuels (source: GRI)

	Lower Heating Value (LHV)	Density
Natural Gas	0.03901 GJ/m ³	
GPL	46,00 GJ/ton	1,96 l/kg
Diesel	43,07 GJ/ton	0.835 ton/m ³
Gasoline	44,00 GJ/ton	0.748 ton/m ³
Litres - M ³	1000 Litre = 1 m ³	
Litres - TJ	(litres/1000)*43,33*0,825	diesel
Litres - TJ	(litres/1000)*44,80*0,825	Gasoline
Litres - TJ	(litres/1000*46/(1,96*0,001))	GPL
M ³ -Tj	((m ³)*0.03901)/1000	Natural Gas

Electricity

1 kWh	3.60 MJ/kWh
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GRI 303-1

The figures presented include the operations of Portugal and Poland. The total water consumption is estimated on the basis of the analysis of the cost with water, using for the calculation of water consumption in m³, the average unit cost determined of 4.93 Euros/m³.

GRI 305-1 to 305-3

Portugal	MIX - 2017	Source - 2017	MIX - 2018	Source - 2018	MIX - 2019	Source - 2019
Water	9.4%		23.3%		17.1%	
Wind	35.5%		21.6%		25.4%	
Renewable Co-generation	4.0%		3.4%		3.6%	
Other Renewable	5.1%		6.7%		8.3%	
Urban Solid Waste	1.4%	Total EDP Comercial	0.8%	Total EDP Comercial	0.9%	Total EDP Comercial
Fossil Co-generation	8.1%		6.9%		8.1%	
Natural Gas	12.7%		17.8%		21.2%	
Coal	20.8%		19.5%		14.9%	
Nuclear	3.0%		0.0%		0%	
Diesel	0%		0%		0%	
Fuel-oil	0%		0%		0%	

The figures presented include the operations of Portugal, Poland and Switzerland. The emission factors used were as follows:

Portugal	Factor - 2017	Factor - 2018	Factor - 2019
Energy and Total Heat - Without disaggregation (CO2/ Kwh)	0.28096 kgCO2/kWh Source: Total - EDP Comercial	0.22896 kgCO2/kWh Source: Total - EDP Comercial	0.24854 kgCO2/kWh Source: Total - EDP Comercial

Poland		Factor - 2016-2019	Source - 2016-2019
Electricity	Coal/peat (CO2/ kWh)	0.87422 kgCO2/kWh	http://www.ghgprotocol.org/calculation-tools/all-tools (consumo em 2012)
	Oil (CO2/ kWh)	0.48401 kgCO2/kWh	http://www.ghgprotocol.org/calculation-tools/all-tools (consumo em 2012)
	Gas (CO2/ kWh)	0.33734 kgCO2/kWh	http://www.ghgprotocol.org/calculation-tools/all-tools (consumo em 2012)
Energy and Total Heat - Without disaggregation (CO2/ Kwh)		0.75584 kgCO2/kWh	http://www.ghgprotocol.org/calculation-tools/all-tools (consumo em 2012)

Switzerland	Factor - 2016-2019	Source - 2016-2019
Energy and Total Heat - Without disaggregation (CO2/ Kwh)	0,02804 kgCO2/kWh	http://www.ghgprotocol.org/calculation-tools/all-tools (consumo em 2012)

Production of Electricity Mix:

Mozambique	MIX - 2016-2019	Source - 2016-2019
Carvão	0.0%	World Development Indicators: Electricity production, sources, and access. "World Development Indicators 2015" http://wdi.worldbank.org/table/3.7
Oil	0.0%	
Gas	0.1%	

Poland	MIX - 2016-2019	Source - 2016-2019
Carvão	84%	World Development Indicators: Electricity production, sources, and access. "World Development Indicators 2015" http://wdi.worldbank.org/table/3.7
Oil	1%	
Gas	4%	

Switzerland	MIX – 2016-2019	Source – 2016-2019
Carvão	84%	World Development Indicators: Electricity production, sources, and access. "World Development Indicators 2015" http://wdi.worldbank.org/table/3.7
Oil	1%	
Gas	4%	

Emission factors - Fuels (source: UNL, EDP, IPPC)

Gasoline	CO2	69300.0 Kg/TJ
	CH4	25.0 Kg/TJ
	N2O	8.0 Kg/TJ
Diesel	CO2	74100.0 Kg/TJ
	CH4	3.9 Kg/TJ
	N2O	3.9 Kg/TJ
GPL	CO2	63100.0 Kg/TJ
	CH4	62.0 Kg/TJ
	N2O	0.2 Kg/TJ
Natural Gas	CO2	56100.0 Kg/TJ
	CH4	1.2 Kg/TJ
	N2O	2.3 Kg/TJ
HVAC - PAG	HFC-22	1810,0 kgCO2/kg
	R407	1774,0 kgCO2/kg
	R410	2158,0 kgCO2/kg

Emissions Factors – travels

	Type of flight	Distance (km)	Emission Factor	Source
Air plane	Short	<500	0,18 kgCO2/km	GHG Protocol
	Medium	500-1600	0,13 kgCO2/km	GHG Protocol
	Long	>1600	0,11 kgCO2/km	GHG Protocol
	Radiative Forcing Index		1.9	GHG Protocol
	Train		0,06 kgCO2/km	GHG Protocol
	Bus		0,19 kgCO2/km	GHG Protocol

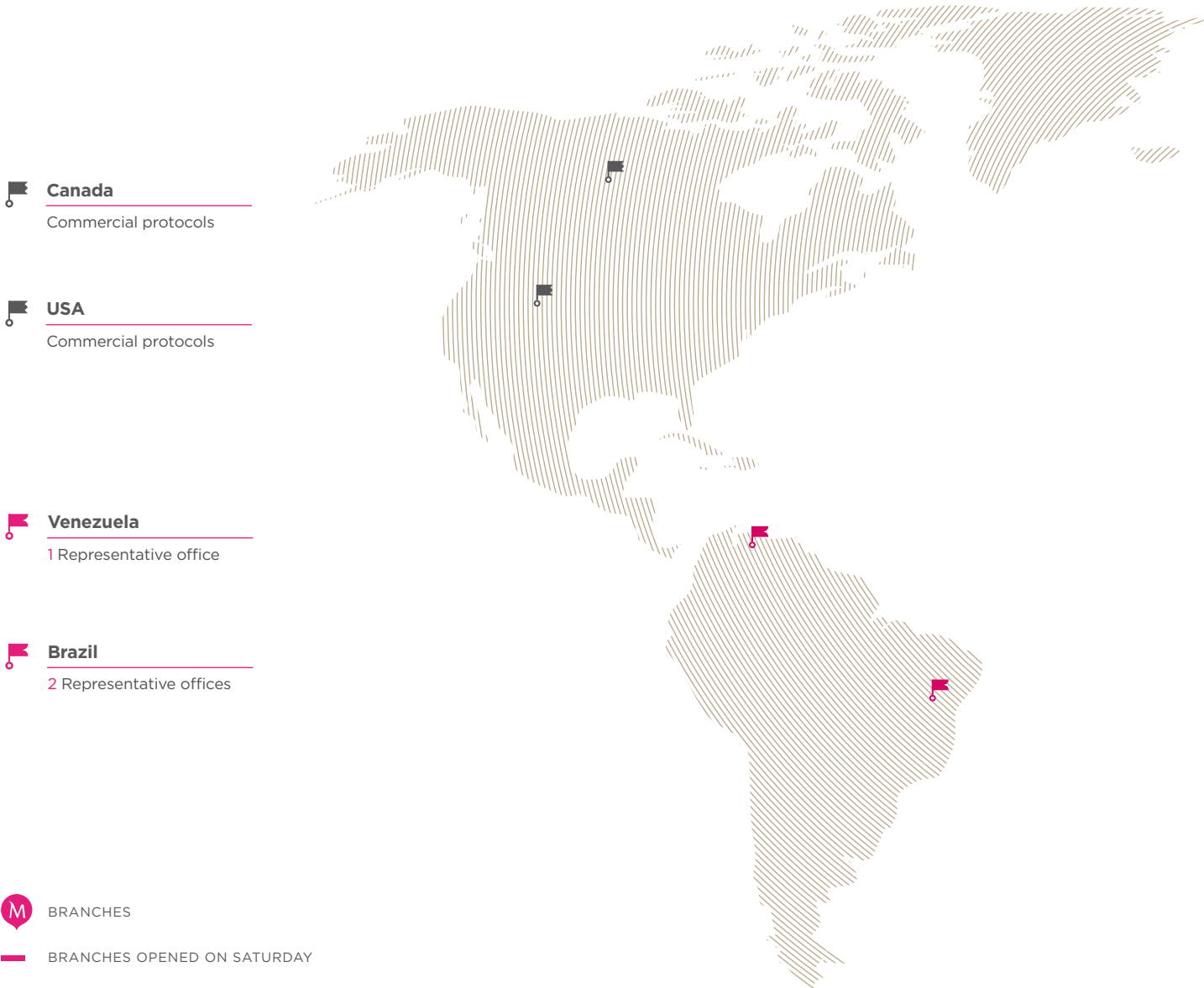
GRI 306-2

Paper and Cardboard - The total amount of paper and cardboard waste is obtained by adding up recovered paper and recovered cardboard.

Plastic - estimate of the amount of waste produced from water bottles and plastic office supplies, which are not usually meant for archive or for customers.

Ink cartridges and toners – the bank considered that the total produced corresponds to consumption.

Millennium network



Canada
Commercial protocols

USA
Commercial protocols

Venezuela
1 Representative office

Brazil
2 Representative offices

M BRANCHES

— BRANCHES OPENED ON SATURDAY

— BRANCHES WITH DIFFERENTIATED SCHEDULE

— BRANCHES WITH ACCESS CONDITIONS TO PEOPLE WITH REDUCED MOBILITY

🚩 REPRESENTATIVE OFFICES

🚩 COMMERCIAL PROTOCOLS

M PARTNERSHIP

* Includes branches of different networks that share the same physical space.
 * Including eurobank branches.
 ** Not including eurobank branches.

M Portugal
505 Branches
118* 437

United Kingdom
1 Representative office

M Poland
830* Branches
72** 80** 278**

M Macao
1 Branch

Spain
Commercial protocols

Luxembourg
Commercial protocols

South Africa
1 Representative office

China
1 Representative office







France
Commercial protocols

M Switzerland
1 Branch
1
3 Representative offices

M Mozambique
200 Branches
30 63 159

M Angola
Partnership in which BCP holds 22.7%



	 Customers (Thousands)	 Internet	 Call Centre	 Mobile Banking	 ATM ⁽¹⁾	 POS ⁽²⁾
Portugal	2,394	657,412	184,944	645,110	1,967	71,627
Poland	2,345	1,541,073	197,424	1,410,444	498	-
Switzerland	2	583	-	-	-	-
Mozambique	854	15,817	48,801	545,847	523	7,864
Macao	3	-	-	-	-	-

Note: Active users are those who used Internet, Call Centre or Mobile Banking at least once in the last 90 days.
 1 Automated Teller Machines.
 2 Points of Sale.

2019 Sustainability Report

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Banco Comercial Português, S.A.,
Company open to public investment

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All mentions in this document to the application of any ruling mean the version currently in effect.

This report has been prepared in accordance with GRI Standards: Core option.

This report is included in the scope of verification of Millennium bcp's Sustainability information, performed by Pricewaterhouse-Coopers & Associados, S.R.O.C., Lda. in Portugal for the financial year 2019.

For further detail see the Verification Report included in the 2019 Annual Report.



Millennium

bcp