

2008

Sustainability Report



Millennium
bcp

Page intentionally left blank

Scope and relevance

This fourth sustainability report is intended to present information relative to 2008, focusing on the most relevant issues for our stakeholders. Therefore, issues considered by Millennium bcp as of greater importance to our stakeholders are reported, for the year analysed. Other information sources will be referred regarding any additional information that may provide further clarification on the issues in question, namely the Millennium bcp 2008 Annual Report, of which this report is a complementary part, and the "millenniumbcp.pt" website.


For the second time, this report has an international scope, this being the first report to include business developed in Romania. This report includes operations in Portugal, Poland, Greece, Romania, Mozambique and the USA, but excludes the insurance activity.

This annual report followed the G3 Guidelines of the Global Reporting Initiative (GRI), describing the main economic, social and environmental impacts of Millennium Group business, that represent the scope described in the previous paragraph.

Quantitative elements presented, as well as information collection and treatment processes, were subject to verification by KPMG, in compliance with the principles defined by ISAE 3000 (International Standard on Assurance Engagements 3000), in order to enable the establishment of benchmarks and ensure information comparability. The Verification Report issued by KPMG may be found in page 103.

Given report restructuring in terms of information organisation, namely inclusion of business reporting in Romania, some data are not directly comparable, although reported indicators are equivalent to those reported in 2007.

Similarly to the previous year, calculation and presentation of the environmental indicators included in the present report was performed in collaboration with the Science and Environmental Engineering Department of the School of Science and Technology of the *Universidade Nova de Lisboa*.

		C	C+	B	B+	A	A+
Mandatory	Self declared						✓
	3 rd party checked						✓
Optional	GRI checked						

Report Contents

Message from the Chairman of the Executive Board of Directors		6
1 – About us	Vision; Mission; Values; Strategy; Corporate Responsibility	9
2 – Our Presence	International Presence	19
3 – Relations with Stakeholders	Relevant Issues; Main Sustainability Indicators; 2008 Sustainability Highlights	23
4 – Integrating Sustainability in Millennium bcp Business		
4.1- Commitment to Shareholders and Investors	Financial Community Relations	33
4.2- Commitment to Customers	Quality; Customer Service; Accessibility; Security; Full offer; Transparency Principles	35
4.3- Commitment to Socially Responsible Products and Services	Microcredit; Project Finance; Asset Management; Initiatives with Relevant Impact on Social and Corporate Development	45
4.4- Commitment to Employees	Recruitment; Mobility; Talent Management; Training; Meritocracy and Equal Opportunities; Dialogue with Employees; Social Benefits and Leisure Clubs	57
4.5- Responsible Procurement	Management of Supply Chain; Suppliers Assessment	75
5 – Commitment to Society	Promoting Education and Entrepreneurship; Promoting Culture; Promoting Sports; Promoting Charity; Promoting and Recovering the Artistic and Historic Heritage	77
6 – Environmental	“For a Better Millennium”; Consumption of Resources; Energy, Greenhouse Gases and Other Atmospheric Emissions; Liquid Effluent; Waste; Conservation of Nature	87
7 – Additional Information	Membership of Millennium bcp in National and International Organizations; Verification Report Issued by KPMG; GRI Indicators; Calculation Criteria; Glossary; Acknowledgements	101

Page intentionally left blank

Message from the Chairman of the Executive Board of Directors

In a year such as 2008, marked by a global challenging financial environment, Millennium bcp sought innovative solutions to respond to the economic, social and financial markets regulatory alterations, in order to maintain the trust of customers, shareholders, employees and other business partners that contribute towards the development of the Group in the various geographical locations that we operate in.

Due to the market turbulence observed since the summer of 2007, the Bank focused especially on risk and capital issues, particularly strengthening of prudential ratios, having performed a capital increase of 1.3 billion euros in April 2008, which was well received by shareholders and revealed itself particularly opportune, given the instability that prevailed from the end of the third quarter of 2008.

Within this framework, the fact that Millennium bcp was not significantly exposed to the subprime market and other products named “toxic”, which greatly penalised financial institutions all over the world, with dramatic consequences for shareholders, employees and other stakeholders, constituted a positive factor from a sustainability standpoint.

Countless actions were undertaken within the scope of the sustainability policy developed by the Bank. These initiatives will be presented in this fourth Millennium bcp Sustainability Report, although I would like to refer some of them in this introductory message.

Reinforcing our commitment to proximity, the “Millennium Meetings” started to be organised in Portugal, in April 2008, promoting the gathering and dialogue between the Executive Board of Directors, employees, customers, businessperson, investors and communities.

Within the scope of our strategy to refocus on customer service, 199 new branches opened in 2008, with special emphasis on markets of high growth potential and branch staff was also reinforced. Bank structure simplification, a process in course, involving reorganisation of several Back office areas, led to the strengthening of our sales teams, through employee competence and skill development programmes.

Preparation of the launch, in 2009, of a new employee evaluation system, represents an evolution in our people management policy, whose objective is to recognise and reward the performance and development of each employee, in a fair and more assertive manner.

In the social area, we continued our attempts to improve the life quality of the communities of all countries where we operate, namely through cultural, educational and charitable initiatives. Within this scope, I would like to highlight the example of the new elementary school – built and offered by Millennium bcp -, in the Sofala province (Gorongosa National Park), where we witnessed the contagious joy expressed by over 350 children, who are now able to use an area that will certainly allow them access to new opportunities and enable them to aspire to a more promising future.

With the aim of increasing our environmental action, we launched the “For a Better Millennium” programme, in the beginning of 2008, whose main goal is to raise awareness and mobilise an increasing number of people to the necessity of avoiding waste and simultaneously value environmentally responsible behaviour.

The importance of sustainable policies and practices was emphasised in 2008, a year in which the sustainability of many businesses and institutions was put to the test. Millennium bcp employees deserve a special word of appreciation and gratitude in this Sustainability Report, for the manner in which they faced adversity and mobilised their efforts in order to fulfil the objectives set, since, as is well known, it is only through creation of value that Millennium bcp will be able to intervene in the future of the communities where we operate.

In 2009, envisaged as an equally challenging year, success will once again depend on the commitment of each and every one of us. Sharing values related to the importance of developing sustainable policies and practices would constitute a strong foundation upon which to build and affirm the relevance of Millennium bcp. Sustainability today is not a fashion, is a survival imperative.

Carlos Santos Ferreira

Chairman of the Executive
Board of Directors

Page intentionally left blank

Chapter 1 – About Us

Banco Comercial Português, the first private commercial bank constituted after the beginning of the Portuguese financial system liberalisation and development process, celebrated its 23rd anniversary in 2008, having also celebrated, on the October 23, 2008, the fifth anniversary of the launch of the Millennium brand, whose innovative name, colour and brand unity surprised the market in a positive manner. Since May 1986, when Banco Comercial Português started its business, the Bank assumed the commitment to be future oriented, differentiating itself by its dynamic, innovation and competitiveness. (1)

Today, Banco Comercial Português is the largest Portuguese private bank, with a prominent position in the international markets where it operates. It bets on continuous improvement regarding its participation in society and the market, development of a strategy allowing value maximisation, from the perspective of its shareholders, maintaining high customer satisfaction levels and deep customer financial relations and sustainable increases in profitability and soundness.

Millennium bcp is attentive to social and technological changes, seeking to anticipate the future and betting on creativity as a guarantee of permanent progress. The Bank operates in a socially responsible manner in its relations with employees, customers, shareholders and other stakeholders. Its economic interests are fulfilled in respect for ethics and the legislation and a sense of balance in contracts. Prices reflect real costs and fair remuneration of the capital used.

Our bet on a strong brand, reflecting our vision and values, has always been assumed. Once again distinguished as an excellence brand in Portugal by Consumers and the 2008 Superbrands Counsel, the Millennium logo expresses joy in being useful, by meeting customer needs. Our name expresses soundness, strength and commitment to the society.

Vision

Millennium bcp aims to become a reference bank, at the service of its customers, based on innovative distribution platforms, with growth focused on Retail, whereby two thirds of its capital is expected to be allocated to the Retail and Corporate Businesses, in high potential markets with expected annual turnover increases of over 10%. The Bank also aims to achieve superior efficiency levels, through commitment to an efficiency ratio corresponding to sector benchmark levels and stricter capital and cost management discipline.

Mission

Create value for customers through superior quality on financial products and services, complying with rigorous and stringent conduct and corporate responsibility standards, growing in a profitable and sustainable manner, in order to provide attractive returns to shareholders, justifying and reinforcing strategic autonomy and corporate identity.

(1) – Bank history and milestones may be viewed in the institutional area of the “millenniumbcp.pt” site.

Values

Dedication to customers – Seeing everything through the customer’s eyes.

Excellence as a vocation – Only the best is acceptable. It is worth seeking new solutions whenever they are better.

Trust – We wish to develop relationships with a future.

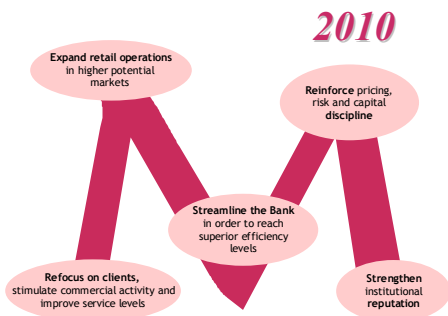
Ethics and responsibility – We act in conscience and with consequence. We wish to make a difference beyond our results.

Respect for people and institutions – We wish to fulfil ourselves by fulfilling objectives. We work for the common good.

Strategy*

Millennium bcp strategic priorities in 2008 were based on five lines of action:

- Refocusing attention on customer, promoting commercials activities and improving service levels;
- Reinforcing pricing, risk and capital management discipline;
- Expanding Retail operations in high potential markets,
- Streamlining the Bank, in order to achieve superior efficiency levels;
- Strengthen institutional prestige.



Corporate Responsibility

Millennium bcp closely follows the several recommended and implemented models, on national and international levels, actively participating in the wide reflection, started on various levels, on best corporate governance practices.

Currently, Millennium bcp adopts a dual Corporate Governance Model, entailing separation between executive and supervisory powers, wielded by the Executive Board of Directors and the Supervisory Board, respectively. The Corporate Governance Report, included in Volume II of the 2008 Annual Report, may also be consulted at “millenniumbcp.pt”, in the institutional information area.

On par with the corporate governance model, the Compliance, Risk Management and Audit systems consolidate the practices followed by Bank in its business.

* Detail in Volume I of the 2008 Annual Report.

Compliance Office

The Compliance Office currently has an international structure, represented abroad by International Compliance Officers reporting directly to the Group Head of Compliance, in Portugal.

The mission of this office is to ensure compliance with the applicable legislation, as well as all standards and regulations (internal and external), by operational structures and all Group employees.

Considering the new involvement in internal control systems and better regulation imposed to financial institution Compliance areas, described in standards issued by supervisory entities, namely the Bank of Portugal Notice no. 5/2008 and CMVM Regulation no. 3/2008, the Group Head of Compliance office was reorganised in 2008, its new organic structure being composed of four areas, which participate in the following basic processes:

Areas	Processes
Anti Money Laundering (AML) / Counter Terrorism Financing (CTF) & Transaction Monitoring (TM)	<ul style="list-style-type: none"> • Prevention and monitoring of money laundering and financing of terrorism; • Prevention and monitoring of market abuse and fraud; • Prevention and monitoring of conflicts of interest; • Prevention and monitoring of corporate body, manager and employee transactions.
Compliance Risk Assessment Division	<ul style="list-style-type: none"> • Prevention and monitoring of risk in processes associated to products and services; • Prevention and monitoring of risk in institutional processes; • Employee training and information.
Corporate & Legal	<ul style="list-style-type: none"> • Consultancy for the Executive Board of Directors • Compliance standards and policies; • Relations with authorities and conflict management; • General compliance consultancy.
Technical Support and Secretariat	<ul style="list-style-type: none"> • Liaison with international operations; • Secretariat; • Budget control; • Information systems; • Technical and IT support.

In the terms of the referred legal environment, throughout 2008, the implementation of a new system of internal control in the consolidated companies of the group was continued, in line with international recommendations, namely the Committee of Sponsoring Organisations of the Treadway Commission (COSO), of the Basel Banking Supervision Committee and of the Committee of European Banking Supervision (CEBS).

This process aims to make the implemented internal control system an instrument to support management, incorporating a culture of compliance, involving all staff, so as to ensure that each company of the Group abides, adequately and efficiently, to all legal and behavioural obligations, namely in concerning management of risks implicit to the development of their activity, and having, as a final goal, the materialisation of efficiency and effectiveness gains.

The high number of areas involved and the complexity of some needed actions imply that the implementation proceeds through 2009.

In 2008, consolidation of compliance with current international Know your Customer recommendations continued, namely taking into account the recommendations issued by the FATF – Financial Action Task Force, which constitute an important procedure in the fight against money laundering and financing of terrorism.

Tasks leading to increased effectiveness of preventive mechanisms, regarding money laundering and financing of terrorism, continued to be undertaken, namely:

- compliance with the duty to identify customers during the opening of deposit accounts and strengthening of due diligence, with a view to obtaining knowledge as complete, secure and permanently updated as possible, regarding identification elements pertaining to customers and effective beneficiaries, as well as their representatives and other people empowered to use the account;
- reinforcement of systemised Customer Due Diligence / Know your Customer actions with the corresponding banks;
- strict assessment of compliance and Anti Money Laundering (AML) risks for all branches, with a view to prioritising and monitoring higher-risk branches;

Resulting from compliance with inspection duties, **186** communications were made to the Office of the Attorney General, regarding operations suspected to be associated with money laundering activities. More intense cooperation with Authorities was also observed, at the request of the latter, resulting in response to **212** requests.

Communications to the Attorney General's Office

	2008
Own initiative	186
Answer to Requests	212
	398

The work of the Competence Center was also consolidated, with a view to providing and implementing IT tools aimed at AML prevention in international operations.

Regarding Financial Markets, it is worth highlighting the active role of the Compliance Office in following the entire process and the corresponding control mechanisms, with a view to implementing the Markets in Financial Instruments Directive (MiFID).

Development of the following activities is envisaged for 2009:

- identification, assessment and proposing of corrective measures for the most critical processes regarding reputational and compliance risks;
- intensifying the assessment and evaluation process regarding product and service advertising, with a view to imparting increased rigour to messages used in marketing actions;
- business support through reinforcement of compliance with measures promoting reputation, organisation efficiency and a control environment;
- promotion of efficiency in branch visits through change of methods, namely by favouring anticipated detection, remote assessment and corrective visits to the detriment of corrective actions, local assessment and routine visits;

- promotion of efficiency within the monitoring area through increased control of the risk matrix associated to transactions/customers, leading to a reduction in the number of false alert situations and strengthening of the analysis of market abuse situations and conflicts of interest;
- increased coordination between the Group Head of Compliance and International Compliance Officers regarding operations abroad, maximizing knowledge of the particular characteristics of each operation and ensuring compliance with Group policies.

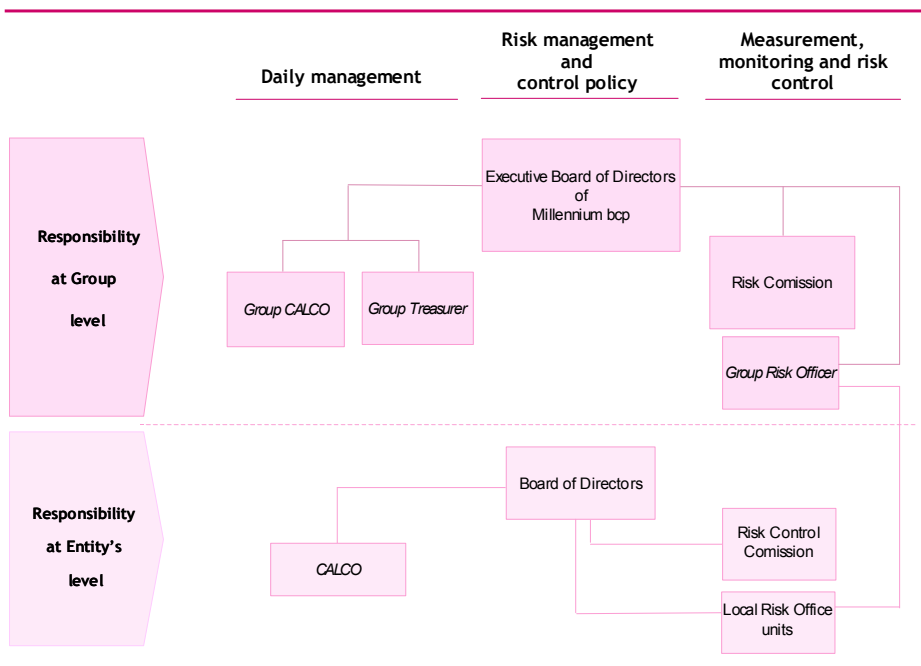
Risk Management

The Group's risk policy and management are developed according to a transverse and international operation control model, for whose governance the Millennium bcp Executive Board of Directors (EBD) is responsible. This body delegates risk following, assessment and control on the Audit and Risk Committee.

The Group Risk Officer is responsible for risk coordination, assessment and monitoring, as well as risk control implementation in all business areas and operational support areas. Implementation of international risk policies is ensured through local Risk Offices and risk governance bodies, in branches outside Portugal (Local Risk Control Committees).

By delegation of the Millennium bcp Executive Board of Directors, there is also a body - Group CALCO – responsible for structural liquidity, market risk and Group capital management, with determining influence on definition and control of commercial objectives, as well as Group balance sheet structure alterations

Risk management model



In 2008, risk control continued to assume great relevance within the scope of Millennium Group management activities, not only because this function plays a fundamental role in business development, profitability and sustainability, but also due to the increased risks resulting from the profound world financial crisis observed in the same year, which strongly conditioned the worldwide financial sector.

Therefore, 2008 was also a consolidation and improvement year in this area, with strict control criteria and a technical framework oriented towards quality. Within this scope, it is worth highlighting the involvement of risk management structures in the response and adjustment to new regulatory requirements, both regarding the Risk Assessment Model (RAM) of the Bank of Portugal and the Internal Control area, whose legal framework was fully renewed and reinforced.

The fact that the New Capital Agreement (currently known as Basel II) was fully adopted by all banking institutions in Portugal in 2008 should also be highlighted. Within this context, it should be recalled that the Group submitted an application to the Bank of Portugal, in the third quarter of 2007, for use of internal credit and market risk models and a standard operational risk model, still in course.

In 2008, the Group continued to perfect and consolidate its internal assessment model regarding economic capital needs and its allocation to the various risks and business lines – the Internal Capital Assessment Model (ICAM) – also starting the integration of the economic capital calculation (also designated internal capital) with the strategic capital allocation and planning process, which constitutes a significant step for this tool, to become a central supporting element in the Group's strategic decision processes.

Regarding the year analysed, the following actions and developments may be highlighted as relevant to the Group risk management:

- creation of a follow up function, independent from internal models, materialised in a model control unit, within the Risk Office, based on the following principles: (i) separation of validation and control functions; (ii) model validation uniformity (credit risk, market risk and valuation); (iii) independence and technical conditions necessary to adequate validation; and (iv) checking of unit operating conditions by Internal Audit services;
- independent validation, by international consultants, of internal models used by the Group for credit risk control and management and models used for market risk benchmarking;
- performance of a series of specific training actions aimed at employees with functions in sales areas and other internal units involving the credit lifecycle, thus giving continuity to the internal training programme, launched in 2006, with an e-learning action for all employees regarding the implications of compliance with the Basel II agreement on Group business;
- elaboration of an internal document entitled "*Fundamental aspects of the credit process*", detailing the main improvements to the credit process resulting from preparation for the Basel II agreement;

- strengthening of internal control regarding use of overdrafts and the corresponding framework, in terms of credit granting and exposure;
- launching of data cleansing and correction actions for credit collateral data saved in the central system;
- credit operation repricing, based on associated risks, favouring the lowest risks and penalising the highest risks.

In addition to these actions, work developed by Risk Office structures, in the last four months of 2008, on the technical and regulatory components of the risk control and management process, should also be highlighted:

- response and collaboration with the Bank of Portugal within the scope of the Risk Assessment Model, defined by the Supervisor, which involved an extensive previous risk self-assessment exercise, with risks categorised according to their incidence on functional areas of the various Group entities. In this way, the aforementioned exercise involved the following:
 - definition of operational areas for each Group entity (business areas or “group functions” – i.e. centralised support activities, developed by particular structural units, for the benefit of all remaining units within a given company or, in some cases, all Group companies, in a cross-company manner);
 - identification of risks affecting each functional area; and
 - allocation of risk rating and relevance of the functional areas identified in this exercise.
- needs surveyed regarding implementation or definition of new responsibilities and/or processes, according to the new regulatory requirements regarding Internal Control included in the Bank of Portugal notice no. 5/2008. This work was carried out in collaboration with the Compliance Office and the Audit Division, which are, according to the new regulations, responsible for the remaining two pillars of the Internal Control System, i.e. Compliance and Audit functions, in addition to Risk Management functions.

Volume I of the 2008 Annual Report includes detailed information regarding the various Risks: Credit, Operational, Market, Liquidity, Pension Fund and Business and Strategic.

Audit

Audit Division activities contribute to achieve the goals defined in Bank of Portugal Notice no. 5/2008 relative to internal control systems of institutions under the Financial Institution General Regime (RGICSF), to ensure the existence of an adequate control environment reflecting the importance, discipline and structure of the remaining internal control system elements, amongst other objectives.

In compliance with these objectives, the methods and working programmes adopted by the Audit Division in pursuing its mission, include systemised evaluation of ethical and organisation issues with impact on the Bank’s control environment, on a global level, with recommendations being issued whenever situations are detected regarding which it is considered necessary to

change procedures or introduce improvements to current procedures. The Audit Division also follows the implementation of these recommendations.

The Audit Division currently comprises two supporting units – Control and Prevention – and four functional units – Credit, Networks and Services, Financial and Information Systems. The adopted organisation structure aims to improve operational efficiency and effectiveness, favouring risk analysis and auditing by business process, in line with the best international internal audit practices.

Internal auditors and standards violations on a multidomestic level
Portugal, Poland, Greece, Romania and Mozambique

	2008	2007
Internal auditors		
Number of auditors	188	178
Employees/auditor ratio	116	114
Standards violation		
Internal standards	274	199
External standards	62	45
	336	244

In 2008, the Audit Division concluded its activity plan, as well as a very significant number of non-planned actions, namely resulting from supervisory authority intervention, with natural reallocation of the resources initially allocated to audit performance.

Internal audit activity (actions implemented)
Portugal

	2008	2007
Planned actions	3,790	3,293
Un-planned actions	1,375	2,116
	5,165	5,409

Of all activities carried out in 2008, with greater impact on sustainability, the following should be highlighted:

- preventive control actions, namely related to detection of situations of irregular conduct by Bank employees, as well as any other situations eventually associated to potential fraud or deviations from applicable procedures from which damages may result to the Bank or its customers;
- issue of opinions regarding adoption/alteration of internal standards, ensuring compliance with the regulatory framework applicable to the activity, product or organic unit in question and the strategy defined by the EBD;
- participation of the Division, in collaboration with the Risk Office and the Compliance Office, in the elaboration of an Internal Control System Report (for the Bank and the Group), to be presented to the Bank of Portugal within the terms of the corresponding Notice no. 5/2008;

- participation in international teams for performance of audits relative to regulatory frameworks common to various Group operations, namely operations relative to the Independent Review Function (Basel II) and the MiFID, allowing use of important synergies and generalised adoption of best practices by the various operations involved;
- progressive implementation of the recommendations issued by PricewaterhouseCoopers regarding improvement of global Audit Division operation quality and, actually, is in preparation of a Quality Assurance and Improvement Programme for this division is already in course;
- the Quality Assurance Review programme continued to be followed in internal audits of main Group operations, with conclusion of the evaluation of an internal audit in Millennium Bank in Greece and starting of the evaluation of an internal audit in Millennium bank in Poland.

Page intentionally left blank

Chapter 2 – Our Presence

Millennium performs a series of banking activities and financial services, which translate into a full offer, with a segmented approach.

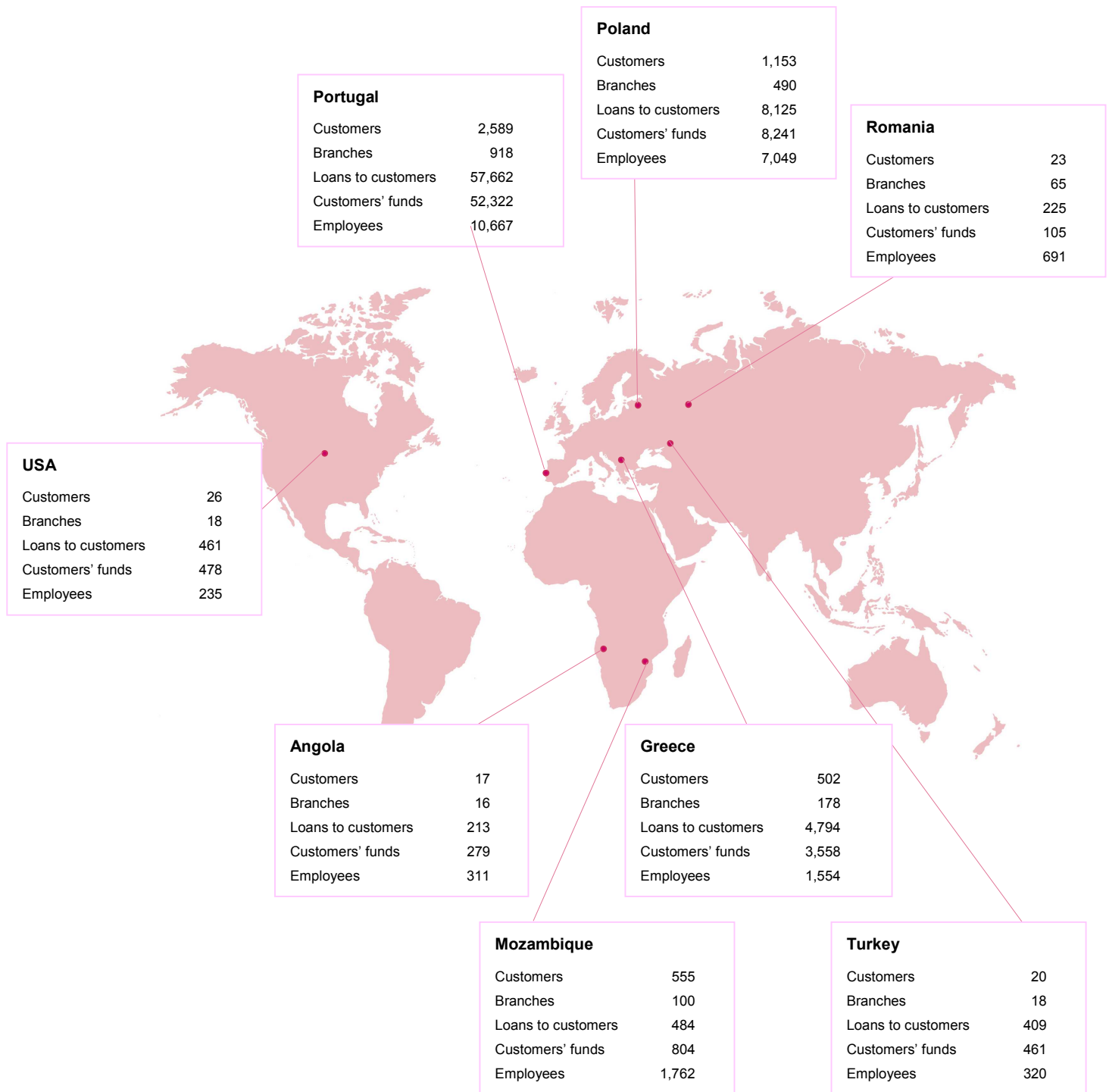
In Portugal, Millennium bcp has business in Commercial Banking and Investment Banking, the latter centralised in Millennium Investment Banking. Regarding Commercial Banking, bank business is segmented as follows: (i) the Retail segment, which includes ActivoBank7, in addition to the Mass Market, Prestige and Business networks; (ii) the Corporate and Commercial segment, including the Corporate and Commercial networks and International Bank Management activities; (iii) the Private segment, including the Private Banking network and the Asset Management activity, supported by a Swiss private banking platform and branches specialised in investment fund management.

After consolidating a relevant position within the Portuguese market, Millennium bcp made a clear option for an internationalisation strategy, focusing its activity on selected business areas and geographical markets, based on an underlying commercial rationale. Within this perspective, the Bank already follows a path of international alignment regarding marketing and advertising solutions, capturing significant synergies regarding cost issues, but mostly maximising campaign effectiveness by using proven success formulas, on an international scale, in one or more Millennium Group operations.

In this way, Millennium bcp intends to make use of these competitive advantages, supported on expertise and retail sales experience in financial products and services. Poland, Greece, Romania and Turkey constitute autonomous financial service operations, within the European framework.

Important banking operations are being developed in Mozambique and Angola strongly integrated in the corresponding economies and adapted to the local social framework.

In the United States of America, our business is gaining momentum with a strategy oriented to the so-called community banking, based on the Portuguese and Brazilian communities and their descendants, although this offer is being extended to communities associated to countries where the Millennium Brand is present, such as communities with Polish or Greek ascendent.



Note: Customers are presented in thousands; loan and customers' funds are presented in million euros.

Page intentionally left blank

Page intentionally left blank

Chapter 3 – Relations with Stakeholders

Our dialogue with stakeholders allows us to meet their expectations and needs, with a positive impact on success and growth for all.

Creating value for **shareholders**, earning the trust of **customers**, maintaining responsible relations with **suppliers** and promoting **employee** satisfaction, together with giving a positive contribution to **society** and the **environment**, are constant concerns when pursuing the Millennium Group sustainability strategy.

The **stakeholders Commission** continues to function as a privileged communication channel for Group internal information, as well as a debate and strategic advice forum for the Executive Board of Directors. However, daily efforts are made to increase the quality of relations and dialogue with our stakeholders.

Within the scope of its business and in close collaboration with **Consumer Associations**, Millennium bcp regularly replies to enquiries from the Portuguese Consumer Defence Association (DECO) regarding the Bank offer. In 2008, 71 surveys were answered, with an average response time of 7 days.

The “**Millennium Meetings**”, which took place in 2008, in Portugal, materialised the Bank’s wish for increased proximity with the regions where it operates, enabling contact between the Executive Board of Directors and Bank employees, customers and investors. These meetings, which included visits to local branches and a dinner with employees and customers, were marked by the success of the “Millennium Conference”, where the former Minister of the Economy and current Chairman of the Board of Directors of the Porto Management School, Daniel Bessa, collaborated with Millennium, approaching current economy themes.

In 2008, the communications flow that characterised the previous year was slowed down, in an effort to focus on positive news and reputational communications. The number of news decreased – 31,430 news about the Bank were published in 2008, comparatively to the 33,832 published in 2007 – but strategic communication actions still received wide media coverage. Throughout the year analysed, the Bank replied to 861 information requests from the media and the following took place: (i) 157 press releases, (ii) 9 press conferences, (iii) 1 press trip; and (iv) 15 interviews were covered.

At the end of the year, a meeting with the representatives of all stakeholder groups was organised, where a balance of 2008 was made and the strategic plan for 2009 was presented.

Similarly to the previous year, a survey took place involving the representatives of all groups, through written, telephone and face-to-face interviews, regarding sustainability practices

Surveys answered by the Millennium bcp to the Consumer's Association (Deco) Portugal

	2008	2007
Surveys answered	71	44
Average response time (days)	7	6

External communication Portugal

	2008
Responses to requests for information	861
Press releases	157
Press conferences	9
Press trips	1
Interviews	15

implemented at Millennium bcp and including questions relative to the contents of the 2007 Sustainability Report. Interview scripts included common questions for all stakeholders and specific questions aimed at individual groups.

This survey is part of an analysis of relevant issues, which are addressed in this sustainability report, aiming to meet stakeholder expectations.

Material Issues for Millennium bcp

Methods

Integrated Analysis of the material issues	Stakeholder Survey		
	Group	Survey type	Response Rate
	Analysts	Written/Phone	80%
	Investors	Phone	
	Customer representatives	Written/Presential	
	Suppliers	Written	
	Employee representatives	Written	
	Millenniumbcp Foundation	Written	
	University Representative	Written	
	Other stakeholders	Written	
Benchmark Analysis			
Benchmark analysis of other banks, using the most relevant from the Dow Jones Sustainability Index (DJSI) application questionnaire as criteria			
Financial Sector Trends			
Sustainability report studies; Reference Sustainability Reports in the banking sector Other reference banking sector studies.			

Identification of material issues for Millenniumbcp

Stakeholders surveyed

Group of stakeholders	Organization
Analysts	UBS, JP Morgan, KBW, BES
Investors	F&C Asset Management
Customer representatives	Deco, Customer's Ombudsman
Supplier representatives	IBM, Marsil, EDP
Employee representatives	Compliance Office, Workers Committee
Millennium bcp Foundation	Millennium bcp Foundation
Other stakeholders	Commission Member of stakeholders, Representative of Universities in the Commission of stakeholders

Stakeholder survey

The survey was carried out between the December 15, 2008 and the January 16, 2009 allowed systemising of the most relevant issues referred by stakeholders, which were grouped according to the "Expectations", "Risks" and "Opportunities" categories, presented below and the responses to these issues are given throughout this report.

<p>Expectations regarding strategy</p>	<ul style="list-style-type: none"> • The management model should be based on corporate strategy, creation of value for shareholders and talent and result management; • Assessing reputational risks associated to credit granting in problematic countries, rated high risk by investors; • Benefiting from a multi-stakeholder dialogue regarding definition of the sustainability management model; • Promoting clear, concise and continuous communication of bank business and performance (in response to the current economic crisis); • Defining more conservative criteria and adopting more demanding social and environmental risk assessment criteria in credit granting and project financing; • Reinforcing the international scope of sustainable development.
<p>Economic expectations</p>	<ul style="list-style-type: none"> • Achieving a solid economic performance, based on past Millennium bcp performance; • Promoting sharing of common interests with suppliers within the scope of sustainable development; • Communicating results of supplier assessment surveys; • Responding to new legal and regulatory requirements, within the financial area, in a fast and effective manner.
<p>Environmental expectations</p>	<ul style="list-style-type: none"> • Adopting a strategy aimed at fighting climate change; • Creating products and services with favourable financing conditions, related to environmental performance, new technologies and energy efficiency; • Minimising the Bank's environmental impact (namely its carbon footprint); • Act in compliance with legal and regulatory demands within the scope of climate change.
<p>Social expectations</p>	<p>Internal</p> <ul style="list-style-type: none"> • Betting on training of human resource managers, focusing on motivation, assessment and conflict management; • Attracting and retaining Employees with high levels of know-how; • Creating a more transparent assessment system, improving career evolution expectation and improving the institution's salary levels.

<p>Social expectations</p>	<p>External</p> <ul style="list-style-type: none"> • Increasing focus on microcredit granting, namely through increased communication, visibility and establishment of partnerships with social institutions; • Creating new products and services aimed at segments with increased social needs, namely within the health area, focusing on the senior segment (through innovating alternatives regarding pension supplements, specialised healthcare and access to social institutions); • Developing services aimed at immigrant communities, namely support with account opening; • Channelling humanitarian activities through project development, to the detriment of isolated financial support; • Creating indicators allowing stricter selection and prioritising of social projects; • Developing more encompassing bank projects, through the foundation; • Focusing humanitarian activities on the areas of education, health and social inclusion, aimed at priority segments, namely children and senior citizens with no family support; • Supporting social projects leading to a multiplying effect within communities, through accredited social support entities; • Continued support of the cultural area, contributing to increasing the knowledge of the community; • Promoting savings habits in the general public, by offering favourable conditions for small deposits; • Developing more personalised relationships with Customers, through increased involvement and communication; • Investing in financial literacy projects.
<p>Risks</p>	<ul style="list-style-type: none"> • Lack of trust by investors, customers and shareholders; • Increased financing costs for customers and between banks, resulting from lack of trust; • Business risks resulting from environmental risks and climate change; • Lack of focus on sustainability issues, associated to a high dispersion risk and difficulty in evaluating results; • Reputational risks resulting from the Bank's internal crisis, with direct impact on the ability to retain talent and attract human resources.

Opportunities

- Increasing bank efficiency through cost reduction rather than increased revenue;
- Integrating risk assessment results in the business;
- Contributing to reduce family indebtedness through more conservative credit granting policies;
- Increasing internal control and risk management;
- Improving bank image through citizenship values, social responsibility and sustainability concerns;
- Obtaining positive returns as a result of investment and initiatives developed within the scope of sustainable development;
- Maintaining a pioneering status in adopting sustainable development policies and measures, with a view to remaining a reference institution in this domain;
- Divulging bank activity within the scope of social responsibility, with increased frequency and in the various media;
- Reviewing contract clauses considered abusive and outdated relatively to the new legislation;
- Earning the trust of markets, Customers, Shareholders and investors, through the management model and a more transparent, competent, serene and determined leadership;
- Learning with the main problems resulting from the current financial crisis, in order to develop more effective response measures, adapted to crisis scenarios;
- Leading the definition of policies aimed at financing Low Carbon economies, in partnership with the government, legislators and stakeholders;
- Creating an image management office with more aggressive strategies, with a view to minimising negative impact before stakeholders.

Main Sustainability Indicators

Million euros

	2008	2007
Financial indicators		
Net operating revenue	2,602	2,792
Profit before income tax	342	688
Income taxes	84	70
Net profit	201	563
Total assets	94,424	88,166
Economic value added	1,454	1,879
Return on equity (ROE)	3.4%	13.7%
Cost-to-income	58.6%	60.3%
Earnings per share (euros)	0.03	0.14
Solvency ratio (total)	10.5%	9.6%
Medium-long term rating (<i>Moody's/S&P/Fitch</i>)	Aa3/A/A+	Aa3/A/A+
Customers		
Number of customers (thousands)	4,885	4,587
Number of branches	1,803	1,628
Loans to customers (net)	72,372	65,650
Total customer funds	66,264	63,953
Employees		
Number of employees	22,589	21,122
Staff costs	915	1,006
Shareholders		
Total number of shares (thousands)	4,694,600	3,611,330
Gross dividend per share (euros)	0.017	0.037
Market capitalisation	3,826	10,545
Number of shareholders	172,921	160,322
Close price (euros)	0.815	2.92
Suppliers		
Number of suppliers	14,102	11,966
Other administrative costs	643	627
Community		
Donations	3,9	4,2

Notes:

Aggregated indicators of the Group (includes Turkey and Angola).

The Net Profit per share in 2007, adjusted by the rights issue, would be 0.13 euros. The share price, adjusted by the rights issue, would be 2.6276 euros per share.

2008 Sustainability Highlights

1st Quarter

- Review of the Bank strategic programme for 2008 – 10;
- Organisation of objectives meetings in Portugal, Poland, Mozambique and Greece;
- Launch the “For a Better Millennium” programme;
- Launch the Call Center for retail customers in Millennium bank, in Romania;
- Opening of Millennium Park, in Poland, where most central services were centralised;
- Election of Millennium bcp as World’s Best Developed Market Bank in Portugal by Global Finance magazine, for the fourth consecutive year;
- Distinction awarded to the Global Refinance operation, aimed at refinancing and promoting Aeolian parks, where Millennium Investment Banking acted as Mandated Lead Arranger and Joint Book Runner;
- Distinction given to Millennium bank, in Poland, by the Global Custodian magazine, with the prestige rating “Top Rated”, for its bank custody services, for the fourth consecutive time;
- Distinction of Millennium bank, in Poland, as Business Friendly Bank, by initiative of the National Chamber of Commerce and the Polish-American Foundation for advising small and medium companies;
- Recognition of Millennium bcp by the International Organisation for Migration, the High Commissariat for Integration and Intercultural Dialogue and the Portuguese-American Foundation for Development as one of the entities contributing the most to integration of immigrants in Portuguese society.

2nd Quarter

- Conclusion of the Banco Comercial Português S.A. share capital increase operation;
- Launch of the third edition of the Commercial Competence Development Programme (PDCC);
- Launch of the 2008 Edition of the “Thousand Ideas” programme;
- Organisation of “Millennium bcp Meetings” in Algarve and Castelo Branco;
- Disclosure of informative document “Fundamental aspects of the credit process”, supported by meetings with the Bank’s credit structures, aimed at promoting new credit risk management requirements;
- Review of the IT organisation model, within the scope of the internationalisation programme;
- Election of the Millennium bcp institutional site as “Best Online Banking Site” by PC Guide magazine readers, for the seventh consecutive year;
- Attribution by Portuguese Corporate Communication Association (APCE) of the “Great Corporate Communication Award” and the “Best Management Report” award, for the second consecutive year, for the 2006 Annual Report;
- Attribution of the “2007 EUR Straight-Through Processing Excellence Award” to Millennium bank in Greece, in recognition of its service quality.

3rd Quarter

- Implementation of the Retail network expansion programme, as planned;
- Launch of the fourth edition of the Commercial Competence Development Programme (PDCC);
- Organisation of “Millennium bcp Meetings” in Porto and Leiria;
- Millennium bcp sponsors the “Challenging Poverty: The Growth of Microcredit” conference;
- Distinction given to the Millennium bcp portal by international finance magazine Global Finance, with attribution of two “Best Internet Banks in Europe 2008” awards: best online bank for consumers and best corporate/institutional portal in Portugal;
- Election of Millennium bcp in Portugal as “World’s best Investment Bank” by Global Finance magazine, for the fourth consecutive year;
- Millennium bank in Poland led the “Expander” ranking relative to mortgage credit granting effectiveness, in recognition of service quality, attractive offer of financial solutions and provision of an efficient service by the bank;
- Millennium bank in Poland was considered the best bank for small and medium companies by Forbes magazine, for the third consecutive time;
- Attribution of the “Best Site for private customers” award to the Millennium bank portal, in Poland, by Global Finance magazine, for the fourth time;
- Distinction given to Millennium bim as the “Best Mozambican Bank” by Euromoney magazine, within the scope of the “Euromoney Awards for Excellence”.

4th Quarter

- Celebration of the fifth anniversary of the Millennium brand;
- Autonomous Microcredit network celebrates 3rd anniversary;
- 10th anniversary of the launch of the Millennium Retail network in Poland;
- Organisation of “Millennium Meetings” in Coimbra;
- First anniversary of Millennium bank business in Romania;
- Expansion plan in Mozambique reaches a total of 100 branches;
- Millennium bcp signs protocol with the European Investment Bank (EIB) for the launch of two credit lines aimed at supporting SMEs and Microcredit operations;
- Launch of the fifth edition of the Commercial Competence Development Programme (PDCC);
- Launch of the employee training and communication programme, within the scope of the new individual performance evaluation system, to be implemented in the beginning of 2009;
- Attribution to Millennium bcp in Portugal of the “Best Commercial Bank” award by Euromoney magazine, for the third consecutive time, and the “Best Foreign Exchange Bank” award, by Global Finance magazine;
- Distinction given to Millennium bcp by the Learning Enterprise Association, as the institution providing the largest number of volunteers to participate in its programmes, throughout its three years of existence;
- Millennium bim was distinguished by The Banker as “Bank of the Year” in Mozambique, for the fourth time;
- Millennium bim was considered one of the seven best Banks in Africa by IC Publications - Publisher of African Banker Magazine;

- Distinction given to the Millennium bank 2007 Annual Report as the best in the category of "Application of International Standards", in Poland, representing recognition of the efforts made by the bank to comply with international standards and provide clear and precise information to investors, analysts and auditors;
- Millennium bank, in Poland, was one of the winners of the EuroProduct competition, having been recognised for the wide scope and flexibility of its corporate credit offer;
- The Call Center of Millennium bank, in Greece, was distinguished in the category of "Call Centers with up to 50 employees" - "Bronze Award" – of the 2008 Grand Annual CRM Teleperformance Awards, attributed by "Teleperformance International", the largest company in the world in providing services to Call Centers.

Page intentionally left blank

Chapter 4 – Integrating Sustainability in Millennium bcp Business

4.1 – Commitment to Shareholders and Investors

The Bank conducts an ongoing dialogue with the financial community – shareholders, investors and analysts – as well as financial markets in general and the corresponding regulation authorities.

In the first quarter of 2008, the Bank started directing its efforts towards establishing a **transparent and equitable form of disputes resolution with small investors** resulting from BCP share acquisition or subscription, with resource to credit, within the scope of the shareholder Campaigns of 2000 and 2001. This initiative is conducted with the participation of the Securities Market Commission (CMVM), represented by mediators appointed by this regulatory entity.

The approximately 650 complaints received, which correspond to 0.22% of a total of 284,783 new private shareholders of the Bank in 2000 and 2001, originated 450 Mediation Conventions, of which the Bank accepted over 70%. Refusal of the remaining conventions was based on non-compliance with formal access requirements. This procedure is expected to be finalised in 2009, after conclusion of the corresponding written observation and hearing stages, of which the necessary clarifications to determine of the rightful party will result.

In line with good governance practices for listed companies regarding shareholders' right to access Group business information, Millennium bcp is permanently concerned with ensuring that the Bank communication policy and disclosure of relevant information are followed in an equitable and fast manner for all financial market participants and that information contents are truthful, clear and objective.

Therefore, the Bank increased its communications with the market, adopting CMVM recommendations and best financial and institutional communication practices. Additionally, responses to the countless requests for financial information made by market authorities, private shareholders, investors and analysts were prepared.

Within the scope of compliance with legal and regulatory reporting obligations, the Bank discloses results and business information on a quarterly basis, having organised press conferences and conference calls with analysts and investors, in which the Executive Board of Directors participated.

During the year, the Bank participated in several events, having promoted three road shows following results publication in the main world financial markets - London, New York and Madrid – and participated in investor conferences organised by other banks, such as Morgan Stanley (London, Madrid and Lisbon), Merrill Lynch (London, Madrid and Lisbon), KBW (London and Madrid), BPI (Lisbon), Santander (Lisbon) and Caixa Banco de Investimento (New York), making institutional presentations and organising one-to-one meetings with investors. In 2008 161 individual meetings with investors and analysts took place.

In order to meet increasing internal needs for financial information, continuous follow up of the Bank's commercial networks was performed, namely through elaboration of documentation and presentations regarding BCP share price evolution, aimed at providing support to account managers during meetings with shareholders and potential shareholders.

In 2008, Millennium bcp received an Award from the Portuguese Corporate Communication Association (APCE), in the "Best Management Report" category, for its 2006 Annual Report, for the second consecutive year. The 2007 Annual Report of Millennium bank in Poland was also considered the best amongst those operating in this country, in the "Application of International Standards" category, representing recognition of the effort made by the Bank to comply with international standards and provide information to investors, analysts and auditors, in a clear and rigorous manner.

All legal information, as well as any relevant information able to influence share prices and Bank value is made available on the "millenniumbcp.pt" site, thereby simplifying information access and viewing by the entire financial community.

Our intention is to continue to ensure access to information in 2009, increasing and optimising the various relationships and forms of communication with shareholders, private investors, analysts and financial markets in general. Within this scope, site contents will be improved and its use and navigation will be made easier and more accessible.

4.2 – Commitment to Customers

Customer's lives are a source of information and a research field for new products and services that are able to increase satisfaction levels and support individual and collective projects and ambitions.

Number of customers

Portugal, Poland, Greece, Romania, Mozambique and USA

	Thousands
	2008
Retail and Private	4,797
Corporate and companies	51
	4,848

Quality

Millennium bcp is recognised by its customer orientation, privileging satisfaction and loyalty. This factor is present in daily decisions and actions. Therefore, continuous monitoring of these indicators is a fundamental aspect, since the corresponding results constitute an important management indicator.

The way the Bank measures a wide set of satisfaction indicators and monitors their evolution, in a systematic manner, allows the setting of qualitative objectives, associated to operational issues and corresponding service levels, as well as anticipation and correction of motives for dissatisfaction.

The "Global Satisfaction with the Bank" indicator is one of the variables directly affecting variable salaries for commercial network employees.

The quality function, as well as its operationalisation, has been adjusted to the evolution of the organisation, currently having an international dimension, with continuous sharing of best practices and launching of common initiatives.

Customer loyalty and satisfaction with Millennium's value proposal were monitored in 2008, in Portugal, Poland and Greece, through a mail survey sent to a significant customer sample.

The Millennium bcp Bank, in the United States of America, monitored the customer satisfaction and the products adequacy to the community, by telephone surveys on a monthly basis.

Studies and surveys made on customers

Portugal, Poland, Greece and USA

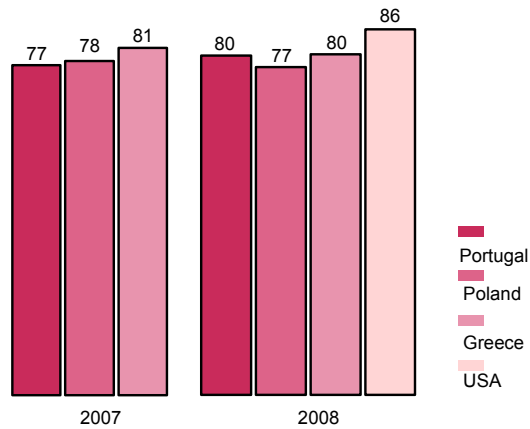
	2008	2007
Surveys held	49	38
Customers surveyed (thousands)	1,020,740	1,158,142
Responses obtained (thousands)	71,019	82,239

Customers breakdown by Country

	2008	2007
Portugal	2,589	2,649
Poland	1,153	967
Greece	502	435
Romania	23	6
Mozambique	555	473
USA	26	26

In a complementary manner, the quality of telephone assistance by employees was also monitored in Portugal and the United States, through simulation of phone calls to the Bank.

Index of overall customer satisfaction

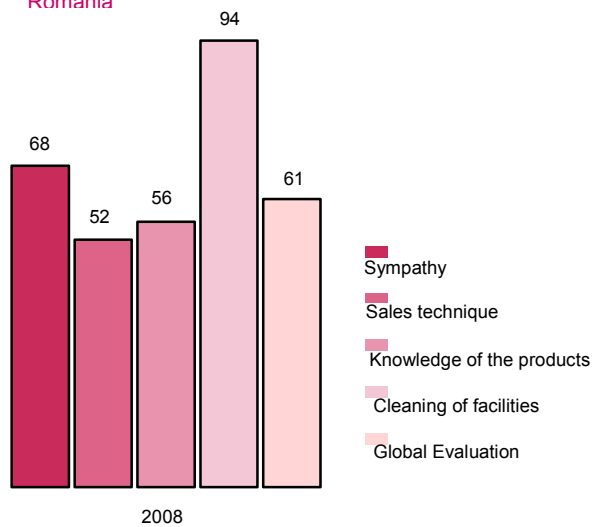


In Romania and Mozambique, the “Mystery customer” programme allowed the quality measurement of services provided by the branches.

In Mozambique, the bank assesses the quality of services rendered, satisfaction with sales and claims’ resolution.

In Romania, the programme also includes the comparison of the main competitors. The evaluation includes 62 attributes that are aggregated according to four criteria: pleasantness, sales technique, product knowledge and facilities’ cleanness. The 123 visits conducted in Millennium branches and 30 in other credit institutions, resulted the following evaluation:

Classification “Mystery customer” Romania



Customer Service

Customer complaints constitute a source of information for improvement processes, whose objective is to correct and prevent “non-compliances”.

In all countries, the various units responsible for managing complaints presented through the various channels available to customers attempted to maximise efficiency, in a particularly difficult and demanding period resulting from the financial market crisis, which led to an increase in the complexity of complaints received.

Resolution of customer's complaints

Portugal, Poland, Romania, Mozambique and USA

	2008	2007
Complaints recovered	65,002	74,604
Complaints resolved		
Errors admitted	34,986	17,766
Dissatisfied cases	28,850	54,153
	63,836	71,919

Activity of the Contact Centre in Portugal

(excluding contacts resolved by the branches)

	2008	2007
Resolution of contacts		
Complaints	35,970	33,795
Clarifications	72,283	86,444
Requests	58,017	51,768
Total	166,270	172,007
Performance in the resolution of complaints		
Up to 3 days	17,225	20,304
4 to 7 days	6,370	6,547
Over 7 days	12,375	6,944
Total	35,970	33,795
Average time of resolution of complaints (days)	12	7*

* 2007 Sustainability report rectified value.

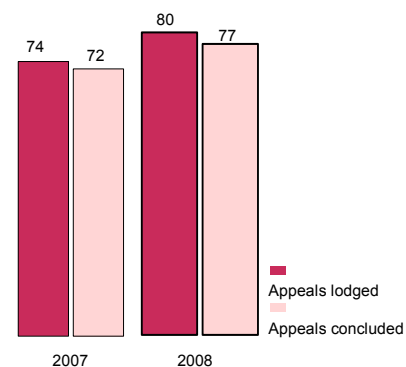
The **Ombudsman** continues to be an independent entity whose mission is to defend and promote customer rights and interests.

In 2008, the Ombudsman followed the evolution of 2,640 request and complaint files, which were processed in collaboration with the Customer Service Centre, having also analysed 80 appeals, as second instance.

Regarding the appeals analysed, 96% were closed after an opinion was issued by the Ombudsman services, according to Ombudsman Regulations. The average response time for these closed appeals, of which 18% were successful, was 17 working days.

Regarding the 1,431 cases lodged as complaints, 90% were closed, 58% of which successful, with an average response time of 28 working days.

Activity of the customer's Ombudsman of Millennium bcp



Accessibility

In order to follow the strategy of focusing on and promoting proximity with customers, the branch network continued to expand in all geographic areas where the Bank operates, with **199 new branches** opened in 2008, and only 24 closures.

Branches and automatic teller machine (ATM) of the Retail network *

	2008	2007
Branches		
Portugal	918	885
Poland	490	410
Greece	178	165
Romania	65	40
Mozambique	100	85
USA	18	18
	1,769	1,603
ATM		
Portugal	2,731	2,631
Poland	557	481
Greece	281	263
Romania	80	78
Mozambique	240	207
USA	35	35
	3,924	3,695

*Excludes Angola and Turkey.

The Bank remains concerned with meeting the most relevant social and economic schedules, by implementing different opening hours for branches, for example, providing alternative hours to customers. In the end of 2008, branches integrated in shopping centres in Portugal were also open on Saturdays, similarly to what occurs in the United States of America, providing special support to customers, especially shopkeepers, during the Christmas season. The objective of this strategy is to be present at the locations and times in which customers need the Bank, with opening hours being adjusted according to customer needs.

Branches opened on Saturday

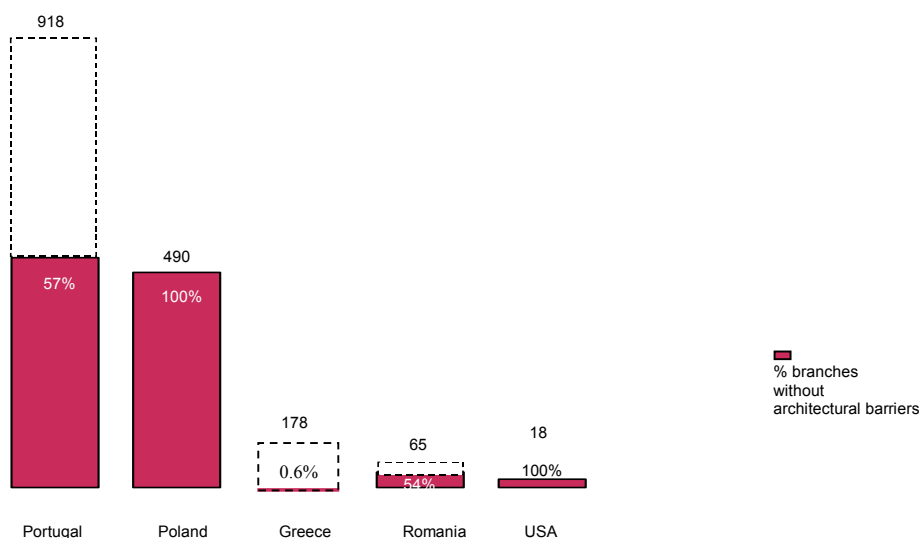
Portugal

	2008
North	5
Centre North	6
Centre South	6
South	9
Autonomous Regions	2
	28

In addition to an increased commercial dynamics and customer proximity, the possibility of adapting areas to allow easier access for people with reduced mobility is also taken into account when searching and selecting areas for the installation of new branches.

Within the scope of the improved accessibility programme, structural obstacles have been removed from numerous Millennium bcp facilities, with 57% of branches in Portugal already allowing easy access to people with reduced mobility. Despite the individual characteristics of each area and the fact that some areas cannot be adapted, the Bank has made every effort to provide all countries with accessible branches for disabled people. In Poland and the United States of America, 100% of branches have the necessary access conditions for people using wheelchairs.

Branches, in 2008, with accesses adapted for people in wheel-chairs



The Automatic Teller Machine (ATM) network, installed throughout the Portuguese continental territory and islands, exceeded 2,700 ATMs in 2008, having reached 1,150 ATMs in the remaining countries, which corresponds to a 3.8% increase in Portugal and a 12.1% increase in other countries.

More than 50% of machines are installed outside branches, allowing access to customers in remote locations. Circulation and shopping areas, such as supermarkets and hypermarkets, shopping centres and public transport areas are favoured.

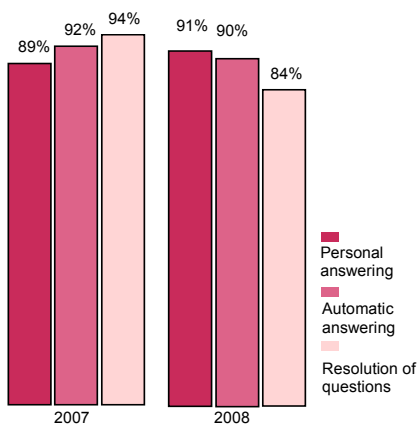
In the Self-Banking areas of branches, we continue to promote the installation of special equipment for use by visually handicapped people, such as headphones and keys programmed to respond through voice commands, if users wish to use this option.

Millennium bcp, a pioneering institution regarding the introduction of new ATM machines with an intelligent deposit module, continued to bet strongly on this type of machines, which allow deposit operations 24 hours a day, in addition to normal transactions, thus making everyday life easier for customers, as well as improving satisfaction levels and service speed.

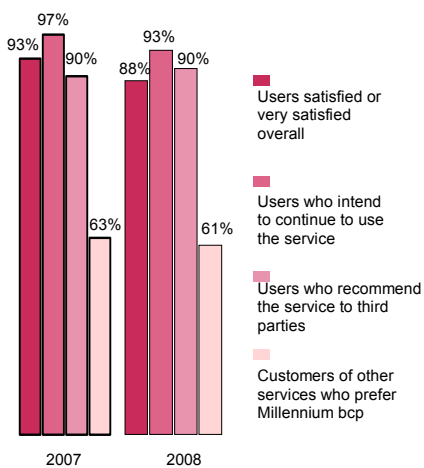
The credit and debit card payment market has also been encouraged through a continued automatic payment terminal (APT) installation programme. These payment means allow increased security for both customers and traders, as well as encouraging minimisation of

**Results of the customer satisfaction surveys
Portugal**

Telephone service



Internet Banking –Individuals



cheque use, entailing a reduction in fraud risks and, as importantly, reduced paper consumption.

To shorten the distance between customers and the Bank is the objective of the “No Distance Banking” programme, which includes various channels – Telephone Banking, Mobile Banking, Internet Banking, Remote Sales, Mortgage Credit and Investment Specialists and Telemarketing, and ensures an integrated service, complementing the commercial network.

In order to provide more and better services, contributing to increasing customer satisfaction and ensuring access to the Bank 24 hours a day, some actions were implemented, of which the following should be highlighted:

In Portugal:

- reformulation of the private customer home page, presenting a more functional layout, with information provided in a simpler and better organised manner;
- inclusion of new features in the private customer portal, aimed at improving access for visually handicapped customers and customers with special needs;
- increased information quality for investors through (i) creation of the “Daily Markets” page, which centralises all relevant daily information; and (ii) disclosure of new investment fund information;
- development of a new site for companies, based on a new technology, which allowed contents reformulation, improved transaction control and increased robustness, in order to respond to the significant increase in the number of users and transaction volume that has been observed since the launch of this channel;
- continued development of the Telephone Banking team-training project, with an increase of the team’s capacity and autonomy, allowing to successfully respond to increased demand and sales of products and services.

In Poland:

- disclosure of a greater number of products, through the Millenet site;
- increased password security for operations performed through the Internet.

In Greece:

- with the objective of promoting remote banking services, considering that the percentage of electronic banking users in Greece is lower than 3.5% of the total population, the Bank has provided detailed information on “Online Banking” on its site, having elaborated a remote channel leaflet. These actions were complemented with the participation in workshops organised by the Hellenic Banks Association for promoting this service.

In Romania:

- launch of a Call Center for retail customers.

Rewarding our effort to provide customer service excellence, the Millennium bcp portal was distinguished by Global Finance, in 2008, as the “Best Consumer Internet Bank” and “Best Integrated Corporate Bank Site”. Telephone Banking was distinguished as the best Portuguese Banking Call Center by the Portuguese Contact Center Association (APCC) and IZO Portugal.

Security

Customer and operation information confidentiality and integrity have always been a constant concern at Millennium bcp. As such, security systems have continuously evolved, in order to face the increasingly sophisticated character of the various types of threats.

Therefore, the **Prevention and Security Office** was created with the objectives of reinforcing prevention and simplifying the operational model used in physical and information system security areas, as well as ensuring business continuity.

The main mission of this office is to minimise the occurrence (preventive component) and impact (reactive component) of situations that are damaging for the security of people and Millennium Group institutions and operations, according to the following principles:

1. protecting people's lives and physical integrity;
2. protecting the institution's tangible and intangible assets and ensuring information system integrity, availability and confidentiality;
3. ensuring continuous functioning of critical operations or, in case of failure, ensuring timely recovery, according to their critical character for the institution;
4. minimising effective or potential losses resulting from inability to fulfil regulatory or contract commitments or signing new deals.

Regarding **physical security**, the Millennium bcp security system integrates procedures and equipment that thoroughly respect the physical integrity of customers and employees, as well as the environment.

With a view to maintaining high security standards, Millennium bcp has been implementing a technological renewal programme for its physical security systems, namely regarding digital video surveillance, access control and alarm monitoring systems.

A large number of branch robberies were observed in 2008, with Millennium bcp having been the target of 26 robberies, which represented a 53% increase relatively to the previous year. However, this value was lower than the average registered for other Portuguese financial system institutions, which suffered a 110% increase. No physical injuries or trauma resulted from these occurrences. The Millennium bcp risk rate, defined as the ratio between the number of robberies and the number of branches, was 1/35 in 2008, a higher value than the 1/63 registered in 2007, although lower than the value observed for the Portuguese financial system 1/29.

Regarding ATMs, inking systems were installed in all machines placed in high-risk locations, namely hypermarkets, supermarkets, service stations, railway stations and other locations considered high-risk. This anti-theft device has, as a dissuading element, the capacity to render

banknotes unusable by inking them, thereby preventing their circulation within the banking system. It continued to display positive results in 2008, since the number of theft occurrences in Millennium bcp ATMs decreased by 26% relatively to 2007, whereas this number increased by 31% for ATMs belonging to other credit institutions.

Regarding **information and system security**, these are important business assets, fundamental for the long-term existence of the Millennium Group. The Group's information security policy intends to be globally effective in the various countries where it operates, thus depending on the ability of each and every country to face the challenges posed by constantly changing environments, with a diversity of emerging trends.

The adequate codes of conduct applicable to the functions and responsibility levels of the various bodies and employees are defined by internal regulations.

This policy is a foundation for information system security planning, implementation and maintenance in the Millennium Group, associated to an information security programme that aims to increase the organisation's adaptive ability, in order to protect Millennium's stakeholders, reputation and value creation activities by protecting information assets, considering their importance, value and sensitivity.

Millennium bcp has been progressively implementing International standard ISO/IEC 27000 in its various operations; this standard includes the best international security practices, adopting common and more effective mechanisms for minimising risks associated to the banking business.

Regarding **business continuity** and in the sense of increasing the ability of Millennium bcp and the Group to face the challenges posed by increasing globalisation, specialisation and interdependence, the "Business Continuity Plan" continued to be implemented in 2008.

In Portugal, the business continuity management programme, started in 2008, allows the Bank to fulfil the commitments assumed within the scope of the application presented to the Bank of Portugal, in July 2007, regarding Basel II principles, in case of a serious incident.

As a result of the needs identified by business areas for each critical application and system, the Bank promoted an in-depth review of the "Disaster Recovery Plan", which led to a significant reduction in observed recovery times for most core system critical applications. The adequacy of implemented alterations has already been confirmed by test results.

The Group launched the grounds for implementation of a business continuity management policy and global standards, to be promoted in Group operations, in a consistent manner.

"Business Continuity Plan" implementation projects were initiated in Romania and Poland, in 2008, using the methods already used in Portugal. These projects allowed the organisation to focus on management by processes, increasing the consistency of its definition and description, having also promoted the development of local "Disaster Recovery Plan" solutions and their coordination with generalised core solutions.

In 2009, following approval of the Group's business continuity policy and global standards, the business continuity internal communications programme will be launched, involving all employees in operations where the initial project has been concluded.

In Portugal, during a second iteration, which will entail participation of all business and support units involved, simplified critical process execution methods will be identified and documented. These methods will allow shorter recovery times or the use of fewer resources, for a given recovery time, thereby increasing Bank resilience and minimising the impact of serious incidents for stakeholders.

Regarding security issues related to **Internet use**, periodic information actions were reinforced in 2008, through a security newsletter, developed in partnership with Microsoft Portugal, sent by e-mail to customers registered in the Bank portal. This proactive approach to security issues, pioneered by Millennium bcp within the national banking system, leads to increased security levels.

Immediate disclosure, as detailed as possible, of the increasingly sophisticated threats targeting customers (phishing, viruses and other threats) allowed the Group to increase security standards, through knowledge sharing, having also promoted the necessary conditions for an active and participating dialogue.

The main objective of the implementation of the Fortet - SAFe authentication system for private customers was to provide a solution ensuring total security when performing financial transactions through Internet banking, regardless of the degree of security of individual customer computers (use of antivirus, firewalls, anti-spyware). Extension of this system to the company site is foreseen in the near future.

Full Offer

Millennium bcp offers a complete and wide range of financial products and services to all customer segments, through the most appropriate distribution channels, always attempting to respond to the social and economic context of the time, in an adequate and dynamic manner.

The Bank believes that an offer of financial services can only be well accepted, and therefore successful, if it is able to adjust to the social and cultural dynamics of the various segments, in a world in constant change, accentuated in 2008 by the financial crisis, which creates increased social responsibilities for the banking system. However, if the design of the offer is important, the ability to communicate, in a focused manner, respecting cultures and languages and providing different degrees of support to the various economic agents, is an equally fundamental element.

Betting on the excellence and adequacy of the offer made available to its customers, the Bank is no less open to the entire market, namely customers who, due to various circumstances, choose to keep their current accounts with other credit institutions. In this sense, access is granted to exclusive products without any account opening requirements, an offer that includes distinctive market solutions, namely credit cards – American Express and Tap Victoria – and Médis health insurance.

The entire product range, for private customers and companies, is available for viewing on our websites in the countries where we operate and the information on the corresponding financial impact on Bank results is available in Volume I of the 2008 Annual Report.

Principles of Transparency and Corporate Ethics Adopted in terms of Commercial Communication with Customers

Millennium bcp is a full right member of the "*Associação Portuguesa de Anunciantes* (APAN - Portuguese Advertisers Association), which chairs the *Instituto Civil da Autodisciplina da Publicidade* (ICAP - Civil Institute of Self-discipline in Advertising) and the *Comissão de Análise de Estudos de Meios* (CAEM - Media Study Analysis Commission) and is a member of the International Advertising Association. APAN has expressed great commitment and leadership regarding self-regulation issues in advertising and implementation of best marketing practises, giving special emphasis to the various social responsibility issues it assumes and promotes before its associates.

Millennium bcp also subscribes to the Code of Good Practice in Advertising for Minors promoted by the APAN and subscribed by over forty entities.

Millennium bcp communication activities also respect Bank of Portugal Notice no. 10/2008, which defines information and transparency duties, to be observed by credit institutions and financial companies in disclosure of financial products and services to the public, especially advertising campaigns, extending application of transparency and balance principles to all stages of the selection and decision process.

4.3 – Commitment to Socially Responsible Products and Services

The objective of all products and services provided to the market is to have a concrete positive impact on the lives of people contracting them.

Microcredit

Employment Positions*	Operations Volume*	Number of Operations*
2,774	12.3 Million Euros	1,584

* Accumulated values in 10 years of Microcredit operations in partnership with National Association of Right to Credit (ANDC) and Autonomous Region of the Azores (RAA).

Microcredit has been an instrument of social inclusion, being part of the Bank's social pillar, creating opportunities for those who traditionally have no access to credit. This form of credit does not represent a form of solidarity or social sponsoring, but a way of creating adequate instruments and strategies for encouraging enterprising people, promoting responsibility, self-esteem and economic self-sufficiency.

Therefore, Microcredit aims to support, advise and promote people with viable business initiatives and ideas, always based on establishing a close trust relationship.

The Microcredit process does not end with the financing itself, but includes a series of actions aimed at in-depth analysis of the economic viability of the projects presented, market analysis and subsequent following of financed projects, where project managers play a fundamental role, using their professional experience and training to follow business development.

The "Project Manager" is the main element, the connecting link responsible for advising, following, monitoring and, if necessary, restructuring financing terms, betting on a strong *in loco* presence and profound knowledge of the social reality of micro-entrepreneurs.

In 2008, the Microcredit network was expanded to the entire national territory, allied to a significant work of internal advertising and clarification before the community:

- City councils, Caritas, Job Centres, Municipalities, Active Life Integration Units (UNIVA), Educational Institutions and other entities, representing a total of 2,200 contacts;
- conferences, seminars and debate sessions on Microcredit and/or entrepreneurship, in several country districts, where Millennium bcp was invited to participate as a speaker and Microcredit was approached from the perspective of social inclusion, existing financial crisis, immigration and entrepreneurship;
- participation in five fairs, with display stands, related to the entrepreneurship theme;
- participation in radio programmes and articles in newspapers and magazines;

The numbers of approved microcredit in 2008, in Portugal:

231
New projects

2.3 Million €
Approved credit

409
New employment positions

Profile Micro-entrepreneurs (3 years of microcredit autonomous network), in Portugal:

22%
Immigrants

51% Male
49% Female

68%
Aged 26 to 45

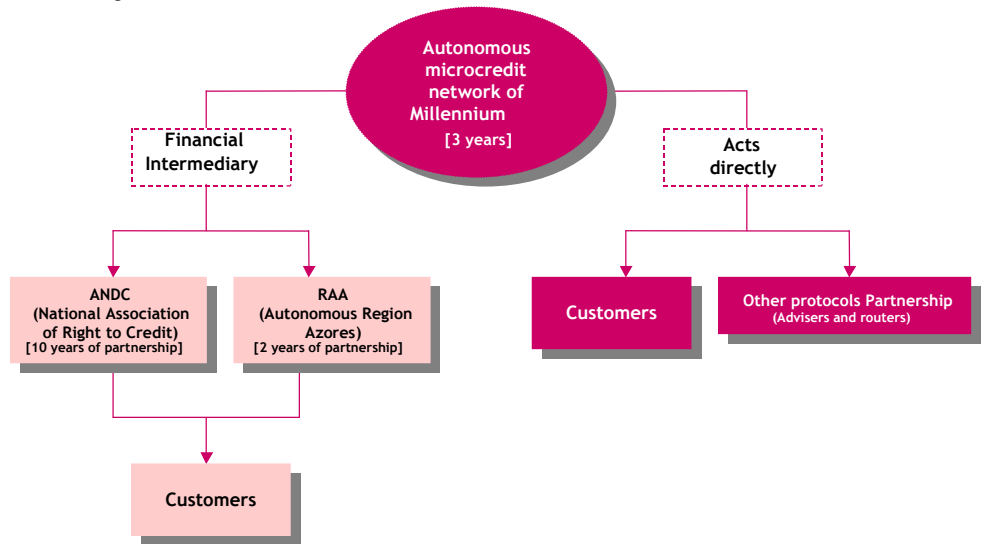
49%
Higher education

40%
Unemployed

- participation in the Muhammad Yunus "Challenging Poverty - The Growth of Microcredit" international conference, jointly organised by *Cunha Vaz & Associados* and *Clube ISCTE* and sponsored by Millennium bcp.

With the objective of continuing the task of local encouragement, aimed at detecting opportunities, partnership protocols were signed with the *Associação Empresarial de Viseu*, *Associação Santana Cidade Solidária*, *ACAPORAMA – Associação das Casas do Povo da Região Autónoma da Madeira*, *Madeira Agrícola – INTERREG* projects, *IIIB* and the Entrepreneurship Centre of the University of Azores.

Partnerships with the Autonomous Microcredit Network are currently organised according to the following structure:



The Autonomous Microcredit Network, which celebrated its 3rd anniversary in 2008 (a total of nearly ten years of Microcredit, in partnership with the National Association of Right to Credit and other entities), granted credit corresponding to 2,3 million euros during the year analysed, to 231 projects that contributed to create 409 employment positions.

Through its Microcredit operation, Millennium bcp was recognised as one of the entities contributing the most towards integration of immigrants in the Portuguese society. The Bank was included in the Good Practice Map elaborated by the International Organisation for Migration, the High Commissariat for Integration and Intercultural Dialogue and the Portuguese-American Foundation for Development.

**Activities financed through Microcredit
(3 years period of the Microcredit autonomous network in Portugal)**
Portugal

Activity	Some examples	2008
Retail business (other products)	Footwear, Toys, Clothing	13%
Beverage establishments	Coffee houses	13%
Other service activities	Electrician, Beautician, Cleaning	13%
Restaurants	Restaurants and Snack-bars	9%
Retail business (not specialized)	Groceries, Mini-Market	4%
Retail business food products	Fish Market, Greengrocery, Frozen goods	4%
Conclusion activities	Carpentry, Construction	3%
Other activities services companies	Industrial cleaning, Restoration	3%
Other activities	Bakehouses; Repairshops; Others	38%

Given the economic context of 2008, a model was also implemented allowing strict management and monitoring of the credit portfolio and default situations.

Microcredit portfolio at December 31, 2008

(Excluding credit granted under protocols with the National Association of Right to Credit – ANDC and with the Autonomous Region of the Azores)

Portugal

	2008	2007
Number of loans	740	485
Debt capital (thousands of euros)	5,959	4,109
Credit overdue (thousands of euros)	258	128

The main Microcredit commitments for 2009 are the following:

- increasing institutional contacts, with the objective of continuing to disclose this service to potential entrepreneurs, namely in country areas where Microcredit was only available in 2008;
- Reinforcing and maintaining a close relationship with the Retail branch network, with a view to responding to situations excluded from traditional credit lines;
- Developing the concept of microfinance, by studying a product package for micro-entrepreneurs, focusing on insurance and savings plans. The latter aspect is perceived as relevant, since it will allow micro-entrepreneurs to develop savings ability;
- Reinforcing the support to micro-entrepreneur and business by project managers, given the current economic and financial context;
- Improving institutional relations with Local and Regional Delegations of the Institute of Employment and Professional Training, in order to respond to the foreseen increase in the number of unemployed people, as well as new official enterprise support alternatives.

Project Finance

Project finance has become an economic growth driver in the last few years, in Portugal and all over the world, increasingly representing a core business for Millennium bcp Investment. The financing model used in project finance is based on the main assumption that debt associated to a project is guaranteed by the cash flows generated by the project. Main emerging risks are identified in the contract, which allows minimisation of project risks.

Project finance is mostly, although not exclusively, directed to projects of great dimension, requiring large investments, basically in sectors such as power generation (aeolic, solar, photovoltaic and water power, amongst others), building of transport infrastructures (namely motorways, railways, ports and airports), telecommunications, environment (water and waste) and health.

In any of these sectors, these projects, given their nature, are always associated to potential impacts on the environment and social surroundings. If not rigorously analysed and managed, such impacts may have damaging and lasting consequences for the society and the environment.

With this intent, and since the expressed concerns are connected to the foundational principles followed by Millennium bcp, the Bank subscribed, on July 6, 2007, to the reviewed version of the Equator Principles, as it had previously subscribed to the original version. By adopting and sharing this series of principles, Millennium Group assumed responsibility, together with 60 other financial institutions, for acting in accordance with a series of common and coherent environmental and social policies, aimed at providing the various financial institutions subscribing to the Equator Principles (FIEP) with a minimum common platform for assessing, mitigating, documenting and monitoring environmental and social risks associated to granted credit and to projects in which they intervene in a conclusive manner.

In this way, the FIEPs guarantee to themselves and the communities where they are integrated, and which they serve, that their actions are always guided by assessment and treatment standards regarding the environmental and social impacts of specific projects, collaborating with specialised external consultants, whenever necessary, in order to ensure compliance with these standards, which are consistent with justice and social and environmental equality principles characterising modern societies, from a sustainable development perspective.

Within this scope, the Bank is determined, in parallel with the risk analysis and treatment process associated to a given project, to categorise all projects reaching a capital cost equivalent to 10 million dollars at minimum. It should also be noted that expanded projects or projects subject to improvements entailing environmental and /or social impacts will also be subject to this process.

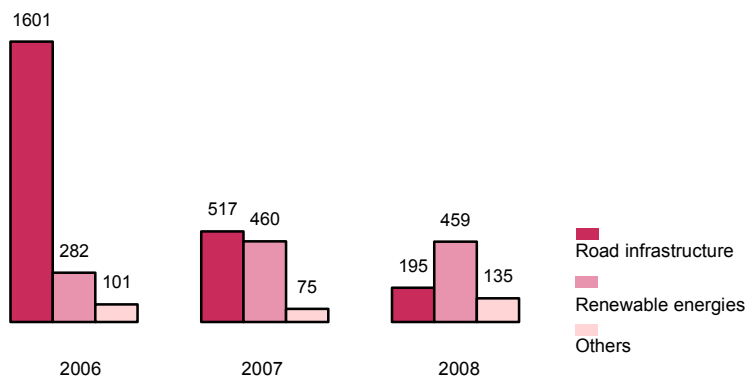
Each project is classified in one of three categories – A, B or C – according to the Equator Principles. Category A corresponds to projects with potential for high, diverse and irreversible social and environmental risks. Category B assumes limited social and environmental risks, with local impacts, minimised through mitigating measures. Category C corresponds to small or negligible social and environmental impacts, or even an absence of impacts.



In 2008, as in the previous year, all projects financed by the Bank corresponded to category B. Millennium bcp financed eight projects, representing a total amount of 789 million euros in loans granted, all with medium social and environmental risks. The various negative impacts were identified and taken into account.

Giving continuity to the strategy defined in previous years, the project finance area focused once again on the renewable energy sector, having financed four aeolic parks, two in Portuguese territory, one in France and one in Poland.

Credit granted amount, by type of project



The Bank has increasingly focused its attention on the sustainability of environmental policies followed in Portugal, in the European Union and in the United States of America, pursuing combined objectives regarding increased electricity generation capacity from renewable sources and reduced greenhouse gas emissions, a battle still far from being won. In general terms, this is a sector where the environment is not only the ground for business, but also where most promoters are fully aware of the need to implement the necessary and adequate mitigating measures.

The various projects financed this year, both in the renewable energy sector and road infrastructures, naturally had social and environmental consequences and impacts, which, due to their specific nature, were considered reversible and dealt with through appropriate mitigating measures.

The following may be highlighted amongst the main environmental impacts of projects approved by Millennium bcp in 2008:

Project type	Main environmental impacts
Road infrastructures (2 projects in Portugal)	<ul style="list-style-type: none"> - Additional traffic, with consequent increase in air pollution (greenhouse gases, acidifying agents, eutrophying agents and tropospheric ozone precursors); - Noise; - Water pollution through pavement draining; - Barrier effect; - Impacts caused by works and worksites.
Aeolic parks (2 projects in Portugal; 1 project in Poland and 1 project in France)	<ul style="list-style-type: none"> - Eventual impact on sensitive habitats due to increased accessibility resulting from new access ways; - Risks for flying animals, especially birds of prey, migrating birds and bats; - Impacts on the landscape caused by aerogenerators and electricity lines.
Combined cycle of electric power plant (1 project in Portugal)	<ul style="list-style-type: none"> - Impacts caused by works and worksites, namely regarding air quality, noise and landscape; - Decrease in air quality at the plant site; - Noise; - Impacts on the landscape.
Infrastructures (1 project in Portugal)	<ul style="list-style-type: none"> - Impacts caused by works and worksites with significant impact during the demolition stage, namely regarding air quality and noise; - Impacts during the exploitation stage regarding energy and resource consumption.

Regarding the mitigating measures adopted, in two of the approved projects:

Project type	Brief project description	Solutions aimed at mitigating environmental impact
Renewable energy sector – Aeolic park in Portugal	Financing for building and operation of an aeolic park complex of approximately 100 MW, located in the centre of the country.	<ul style="list-style-type: none"> Relocation of the aerogenerator building site to more accessible locations in order not to affect sensitive habitats; Relocation of electricity lines in order not to affect the fauna and preserve forest areas; Relocation of the worksite to avoid no-build areas.
Energy sector – combined cycle of plant working on natural gas	Financing for building and operation of a combined cycle electric power plant, working on natural gas, to be built within the area ascribed to the thermoelectric plant of Pego. The project consists of two identical units representing 418 MW of power each.	<ul style="list-style-type: none"> Location of the plant within the Pego Thermoelectric Plant site, in order to allow use of existing access ways and supporting infrastructures; Calculation of chimney height in order to minimise impacts associated to air pollution; Adequate soundproofing of facilities; Measures to minimise water inflow from the Tagus River for refrigeration purposes.

Asset Management

The market for responsible investment products has consolidated its growth path at a worldwide scale, in parallel with the evolution of its own concept of investment.

F&C Asset Management, a company that has a partnership with Millennium bcp carries out its activity in a responsible way, within the scope of its business, encouraging the companies in which it invests to uphold high standards of corporate governance which respect the best international benchmarks and to adopt risk identification and management systems that address environmental and social factors.

Through the F&C reo® engagement program, the companies that are included in the portfolios under management in Millennium bcp's investment funds are encouraged to improve their performance in areas such as climate changes, corruption, employment practices and defence of human rights.

Climate change is driving a new regulatory framework for greenhouse gas emissions, and a change in the consumer demand patterns. Consequently, companies are systematically questioned by F&C, representing the customers' portfolios, on their position facing the new demands.

In 2009, F&C intends to continue to use its influence, as a global investor, through its right to vote and through a constructive dialogue with companies to encourage a management commitment with long-term sustainability policies.

With the objective to increase the responsible assets under management, the Bank has been extending its offer, which by the end of 2008, through ActivoBank7 included a total of seventeen funds that invest according to sustainability and social responsibility criteria.

In line with the sector, 2008, was marked by the increase in redemptions, as a result of the complicated world financial situation. Nevertheless, the Bank introduced five new funds focused on the subject of climate changes, the environment and renewable resources, which had a good reception considering the current environment. In parallel, communication actions were developed with customers, in order to inform and clarify the need to promote investments concerned with sustainable development and inform about the particularities inherent to the performance and management of this type of investment. In this scope, ActivoLive, a multimedia platform of ActivoBank7, made closing summary of the main European markets available, in addition to the market opening. ActivoBank7 also launched the Virtual Academy, one innovative concept that allows customers to access multimedia educational content. The Bank also made updated financial information available in Workshop Activo space and maintained a weekly newsletter about the markets and investment decisions, as well as the investors' guide.

In Greece, a responsible social fund was launched. The fund invests in companies, which explore and develop technology to find alternative sources of energy production.

SRI funds sold in Portugal, through open architecture (ActivoBank7)

	2008	2007
No. of SRI funds (with units subscribed)	14	11
Investment Fund Unit held by customers (thousand euros)	1,403	3,791

Initiatives with Relevant Impact on Social and Business Development

Millennium bcp continued providing support to **immigrants** in 2008, following the various stages of their lives. Within this scope, several promotional campaigns were launched, with visibility in branches – bilingual posters and leaflets –, in the press and public transports. With the slogan “Open an account and go home”, Millennium bcp offered a trip to their homeland to 5 immigrant customers.

To make the offer of Bank products and services, as well as the corresponding conditions, more understandable to Eastern European communities, account-opening documents were translated to Romanian and Russian and bilingual leaflets were created – Portuguese/English, Russian, Ukrainian and Romanian. These communication materials were distributed to associations, consulates and embassies.

The Millennium bcp financial portal includes a page exclusively dedicated to immigrants, which, in addition to commercial information, includes useful information regarding adequate social integration, namely documentation, employment offer, children’s education, legislation and cultural agenda.

A product aimed at members of the Brazilian and Hispanic communities was launched in the United States of America, aimed at providing these customers with a simple manner of opening current accounts. This new product reinforces the Bank’s commitment to the communities, functioning also as a complement to the services dealing with remittances to the corresponding home countries.

Given the economic and financial context – instability of the capital markets - Millennium bcp centred its offer for customers on low risk **savings and investment products**, preferably with guaranteed capital, representing short and medium-term investments.

Term deposits were the most relevant product within the customers’ funds offer in 2008, given the low risk and guaranteed rates of these products.

The reduced minimum amount set for these products, as well as medium/long-term savings and investment products, such as unit linked insurances and capitalisation insurances, made them more accessible to customers in lower income brackets, increasing their future savings ability and providing them with better financial instruments for managing their assets.

In the various geographical regions where it operates, Millennium Group once again focused on pension products, encouraging demand. These products, which guarantee a pension supplement, constitute a determining factor for improving the future financial conditions of customers. Therefore, specific conditions were created in each country, aimed at encouraging subscription, taking into account the reality of the countries in question.

In the United States of America, the Bank subscribed to the federal programme – Federal Deposit Insurance Corporation’s Temporary Transaction Account Guarantee – of total coverage of amounts deposited in non-remunerated current accounts held by private customers and companies.

Regarding **personal credit**, special conditions were created for rising situations, such as:

- customers undergoing academic training, needing support in the beginning of their professional careers;
- micro-generation – following the increasing demand for micro-generation equipment by private customers, Millennium bcp started granting a discount on base interest rates associated to personal credit for customers wishing to acquire this type of equipment;
- quitting smoking – in order to provide support to all customers wishing to undergo a treatment to quit smoking, a personal credit line with special conditions was launched, aimed at financing treatment programmes proposed by the various clinics operating in the market;
- university credit with mutual guarantee – giving continuity to the protocol signed with Mutual Guarantee Companies (SGM), in line with the Ministry of Science, Technology and Higher Education, Millennium bcp maintained a credit line, with special interest rates, aimed at financing the following: degree courses, post-graduate studies, master’s degrees, PhDs and courses included in international student exchange programmes, namely the Erasmus programme;
- urgent credit – launched in Poland, allows fast financing, given its easy approval process. This credit line includes a wide range of repayment periods, allowing customers in lower income brackets, such as pensioners and temporary workers, to subscribe it;
- guaranteed credit – aiming to support and promote savings habits, a credit line guaranteed by a deposit certificate was created in the United States of America. This credit line also allowed customers to consolidate debts in various credit instruments without having to withdraw their savings;
- mortgage credit – Millennium bcp continued to pursue its policy of special attention to mortgage credit customers, adjusting its offer in order to provide an effective and adequate response to the needs resulting from the current economic context. The Bank continued to focus on strengthening its relationships with customers during the loan lifecycle, offering financial solutions allowing repayments adjusted to customer needs and great flexibility in altering contract conditions. From the operational viewpoint, implementation of the new credit simulator resulted in better information provided to customers, which also had a positive impact on service improvement. Active participation in the “Ready Home” Project, simplified and reduced the costs of the real estate buying and selling process. The Bank

also subscribed to the protocol between banks and the *Associação Portuguesa de Bancos* (APB - Portuguese Banks Association) that aims to simplify all real estate credit process procedures.

In order to support customers in their credit decisions and minimise over-indebtedness risks, a leaflet was elaborated to simulate instalment amounts for several credit types, preceded by a short list of the main recommendations to consider when contracting credit.

In 2008, the year in which it was possible to contribute towards equipping the first maternity-school in Dilli, through points sent to the Mater-Timor Foundation, Millennium bcp **cards** continued to grant cultural and social benefits:

- within the scope of its partnership with Zon Lusomundo cinemas, the Bank maintained its offer of cinema tickets during the entire year, whereby customers need only to show their card at the ticket booth to receive a free ticket when purchasing a normal price ticket. Reinforcing its social commitment to support culture, the Bank also offered tickets to all credit or debit card holders aged 60 or over. The objective of this initiative was to promote leisurely activities for senior citizens, contributing towards cultural enrichment and promoting socialising habits between generations;
- free entrance in Museums managed by the Portuguese Museum Institute was also offered to all Millennium bcp Gold and Prestige cardholders;
- holders of Millennium bcp Gold cards continued to be able to contribute their donations to charitable institutions, namely *Caritas Portuguesa*, *Casa do Gaiato*, *Liga Portuguesa Contra o Cancro*, *Crinabel*, UNICEF, *Acreditar* and *Diferenças*/Portuguese Association of People with Down's Syndrome (APPT21);
- regarding American Express cards, emphasis was given to the partnerships with *Ajuda de Berço*, CERCI, *Acreditar* and CAIS, within the scope of the Membership Rewards programme;

The most important support to business persons and small businesses were:

- In Portugal, Millennium bcp developed a Benchmarking folder, presenting an analysis of company ratios, including a comparison with similar companies operating within the same sector, allowing **businesspersons** distinguished with the "Applause Diploma", given within the scope of the "Applause Customer" programme, to rapidly check the health of their businesses in comparison to their peers.
- A new offer was launched in Greece for businessperson and small companies, supported on a corporate credit specialist whose functions consist of designing needs profiles for micro-company customers and presenting the most adequate solutions, establishing real partnerships.

Millennium bank, in Greece, was the only bank that became a member of the *Fina-RET*. This is a programme designed to support private individuals and small companies that want to invest in efficient or renewable energy technologies to cover their energy needs.

- A specific product for small companies was also launched in the United States of America, including a series of offers adjusted to the various realities of specific business types. Each offer package was created based on studies and analysis performed on each type of industry and the corresponding market. A series of seminars and workshops with businesspersons were organised within the scope of product launches, where issues such as municipal tax benefits and business growth support programmes were also presented.

Other **business** development support initiatives should also be highlighted:

- EIB investment lines: in the end of 2008, two new contracts were signed with the European Investment Bank, in order to support investment projects presented by customers from European countries where Millennium operates – Portugal, Poland, Greece and Romania. Representing a total of 100 million euros, these credit lines, with very competitive conditions, are aimed at medium and long-term financing of projects promoted by companies of any dimension. Projects to be financed should focus on research, development and innovation, power savings, environmental protection, renewable energies and the knowledge economy, amongst others;
- *PME Investe* credit lines: created in collaboration with QREN Managing Authorities and Mutual Guarantee Societies (SGM), within the scope of support to productive investment and current business activity, which became particularly difficult by the current economic environment;
- Council Of Europe Development Bank (CEB) credit line: with an amount of 30 million euros, it is aimed at medium and long-term financing of projects with impact on social cohesion in European countries where the Millennium Group operates - Portugal, Greece, Poland and Romania. Investment projects in the following programmes should be highlighted: (i) creation and preservation of viable jobs; (ii) health; and (iii) education and professional training;
- credit lines to support the primary sector: protocols were signed between the *Instituto de Financiamento da Agricultura e Pescas* (IFAP - Institute for Financing of Agriculture and Fishing) and the Bank, with a view to creating credit lines aimed at supporting business activity in the Fishing and Intensive Animal Farming sectors. This solution intends to provide the necessary financial resources for acquisition of production elements, also allowing renegotiation of debts to suppliers or credit institutions resulting from treasury difficulties;
- renewable energy development: creation of specific solutions, through financial leasing, aimed at supporting renewable energy development projects, namely acquisition of solar, thermal and aeolic equipment and photovoltaic panels;
- support of innovation and entrepreneurship: participation of Millennium bcp in the Portugal Venture Capital Initiative (PVCi) fund, launched by the European Investment Fund, in 2008, with a view to promoting investment projects presented by Portuguese SMEs, which are Bank customers, in the areas of innovation, research and development, entrepreneurship and employment creation;
- SOFID – *Sociedade Financeira de Desenvolvimento* (Financial Development Company): Millennium bcp is a member of this company, mostly held by the Portuguese State, which

aims to contribute towards sustainable development of developing countries, in coordination with the objectives and strategy of the Portuguese State regarding economy, cooperation and public aid to development. Millennium bcp has promoted support of investment projects, especially in portuguese speaking countries;

- Incentive Systems – *Quadro de Referência Estratégica Nacional* (QREN - National Strategic Reference Framework): within the scope of QREN programmes, continuity was given to the partnership strategy regarding company applications to the incentive system. These incentives aim to increase Portuguese companies' competitiveness, either through product and production process improvement or support of internationalisation and training of human resources. It seeks to support corporate investment and encourage production system qualification, through innovation, technological development and enterprise promotion, as well as improvement of the various business activity components;
- exports to Angola - Credit Risk Coverage: following the agreement signed between the Angolan and the Portuguese States, credit risk coverage was reinforced by 500 million euros through the COSEC Convention for Angola. The objective of this convention is to cover exports of Portuguese goods, equipment and services to the Angolan market;
- mutual guarantee: efforts continued to be made to promote this risk minimisation instrument within the commercial area, with renewal of the credit line for mutual guarantee financing (50 million euros).
- In Mozambique was created special conditions for access to financing to the sugar sector in order to support export expansion to Europe and a new project was developed – Zimpeto – in partnership with the Maputo Municipality, for the construction financing of 576 low cost houses.

During the year analysed, the Group provided demand-adjusted products, prices, credit lines and service levels in 98 countries, in all five Continents, in partnership with local and international banks, to better serve Millennium Group customers, from the emigrant and immigrant segments to the corporate and banks segment, enabling the simplification of the International activities of our customers

4.4 – Commitment to Employees

Creating value for the organisation is the commitment assumed by each employee. Rewarding merit and creating the necessary conditions for professional evolution, allied to personal improvement and a healthy balance between work and family life, is the commitment assumed by the organisation before its employees.

Agregated data from Millennium Group's banking activity (excluding insurance activity) Portugal, Poland, Greece, Romania, Mozambique and USA

	2008	2007
Total no. of employees	21,798	20,506
Average age (years)	36.7	36.4
Average years of service	9.6	9.7
Annual rate of internal mobility	20.9%	23.9%
Average no. of hours per year of training per employee	16 ¹	43 ²
Employees by type of labour contract		
Permanent contract	87.8%	89.0%
Temporary contract	12.2%	11.0%
Internship	0%	0%
Employees covered by the collective labour agreement ³	12,193	12,284
Employees in trade unions	9,482	9,650
Employees in regime of part-time work	143	152
Employees with disabilities	229	199
Net creation of employment	1,845	1,426
Proportion of members of senior management hired locally	90%	75%
Fixed and variable remunerations and benefits (million euros)	853	834
Employees by annual salary scale		
≥ 100 thousand euros	368	364
[90-100[thousand euros	116	125
[80-90[thousand euros	158	161
[70-80[thousand euros	249	241
[60-70[thousand euros	409	409
[50-60[thousand euros	764	685
[40-50[thousand euros	1,439	1,361
[30-40[thousand euros	3,057	2,977
[20-30[thousand euros	4,468	4,201
[10-20[thousand euros	5,697	5,166
< 10 thousand euros	5,073	4,816

1- Excluded Mozambique;

2- Excluded Romania;

3- Only Portugal and Mozambique.

Employees by professional category

Portugal, Poland, Greece, Romania, Mozambique and USA

	2008	2007
Senior Management	272	295
Management	1,893	1,738
Other categories	19,633	18,473
	21,798	20,506

2008 Breakdown of employees by qualifications

Portugal, Poland, Greece, Romania, Mozambique and USA

	2008	2007
Primary education	6%	7%
Secondary education	42%	44%
Higher education	52%	49%

Recruitment

Recruitment planning considers the business strategy, anticipating medium-term needs. Therefore, external recruitment was used in 2008 as a complement to the internal mobility programmes resulting from simplification of the Bank's central service structures.

The recruitment process, similar in all areas, consists of a sequence of stages, aimed at ensuring its transparency and effectiveness: (i) application collection; (ii) identification and selection of potential candidates; (iii) psychometric testing; (iv) interview with a selection jury composed of Senior Bank Managers; (v) approval of recruitment by the EBD.

In Portugal, the favoured channel for collecting applications for all Bank areas is the institutional site, with 15,937 applications registered, representing more than 99% of the total of applications received. Recruitment activities and selection of external candidates in 2008 led to recruitment of 284 employees, of which:

Breakdown of employees admitted in 2008

Portugal, Poland, Greece, Romania, Mozambique and USA

	2008	2007
Portugal	284	512
Poland	2,562	1,982
Greece	371	348
Romania	330	507
Mozambique	287	176
USA	37	42
	3,871	3,567

Recruitment Portugal

		2008	2007
Area of placement	Retail	240	435
	Specialized areas	44	77
Qualifications	Higher education	180	336
	Secondary education	104	176
Area (Higher education)	Business Administration	35	71
	Economics	34	60
	Other	111	205
Sex	Women	174	310
	Men	110	202
Total admissions		284	512

Causes of departure of employees in 2008

Portugal, Poland, Greece, Romania, Mozambique and USA

	2008	2007
Employee initiative	68%	71%
Mutual agreement	8%	3%
Dismissal	17%	12%
Pension	4%	10%
Death	1%	1%
Other causes	2%	3%

Departure of employees

As percentage of the average number of employees

	2008	2007
Portugal	4%	6%
Poland	24%	18%
Greece	16%	14%
Romania	24%	9%
Mozambique	7%	7%
USA	16%	24%
	12%	10%

Talent recruitment continues to be supported by the Come and Grow with Us programme, in Portugal and Greece, as well as Champions Millennium, in Poland, constituting a value proposal for Millennium Group, thought and aimed at the interests and needs of successful university students, talented and geared towards excellence.

The Bank intends, through the Come and Grow with Us programme, to contribute towards developing student competences, complementing academic training, providing an enriching work experience and retaining those who stand out during their contact with Millennium bcp.

2008 initiatives	Action Contents	Participant assessment
Banking G@me	Banking simulation game where students have to manage a virtual branch. This event follows a blended-learning approach, with the support of a Millennium bcp tutor during the preparation stage. The Bank Training Institute provides initial training. In 2008, 55 students from various Portuguese universities participated in this initiative.	100% of participants considered this event "good" or "very good".
Bank Management Seminar	Two-day training seminar where students have the opportunity to further their knowledge in the financial and bank management areas and simultaneously contact with reference professionals, participate in team-building exercises and widen their contact network.	Participant feedback was very positive, with participants referring this was an "enriching and stimulating experience", providing a more concrete idea of financial terms and areas.
Presentations in universities	Presentation of case studies related to Bank business.	In all universities, more than 90% of students enjoyed the Come and Grow with Us presentation. Approximately 80% affirmed having gained better knowledge of Millennium bcp. Approximately 95% of students would like to work in the Bank.
Summer and International work experience placements	Structured according to student profiles, with continuous following by senior Millennium bcp staff, these placements constitute an opportunity for students to have a unique experience in technical and commercial Bank areas. 70 placements in Portugal and 6 international placements took place in 2008.	100% were satisfied with the experience, 76% of which having affirmed to be "very satisfied" or "completely satisfied".

Attractiveness of Millennium bcp as a future company to work for (at the end of the summer internship)

	2008	2007
Very attractive	43%	57%
Attractive	49%	40%
Not very attractive	7%	3%
Not attractive	1%	0%

Mobility

Incentive to functional and geographical mobility is a fundamental characteristic of Millennium bcp, since mobility is perceived not only as a dissemination vehicle for best practices and as an interdepartmental cooperation spirit, essential for good organisation functioning, but also a fundamental element in optimised human resource management.

Rate of internal mobility Rotations in percentage terms

	2008	2007
Portugal	23%	26%
Poland	18%	26%
Greece	3%	3%
Romania	0%	0%
Mozambique	44%	32%
USA	26%	21%
	21%	25%

Exposure to new challenges and different practices and realities promotes learning and professional development, continuously contributing to a sustained improvement of employee abilities.

Expatriated employees per destination country

	2008	2007
Portugal	2	5
Poland	15	21
Greece	3	4
Romania	6	5
Mozambique	22	20
USA	4	6
	52	61

Expatriated employees who are members of the Senior Management and Management of the destinations operations

	2008	2007
Portugal	2	3
Poland	14	21
Greece	2	4
Romania	5	5
Mozambique	13	18
USA	3	6
	39	57

Employees transferred from central services to the commercial network – PDCC Portugal

	2008
2 nd edition (final phase)	2
3 rd edition	144
4 th edition	95
5 th edition (Initial phase)	3
	244

Career options and associated mobility resulted, in 2008, in transfer of 244 central service employees to the commercial network, a process to which special support and following was given during the transition stage and adapting to new functions. These transfers are preceded by interviews performed with the objective of assessing whether employee expectations and potential are adequate to the existing opportunities, resulting from normal Bank business.

Professional valuing associated to mobility takes place before the start of new functions, since the first process stage begins with training, followed by an in-depth on-the-job learning path, supported by a trainer and a tutor specially appointed for this purpose, as well as a vast series of training elements made available through e-learning, allowing employees to further their knowledge according to the specific demands of each situation.

Therefore to minimize the impacts on daily life of employees that mobility represents, is ensured a timely communication of the job function, ensuring the fulfilment of the existing legislation.

Talent Management

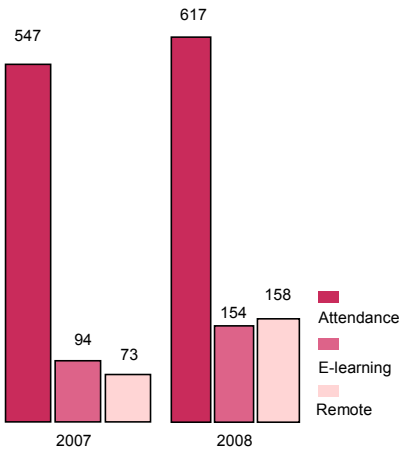
Millennium considers it is essential to develop the necessary talent to successfully achieve strategic Bank objectives. In this sense, the Bank has been launching programmes allowing identification, encouragement and following of high-potential employees during critical stages in their careers, contributing towards development and retention of staff displaying the necessary ability to assume responsibility positions, of increased complexity.

Participants in talent management programs in 2008

	Portugal	Poland
Young Specialist	59	0
People Grow	17	19
Grow Fast	26	69
	102	88

Programme	Employee Profile	Objectives and Actions	
Young Specialist (YS)	New graduates with excellent academic results, recruited from 2007 onwards.	This 2-year programme seeks to speed up and simplify integration in the Millennium bcp universe, as well as create the necessary conditions for developing expertise and autonomy, fundamental aspects for performing specialised functions on an excellent level.	
People Grow	Young graduates with high career development potential.	The format of the first edition is maintained; the Programme is based on a function rotation system including various Bank areas and operations, allowing participants to develop new competences, as well as a global view of the business.	In 2008, participation in global Bank processes, outside comfort zones. Projects were presented to the EBD during a 2-day Forum entitled "Grow Together", which took place externally and included the participation of mentors and project sponsors.
Grow Fast	Employees with professional experience displaying: (i) a very positive performance; (ii) great will and learning ability, as well as great ability to use acquired competences in their functions; and (iii) high potential to successfully lead teams or critical projects for the group.	Intends to help prepare participants for coordination functions with superior responsibility and/or complexity levels.	In addition to presentation and discussion of strategic issues for the Group, several team-building activities were organised, which provided an excellent opportunity for interaction and sharing of experiences between participants and mentors.

Training (thousands of hours)
Portugal, Poland, Greece, Romania and USA



Training

The search for excellence in the quality of services provided to customers entails identification of the most adequate training to the specific needs of each employee.

Our training strategy has included a diversity of training courses, having been concerned with adjusting course contents to a number of training hours considered appropriate, from an educational standpoint, optimising the average duration of each course.

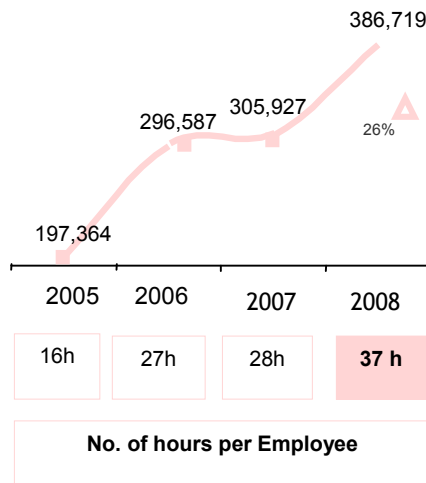
Employee proactiveness and individual responsibility have also been encouraged, in their self-development process. Therefore:

- self-learning and e-learning methods have been included in the training plans designed for each function. Currently, 96 online manuals and more than 60 e-learning courses are available;
- the “ Incentive Program to Academic Qualification” has been supported. This program boasts, at present, 124 employees of which (i) 66 are carrying out degree courses, and 67 % of these in Bank Management; (ii) 29 are doing master's degrees; (iii) 23 are carrying out post-graduations; (iv) 5 are attending MBAs; and (v) 1 is carrying out a PHD. In 2008 the average of reimbursements was 52% of total fees.

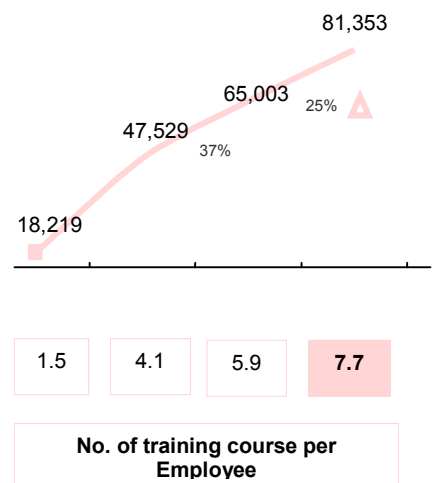
Throughout 2008, Millennium Group continued to invest in employee development, having provided a total of 968,651 training hours (excluding Mozambique).

In Portugal, the total training hours was 386,719, corresponding to an average thirty-seven training hours per employee:

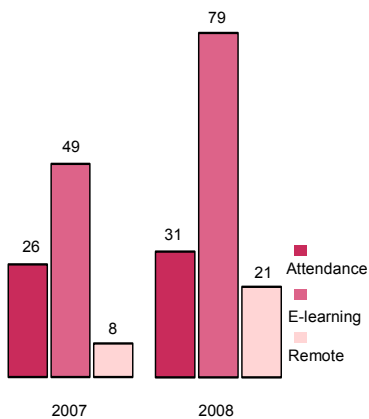
Total training hours



Total participations



Training (thousands involved)
Portugal, Poland, Greece, Romania, Mozambique and USA



This continued training effort is reflected in a 26% increase in the total number of training hours relatively to the previous year and average employee participation in 7.7 actions per employee, a 25% increase relatively to the previous year.

Most important initiatives, in 2008:

Strategic			
Action	Scope	Programme	Participants
Leadership for excellence	Increasing satisfaction levels with Direct Hierarchies.	Programme aimed at improving people management skills, leadership quality and hierarchical relationships, helping leaders to master coaching techniques, with a view to continuous development of their teams.	Managers in various Bank Divisions, with special emphasis on the retail programme, where workshops were organised for all Commercial Coordinators, also including all Assistant Commercial Coordinators, for the first time. This training action included 1,534 employees, totalling 13,076 training hours.
Commercial network certification	Retail: Prestige certification.	Programme aimed at providing prestige segment managers with sustained knowledge of financial products and techniques.	225 employees.
	Retail: Business certification.	Programme aimed at providing business segment managers with a series of skills in various theme areas, such as: best practices, negotiation techniques, credit regulation, trade finance, market risks, general and financial accounts and company economic and financial diagnosis.	600 employees.
	Private.	Programme aimed at increasing knowledge levels in areas such as financial markets, compliance and taxation.	70 employees.
Individual performance evaluation system	Preparing the Organisation for implementation of the new Functions Model and the Individual Performance Evaluation System in 2009.	This training Programme consists of three consecutive stages, the first of which took place in the last quarter of 2008, dedicated to the "Individual Performance Evaluation System" and the "Functions Model": i) Roadshow for performing teamwork - heads; ii) e-learning- Roadshow reproduction in e-learning - heads and evaluated employees.	Roadshow: 77 actions; 1,593 appraisers. e-learning: 9,030 employees. Special session: Managers.

Continued action			
Action	Scope	Programme	Participants
Induction and integration	Induction and integration of all new employees choosing to work in Retail.	Programme aimed at providing employees with the necessary general knowledge for performing everyday banking tasks. This knowledge is now assessed in a global exam including a conceptual component, through a written test and a practical role-play test where sales ability and customer manner are evaluated. Test results are part of a wider series of information collected with a view to obtaining the Commercial Assistant Certification.	Induction course, including 444 hours of training, in the first working year of each branch employee. 209 employees.
Commercial Competence Development Programme (CCDP)	Integrating central service employees in the commercial network.	8-day onsite training aimed at familiarising employees with everyday commercial network issues. 3-month on-the-job training, including flexible definition of the training path. The latter responsibility will be shared between the on-the-job trainer and the employee, taking past experience into account. The on-the-job training period includes 32 e-learning courses regarding operations and systems; a global knowledge test is performed at the end of the 3-month course.	244 employees.
English training	Professional/ personal improvement.	Developing employee skills in the English language - oral and written. Onsite training.	68 English classes, totalling 551 employees, of which 84% completed the course with success.

Resulting from the need to fully comply with the obligations resulting from the D.L. no. 441/91 regulations, of the November 14, and assuming that health, safety and hygiene conditions in the workplace constitute the basis of all professional risk prevention programmes, contributing to increased competitiveness with reduced occurrence of accidents in the Company, the "Health, Safety and Hygiene at Work" course was designed.

Meritocracy and Equal Opportunities

In 2008, review of the evaluation model was concluded, a process in which over 400 employees participated, during its various stages, namely Senior Managers, appraisers and appraised employees from various organic units. This review resulted in the following:

- a new functions model, whose restructuring was dictated by the need for alignment with the objectives included in the Millennium 2010 Programme, resulting in greater clarity regarding function description and listing, leading to increased agility and simplifying function management by the hierarchies;
- a new individual performance evaluation system, which will allow the following: (i) greater proximity between appraiser and appraised, based on continuous following and increased responsibility of all employees for their development; and (ii) increased rigour and transparency in performance results.

Breakdown of promotions in 2008, by professional category

Portugal, Poland, Greece, Romania, Mozambique and USA

	2008	2007
Senior Management	0.4%	1.6%
Management	8.9%	9.4%
Other categories	90.7%	89.0%

This new model, based on the need to update the previous model and reinforce meritocracy, will be implemented in Portugal in the beginning of 2009. A training and communication process was started in the last quarter of 2008, in order to prepare the organisation to the qualitative leap resulting from introduction of the new model.

A series of values and references were included in the Millennium Group body of principles, applicable to all employees, in all operations, embodying an unequivocal orientation and motivation towards the following aspects: (i) all employees should act in fairness, rejecting all situations of discrimination, irrespective of their hierarchical or responsibility levels; and (ii) reaffirmed compliance with the ten Global Compact Principles, regarding which the Group recognises and supports freedom of association and the right to collective negotiation of labour agreements, rejecting forced and compulsory labour, as well as child labour.

Millennium Group remains committed to providing employees with fair treatment and equal opportunities, at all stages of their professional careers, irrespectively of race, nationality, religion, sex, age, sexual orientation and physical condition. Therefore, employee salaries obey exclusively to performance criteria, in terms of objectives, professional career and responsibilities associated to the functions performed, with no discrimination by gender or of any other nature, with a 1:1 salary ratio being practised for men and women performing comparative functions.

Employees at December 31, 2008 (excludes security activity)

	Female	Male	Total
Portugal	4,188	6,479	10,667
Poland	4,820	2,229	7,049
Greece	861	660	1,521
Romania	464	227	691
Mozambique	775	860	1,635
USA	147	88	235
	11,255	10,543	21,798
	52%	48%	

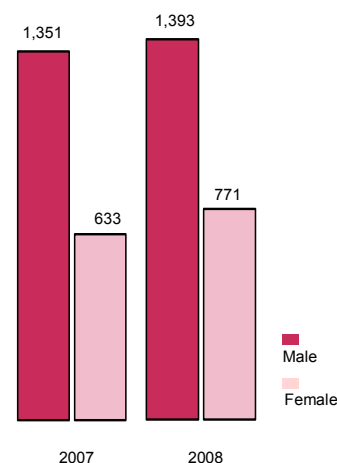
On par with an attitude of continuous incentive to employee development and adoption of excellence practices, Millennium bcp maintains a policy of merit recognition and rewarding of commitment revealed by each employee.

In this domain, the incentive system is the most visible instrument. It is a constant concern to ensure its transparency and adequacy of its results to the effective contribution given by each employee, regarding both individual performance and teamwork.

In this way, it is sought to ensure the involvement and alignment of all employees in pursuing the same goals, without detriment to those evidencing above-average performance, in order to increase motivation to do more and better work.

Specific characteristics of the commercial area, where we intend to encourage healthy competition, allied to the recognition of its contribution to pursuing the Bank strategy, led to the creation of conditions that will allow introduction of an Incentive System for Commercial Networks (SIR) in 2009, distinct from the annual incentive system, applicable to all employees, through which we intend to reward branches and managers presenting the best results.

Senior staff (Senior Management and Management) Portugal, Poland, Greece, Romania, Mozambique and USA



Dialogue with Employees

Providing information and receiving feedback from employees regarding Bank life is a way of sharing knowledge inside Millennium Group and one of the most important ways of establishing a real group culture.

In this sense, communication with employees seeks to include, share and extract meaning from relevant information for the various Bank areas, divulging this information through the various existing channels, from an international perspective.

Millennium bcp created a unique **internal communication** model – multimedia, international and interactive – supported by distinct, albeit complementary, channels, which ensure a continuous dialogue with employees, supporting the Bank business success.

The internal portal remains a universal channel, aimed at divulging news. This portal is updated on a daily basis, with the objective of keeping employees informed of the most relevant aspects of Bank life.

The Millennium Magazine and About Us are two bilingual publications (Portuguese and English), of international scope. The Magazine is a printed quarterly publication, sent to all Millennium employees, in Portugal and abroad, as well as Bank pensioners in Portugal. About us is an electronic weekly newsletter.

The Millennium television channel, aimed at employees, maintains its activities:

- daily news broadcast – “**Millennium Journal**”;
- “**Millennium Direct**”, aimed at debating the most important issues, open to all Bank employees, who are able to pose questions to guests, live, by telephone or via e-mail;
- training through “**Clear Ideas**” and “**Millennium Special**” – two programmes including news reports, studio guests and interviews.

Three new weekly programmes were launched in 2008, with a view to furthering knowledge of the Retail network and divulging bank commercial activity – “**Weekly Briefing**”, “**Retail Briefing**” and “**Branch of the Week**”. Throughout 40 weeks, these programmes showed the Bank’s specific characteristics, different realities and best commercial practices, from North to South.

So, to support the Bank performance in social responsibility, internally and abroad, a weekly programme was initiated focussed on environment “For a Better Millennium”. Its mission is to inform and create awareness in Millennium bcp employees and customers to environment preservation, focusing on the reduction of natural resources waste.

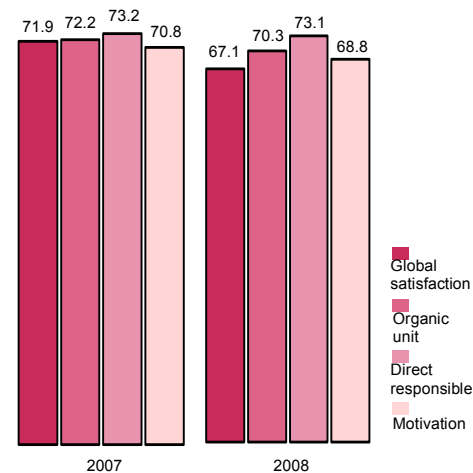
Internal Communication

Portugal

	2008	2007
Portal		
Number of news	4,646	3,994
Number of news with video	1,262	1,047
Newsletter		
Number of issues (Portuguese and English)	108	116
Average number of copies (per issue)	23,600	22,800
Magazine Millennium		
Number of issues (Portuguese and English)	5	5
Average number of copies (per issue)	39,000	37,200
Millennium TV		
Millennium Journal		
Number of new programmes	247	250
Number of news reports	242	247
Number of news	717	808
Millennium News		
Number of new programmes	84	54
Number of news and news reports	310	301
Millennium Direct		
Number of new programmes	11	4
Weekly and Retail briefings and branch of the week*		
Number of new programmes	113	n.a.
For a Better Millennium*		
Number of new programmes	27	n.a.
Internal films and special productions	83	77
Clear Ideas and Millennium Special		
Number of new programmes	100	106
Free Active		
Number of new programmes	6	3
Institutional Website		
Number of publications	1,564	1,485

*Launched in 2008

Annual results of the employees satisfaction survey Portugal, Poland, Greece, Mozambique and USA

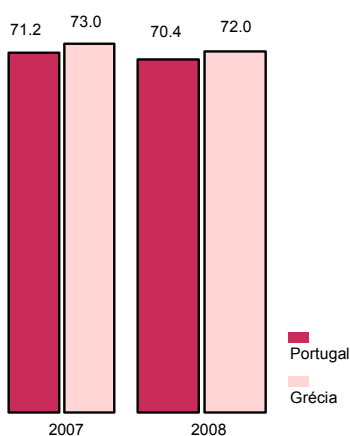


Ensuring employee satisfaction and motivation is a continuous improvement process. In this sense, the **annual employee satisfaction and motivation survey** was performed in 2008, having been simultaneously sent to all Group operations, via e-mail. The high level of participation recorded, of approximately 81%, is above the best international practices and guarantees that the results obtained are truly representative of the feelings of all employees, confirming their involvement and interest in the present and future of the Organisation.

A diagnosis may be obtained from this survey, allowing identification of critical factors for employee satisfaction and motivation, impact of current people management policies and aspects with potential for improvement.

The results obtained were divulged and analysed by the corresponding structures and hierarchies, encompassing the entire Group. Concrete measures to be implemented were defined for each Area, with the objective of improving indicators.

Index of internal customers satisfaction (global satisfaction)
Portugal and Greece



Satisfaction studies and surveys performed on employees

Portugal, Poland, Greece, Mozambique and USA

	2008	2007
Surveys carried out	1	2
Customers surveyed	18,275	17,735
Responses obtained	14,868	14,069

The 2008 results (survey performed between March and April) reflect the reality lived by the Millennium Group in 2007. Given this reality, decreased employee satisfaction and motivation was expected. Despite the decrease in global indicators, it is worth highlighting the fact that employee trust in their direct hierarchies was maintained and, in some cases, increased, a clear demonstration of the high professionalism patent across the entire structure, which allowed the Bank to maintain its high service levels, both internally (internal customers) and externally (external customers).

In 2009, a new process will be launched to measure employee satisfaction levels. This process has the following objectives: (i) faster divulgation of results; (ii) presentation of proposals concerning actions to be implemented in areas with greater intervention needs, as a consequence of the results obtained; and iii) implementation follow-up for the actions defined.

Aware that one of the crucial factors for external customer satisfaction is good functioning of internal services, satisfaction with the services provided by central areas, product units and associated units continued to be measured in the commercial network, in a systemised manner.

Satisfaction studies and surveys performed on internal customers

Portugal, Greece and USA

	2008	2007
Surveys carried out	31	21
Customers surveyed	20,364	17,052
Responses obtained	10,210	10,325

These measurements are made through online surveys, available on the Intranet. This process allows great speed, regarding both analysis and identification of aspects to improve and implementation of improvement plans, for which it may be necessary to resort to multidisciplinary quality improvement teams.

In 2009, Millennium will increase measurements in areas affecting the various Group operations, especially areas with a single decision centre, namely the information systems area (IT).

The 2008 issue of the **Millennium bcp ideas programme** represents a turning point in the Group philosophy, which experiences a significantly alteration, becoming aligned with the best practices and adopting innovative concepts, with a view to increasing the value created through this type of initiatives and finding solutions for the new challenges posed by the context.

The environment of permanent change in which the Bank is integrated, employee willingness to participate, realisation of the importance of employee involvement in building the Bank's everyday history and the maturity achieved in this type of initiatives led Millennium bcp to challenge its employees to create value once again, believing that opportunities exist and can be identified, through a joint effort, in a fast and opportune manner. Thus, the foundations of the new model were launched, characterised by a philosophy based on participation:

- collaborative: ideas became public and open to discussion by all employees. The most visible aspect of collaborative participation is the concept of peer voting, i.e., where all employees participate in the process of selecting ideas through favourable or unfavourable vote, accompanied or not by a comment;
- with focused creativity: a process that attempts to direct creative efforts towards priority issues for the Bank. In addition to aligning the programme with the organisation strategy, this concept generates a global effort in the sense of creating value in very specific areas;
- with enriching of ideas: when an idea reaches target voting results, the proposing employee is invited to enrich the idea in question, by filling a form consisting of qualitative and quantitative analysis of the idea, a process in which the employee may invite other employees to participate. This action is supported by the core regarding idea design and enriching, namely in what concerns systemising, identification of strengths and weaknesses and cost-benefit analysis.

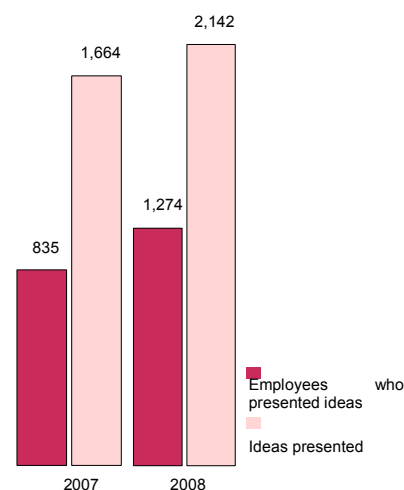
Operationalisation of these pillars was ensured by adoption of a software program specialised in idea collection and treatment, accessible to all Bank employees, in Portugal, via the corporate portal.

The entire process of encouraging participation included a strong communication component. In addition to directed e-mails and portal news, a programme called "Company of Ideas" was created in Millennium TV, aimed at promoting generation of value ideas and continuous improvement.

A group designated Advisory Board, composed of employees from various Bank areas, normally meets monthly to evaluate ideas that reached target voting results during the month in question or were considered worthy of evaluation by the Thousand Ideas programme team, with a view to evaluating their interest even before their beneficiary area/department.

In this way, idea owners or natural beneficiaries will only focus their efforts on analysing the best ideas, leading to a much faster evaluation.

Activity of the incentive programs to generate ideas
Portugal, Poland and Greece



Ideas situation presented in the incentive programs for the generation of ideas Portugal, Poland and Greece

	2008
Implemented	0,5%
Implementation in progress	0,2%
To implement	0,9%
Being analysed	32,4%
Filed*	66,0%

* From the ideas not implemented 9,6% were repeated ideas and 37,8% didn't pass in peer voting process in Portugal

The role of this programme as a vehicle, inviting employees to reflect and design solutions that often exceed their usual functions, is fundamental in raising awareness to the challenges faced by the Organisation, as well as in understanding the strategy followed.

Social Benefits and Leisure Clubs

Millennium Group ensures a series of social benefits that contribute to maintaining adequate living standards and employee well being:

Pension Funds

Millennium employees in Portugal, Greece, Mozambique and the United States benefit from pension funds, locally constituted, which aim to ensure a pension supplement.

Support of education

Portugal: financial benefits and Social Fund, as loans and non-returnable grants, aimed at solving social problems which, due to their nature or circumstances, are considered outside the scope of other benefits.

Poland: a Social Fund with similar characteristics, to the one in Portugal, exists in Bank Millennium.

United States of America tuition fee reimbursement plan, aimed at supporting employees enrolled in authorised degree courses, related to their professional activity.

Employee credit

Millennium employees have the opportunity to contract mortgage loans or other loans, with favourable conditions.

Credit portfolio granted to employees Portugal, Poland, Greece, Romania, Mozambique and USA

	2008
Mortgage	
Granted amount (millions of euros)	1,007
Number of employees	13,153
Social support	
Granted amount (millions of euros)	27
Number of employees	5,286

Health plans	<p>All Millennium employees, working or retired, as well as their spouses and children, benefit from health plans that aim to locally complement or cover eventual deficiencies in the corresponding national health services:</p> <p>Portugal: Subscription to a health insurance policy managed by Medis, a leading company in private health systems, in terms of number of insured and dimension of the hospital and practitioner network, as well as enrolment in the <i>Serviços de Assistência Médico-Social</i> (SAMS) (Medical and Social Assistance Services), which ensure health protection through provision of healthcare services and subsidising of health expenses incurred outside its services.</p> <p>For more serious clinical cases, employees and their families may resort to the University Clinic of Navarre, in Pamplona, within the scope of the specific health insurance coverage provided in these cases.</p> <p>Poland: Access to basic and specialised medical care, corresponding to diagnostic and prophylactic tests. In addition to general medical assistance, benefits also include a diversified service offer, such as specialist appointments, nursing and outpatient care and a complete range of diagnostic tests and dental appointments.</p> <p>Greece: Millennium bank, in partnership with a leading insurance company in this country – Interamerican – provides health insurance that subsidises a vast range of health expenses. Additionally, the Bank ensure employees benefit from special treatment conditions and prices, in some of the largest private hospitals in Athens (for example, Eurokliniki).</p> <p>Mozambique: A health plan allowing access to healthcare in the country and abroad is provided to employees.</p> <p>United States of America: Employees have access to health insurance covering basic healthcare services.</p> <p>Romania: Health insurance that subsidises a vast range of health expenses.</p>
---------------------	--

Medicine services	<p>Portugal: Local medicine units, in various areas of the country, with dedicated medical staff, ensuring provision of curative medicine and occupational medicine services to employees, as well as medical assistance and regular check-ups, as a complement of existing health plans.</p> <p>Mozambique: the Bank has a health centre in its central facilities, where several advanced physicians provide basic healthcare services to employees and their families, at no charge.</p>
--------------------------	---

Medical services

Portugal

	2008	2007
Consultations made		
Medicine at work	6,711	5,434
Curative medicine	25,193	24,226
Check-up made		
Active employees	6,677	5,831
Retired employees	1,162	1,087

Health insurance – University Clinic of Navarre

Consolidated Group (insurances included)

	2008	2007
People covered	44,575	45,089
Number of consultations	816	861
Number of interments	262	209
Insurance premium (thousand euros)	2,186	2,212

Annual rate of absenteeism

	2008	2007
Portugal	3.1%	3.0%
Poland	6.5%	5.9%
Greece	3.7%	1.9%
Romania	2.7%	0.7%
Mozambique	3.1%	1.2%
USA	1.1%	1.0%

Simultaneously with health insurance and services, Millennium bcp continues to monitor comfort, ergonomic quality, air quality, noise levels and lighting of areas, with the main objective of preventing risk factors for employee health.

Millennium bcp's employer liability, resulting from the juridical regime relative to working accidents and occupational illness regulated by Law 100/97, of September, 13, is ensured by *Ocidental - Companhia Portuguesa de Seguros, S.A.* In case of accident, the insurer provides the most adequate referral and treatment to accident victims and follows the recovery process, together with the Bank's Medicine Services, in the sense of providing the best treatment resources.

Hygiene and safety at work**Portugal**

	2008	2007
Visits of HSW	237	254
Analyses of the air quality	5	14
Accidents at work	76	66
Deaths	1	0

Leisure clubs - Millennium bcp Club, in Portugal, and MilleKlub, in Poland provided access to countless activities, in 2008, promoting spirit of initiative, personal fulfilment and cultural enrichment, in addition to participation in community life and support of social or charitable institutions, contributing to a more fulfilled life, both physically and emotionally.

In the United States of America, meetings of employees and their families continued to be organised, such as an annual picnic, much appreciated and recognised as a great opportunity for sharing professional and personal experiences.

In Portugal, Millennium bcp Club, with approximately 35,000 associates, launched events consistent with its motto, "Live your Leisure", which stimulated the spirit of leadership and initiative, increased cultural knowledge and encouraged solidarity.

**Events with
the most
impact in 2008**

Charity / Volunteer work:

- *V Kayak de Mar*, whose revenue reverted to the Federation of Portuguese Cerebral Palsy Associations;
- Monthly donations to "*Acreditar*" (Association of Parents and Friends of Children with Cancer), "*CrescerSER*" (Portuguese Underage and Family Rights Association) and UNICEF;
- Goods donations to "*Refúgio Aboim Ascensão*", delivered by a significant caravan;
- Charitable appeals in benefit of "*Acreditar*", "*CrescerSER*", *Associação Laço* (Fight Against Breast Cancer), Portuguese League Against Cancer, Blood Donation, Children Sufferers of Diarrhoea with Dehydration, Fight Against Poverty and Social Exclusion, in collaboration with CTT (Mail Service), and Tetraplegia Aid.

Cultural

- Exhibition of the play "*A Quinta à Sexta*" and rehearsal of new play "*Modernices*";
- Christmas party in Lisbon and oporto, with very significant participations;
- Collective Exhibitions of Paintings by Associates;
- Exhibitions of Jewellery Pieces produced by Associates;
- Publishing of a Tales Book by our Youngsters.

Young associates participated in competitions and educational games, through the club site, as well as holiday clubs and music, judo, canoeing and basic diving lessons.

Senior associates had access to various university courses, with special conditions, through the protocols signed.

With the objective of obtaining real benefits for associates, partnership protocols continued to be signed with companies, already totalling more than 600, of which the protocols signed with Health Club and *Pousadas de Portugal* (Portuguese Inns) should be highlighted, due to their meaning.

In the sports area, Millennium bcp Club and its Athletes received various awards in 2008, of which the following are highlighted:

**Sports awards
in 2008**

- Karting InterTrophies Cup; Pedro Figueiredo was the Millennium bcp Club National Champion in this sport;
- "Foot Team" was the National Champion in the II National Indoor Football Championship;
- João Pacheco and Artur Rosário won the "*Sindicato dos Bancários do Sul e Ilhas*" (SBSI) Chess Championship and the VI Internal Chess Tournament, respectively;
- The José Maria Santiago/José Teixeira da Silva double won the Business Tennis Cup in the category of Men's Doubles;
- João Silva was the National Open Water Champion;
- The João Formigal/Jorge Canhão double was the absolute winner in the Tourism category in the V Kayak de Mar Grand Prix and the *Millenitos* were the Regional Champions in the Open Tournament category;
- Pedro Correia, João Fonseca and Eduardo Palma won the IV Lisbon Open, the 3rd Individual Centre Zone/Setúbal Tournament and the Internal Pool League, respectively; Hélder Monteiro won the National Pool 8-Ball Bank Employee Tournament and the I Internal Northern League;
- Inês Azarujinha was the Champion of the Water Ski Slalom Event;
- Fernando Feijão won the ORI-BTT Portugal Cup, in Orientation;
- The Millennium bcp Club was the National Sea Fishing Champion, individually and collectively;
- Álvaro Dinis was the Champion in the Order of Merit Golf Tournament;
- Manuel Bedino won the 2nd Competition in the INATEL Regularity Tournament, in the Precision Rifle category;
- David Mina won the III Internal King Championship.

4.5 – Responsible Procurement

Sustainability values must be shared by buyers and sellers. Responsible procurement is a long-term commitment requiring changes in behaviour by all parties.

Supply Chain Management

In the area of supplier management and relationships, the excellence processes implemented in previous years continued to be followed, their maturity having resulted in increased value. In this way, it was possible to achieve direct and indirect benefits for all Millennium bcp stakeholders, on national and international levels, essentially through perfecting of organisation factors and policies related to the supply chain.

Purchases

Portugal, Poland, Greece, Romania, Mozambique and USA

	2008	2007
Number of suppliers	14,102	12,167
Amount of annual purchases (million euros)	843	666
Purchases from local suppliers (%)	85%	89%

These processes were directed at areas such as the following:

- stability and transparency in commercial relations, where, in addition to maintaining existing policies, internationalisation of SIBS in Poland, Greece and Romania was promoted, in a strictly competitive regime, with emphasis on an important tender won in the first of these countries – ATM servicing, whose implementation is in course;
- confirmation of the supply chain quality certification, evidencing best practices in this area, which, in an institution like Millennium bcp, is only possible through the active and continuous commitment of various internal servicing areas, such as Purchasing, Procurement, Technical Competence Centres (about 20), Cost Control and Budget and Supplier Payment;
- supplier evaluation, which continued and was extended, in terms of quantity and scope, with more than 400 suppliers evaluated by Technical Competence Centres and coverage extended to corporate suppliers, on a Group level.
- centralised contract and cross-company acquisition management followed international growth, namely in Romania and Angola. International-basis procurement and contract management instruments were developed in 2008, their implementation being foreseen for 2009.

Breakdown of purchases in 2008 by operation

	2008	2007
Portugal	62%	63%
Poland	29%	26%
Greece	2%	2%
Romania	3%	3%
Mozambique	3%	4%
USA	1%	2%

Main suppliers (distributed by brackets of annual purchases)

Portugal, Poland, Greece, Romania, Mozambique and USA

	2008	2007*
Annual purchases level		
[100-250[thousand euros	1,220	340
[250-750[thousand euros	323	209
[750-1,000[thousand euros	69	27
≥ 1,000 thousand euros	119	97
	1,731	673
% of suppliers with annual purchases ≥ 100 thousand euros	12%	6%

* 2007 data for Romania not available

In 2008 there was a significant increase in quality service of some of the Bank's strategic suppliers, with high impact on the final service provided to the customer.

Currently, the document "Principles of Suppliers" is an integrant part of the specifications book, being a necessary condition for contracting suppliers.

With the objective of reinforcing the aforementioned processes, as well as improving organisation efficiency regarding use of resources, the roles of "Contract Manager" and "Service Manager" were officially created, in all Technical Competence Centres. Their functions include definition of the legal, technical and financial framework, benchmarking and identification of new opportunities, service evaluation and management, procurement management and cost and budget management, regarding the contracts and services for which the corresponding centres are responsible.

Suppliers Evaluation

The evaluation of suppliers covers about 90% of the total amount of purchases done annually by Millennium bcp, and provides a diagnosis of the quality of the supply.

The inherent corrective and preventive actions needed to improve the evaluated performances as less desirable – classifications "C" and "D", foreseen the following actions:

1. Analysis of the motives, by supplier, that led to this evaluation;
2. Elaboration of a list of opportunities of improvement (based on the quantified observation of the identified problems);
3. Meeting with the supplier (in case of its maintenance);
4. Supplier's behaviour follow-up, through a control report.

Suppliers evaluation
Portugal

Assessment	2008
A	79
B	232
C	112
D	24
	447

Chapter 5 – Involvement with Society

Millennium Group sustainability plan guidelines, in their social dimension, include commitments aiming to promote and improve the quality of life of the communities, in the various Countries where we operate. These commitments include development of intervention programmes, through support of cultural, educational and charitable initiatives.

In Portugal, social solidarity and cultural patronage policies are defined and followed by the Millennium bcp Foundation. Within the scope of its activity, the Millennium bcp Foundation has sought to limit its action scope, in order to focus on reference institutions and organisations, as well as projects strategically oriented towards increased effectiveness, in the long run.

In this sense, a biannual decision and project evaluation system (to take place in March/April and September/October of each year) continued to be followed in 2008. This system sets application periods and analyses requests according to previously defined selection and prioritisation criteria, allowing a global view of candidate projects. An application form for patronage was also created, including all questions considered fundamental for preliminary analysis of compliance with established criteria.

As in institutional patronage, the Bank has also sought to associate itself to social intervention projects, through its sponsorship policy.

According to the strategy defined, private support should focus on areas found mostly lacking in terms of public aid. Thus, support of scientific research has been continuously decreased, since this area has received substantial support from community funds. However, Millennium bcp continued to support the Infocancer project in 2008, developed by the Institute of Pathology and Molecular Immunology of the University of Porto (IPATIMUP)

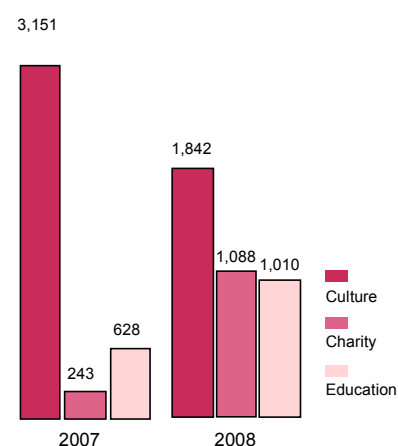
5.1 - Promoting Education and Entrepreneurship

Promoting Entrepreneurship is an important driver in building a society where initiative and innovation are valued and encouraged, which consequently leads to increased economic growth and human development.

In this sense, some Millennium bcp initiatives directed at the academic universe and aiming to promote entrepreneurship and financial literacy should be highlighted, for their contribution to developing well-prepared and enterprising professionals.

Graduate Programme

Patronage and donations
Portugal, Poland, Greece, Romania,
Mozambique and USA



The “Learning Enterprise” Association – Junior Achievement Portugal, developed a programme specifically aimed at university students – the Graduate Programme. Within the scope of this programme, students perform a series of tasks, during the school year, related to launching a business from the beginning. These tasks include business design and company constitution, definition of product lifecycles and company liquidation, at the end of the programme. These initiatives are subsequently presented in regional pre-selection events, as well as national and European competitions.

Mini-companies are supported by Millennium bcp tutors, which provide voluntary support to students regarding elaboration of business plans, as well as ensuring projects are adequate to corporate reality and facilitating access to information and relevant contacts.

In the school year of 07/08, a pilot-project was started with the IST and the ISEG, for the subject of entrepreneurship, entailing creation of five mini-companies, with the support of seven Millennium employees. In 08/09, this initiative was extended to various Universities, throughout the country (Minho, Porto, Aveiro, Coimbra and Lisbon), including the participation of 200 students and 33 tutors, seven of which are retired Bank employees.

Master in International Management

Millennium bcp recently officialised its involvement as corporate partner of the CEMS (Community of European Management Schools), a selected series of the best European business schools and corporate elite companies, on an international level (corporate partners).

The main activity developed by the CEMS is provision of a Master in International Management – MIM - (2nd Bologna cycle). The management school selected in Portugal by the CEMS to provide this Master’s Degree was the *Faculdade de Economia da Universidade Nova de Lisboa* (FEUNL) (School of Economics of the New University of Lisbon). The MIM has already acquired a reputation as the best Bologna Master’s Degree in the management area in Portugal, having attracted the best candidates from all Master’s Degrees in Management.

As corporate partner, Millennium bcp will participate in various activities, namely selection of students for the MIM, participation in skills seminars, participation in business projects and offer of international work experience placements.

Audax Award

Millennium bcp is the main sponsor of the ISCTE Entrepreneurship Course / Audax, attributing an award to the best idea presented in course projects. In 2008, the Audax Award was given to the “Weight Transfer” project, which is dedicated, in an innovative way, to promoting equal well being between the Northern and Southern hemispheres. Due to its humanitarian nature, its feasibility (it is already operational) and its innovative approach, this project earned praise from the jury and received the Millennium bcp award for the best enterprise project.

Research and Education Projects

With the aim of developing projects of investigation and teaching in the area of Finance, the Bank, in partnership with two universities - Universidade Católica Portuguesa (UCP) and Faculdade de Economia da Universidade Nove de Lisboa (FE UNL) -, have created the Millennium bcp chair in Finance.

The creation of the Millennium bcp chair in Finance is a bet in the international recruitment of teachers highly credentialed, not only for teaching, but also for the investigation area.

The responsible for this chair are: FE UNL, Pedro Santa-Clara Associated Professor of Finance at the UCLA School of Management since 1996 and at the UCP, João Cocco returned recently from England where he was Associated Professor at the London Business School.

Primary School

In the scope of the program “More Mozambique for me”, Millennium bim, a new school was built in the Gorongosa National Park, in the province of Sofala. The new school, delivered in July of 2008, allows access to education to 350 children up to the 5th year of schooling.

Teaching how to save

In the United States of America, the Millennium bcpbank supported national initiative “Teach the Children to Save”, an educational programme in which Bank representatives had the opportunity of teaching the importance of saving and spending sensibly to approximately 500 children.

Other relevant support

Portugal	<ul style="list-style-type: none"> • Scholarship programme for students from African Countries Adopting Portuguese as their Official Language and Timor; • Protocols with Universities – <i>Universidade Católica Portuguesa</i> (Portuguese Catholic University) and <i>Universidade Nova de Lisboa</i> (New University of Lisbon) – for attribution of excellence awards; • Collaboration with the Learning Enterprise Association for divulging entrepreneurship programmes to junior and senior School students.
	<ul style="list-style-type: none"> • Collaboration with Junior Achievement regarding financial literacy actions aimed at university students; • Scholarship programme for classic Greek history students.
USA	<ul style="list-style-type: none"> • Support of the Junior Achievement of the MA New Bedford/Fall River Chapter; • Support fund for the Portuguese language school – Luís de Camões School – in Newark; • Support of the Prince Henry Society for granting of scholarships to disadvantaged people; • Support of the Portuguese language study programme of the University of Massachusetts Dartmouth; • Support of the American Scholarship Foundation; • Support of the Hispanic-American Chamber of Commerce Foundation for granting of scholarships to the New Jersey Hispanic community.

5.2 - Promoting Culture

Millennium bcp continues to promote and defend culture, having been considered the main Institutional Patron by the Ministry of Culture.

Highlights in 2008 are continued patronage of the São Carlos National Theatre, which allowed public presentation of “Faust”, by Charles Gunod, “Rigoletto”, by Giuseppe Verdi, “La Clemenza di Tito”, by Wolfgang Amadeus Mozart, “Siegfried”, by Richard Wagner and “Tosca”, by Giacomo Puccini, amongst other important works.

Within the scope of the protocol signed with the Ministry of Culture, Millennium bcp is a partner of the IMC – *Instituto dos Museus e da Conservação* (Museum and Preservation Institute), which grants the Bank the status of Exclusive Patron of the Soares dos Reis National Museum, in Porto, and the Arte Antiga National Museum, in Lisbon.

Other relevant initiatives supported by Millennium bcp in the previous year were the “Leonardo da Vinci – the Genius” exhibition, which, after a first showing in the city of Porto, was also taken to Lisbon and Funchal, and “Au fil du temps – Photobiography of Maria Helena Vieira da Silva”, a new exhibition promoted by the Arpad Szenes – Vieira da Silva Foundation to commemorate the centennial of the painter’s birth.

Rock in Rio, which had its third edition in 2008, in Lisbon, constitutes an example of an event associated to social projects, which has justified the presence of Millennium bcp as its main sponsor. The associated social project - “For a Better World” – supported climate change in 2008. The social element of the Festival originated the “Rock in Rio Solar School” – a national school competition involving presentation of projects with environmental and social benefits, applicable to communities.

It is also worth highlighting the support given by Millennium bcp to the *Sociedade Portuguesa de Autores* (SPA) (Portuguese Authors Society), with a view to promoting national authors. In 2008, the Bank supported once again the Annual Gala of this society, during which the “SPA/Millennium bcp Great Award” was given to choreographer and ballet dancer Olga Roriz and the “SPA/Millennium bcp Young Author Award” was given to piano player and composer Marco Barroso.

The Lurdes Mutola Foundation and Millennium bim launched the biography of Maria de Lurdes Mutola, entitled “My life in 1 minute, 55 seconds and 11 hundredths”. This biography is not only a well -deserved homage to the greatest Mozambican athlete of all time, but also the record of an extremely rich legacy, essential for all Mozambicans and future generations. Book proceeds will revert to the Millennium bim Social Responsibility programme, in partnership with the Lurdes Mutola Foundation, “More Mozambique For Me”.

Other relevant support

Portugal	<ul style="list-style-type: none"> • Support of the “1758 – The Downtown Plan Today” exhibition, organised by the Lisbon Council; • Support of the New Year Concert, promoted by the Lisbon Patriarchy; • Support of the Glenn Miller Orchestra show at the Micaelense Theatre, in São Miguel; • Promotion of new artists – Anteciparte.
Greece	<ul style="list-style-type: none"> • Sponsoring of the “Day of Portugal” celebrations organised by the Portuguese embassy in Athens;
U.S.A	<ul style="list-style-type: none"> • Sponsoring of <i>Proverbo Sport Clube Português</i>, aimed at promoting divulgation of poetry, painting, music, fashion and literature by Portuguese artists living in Newark; • Support of the organisation <i>Brasil Tche</i>, which promotes Brazilian culture amongst young Americans, simultaneously promoting citizenship and community development values;
Poland	<ul style="list-style-type: none"> • Support of television programme Millennium Pearls, in partnership with public channel “Channel 1”, for divulging cultural works and their authors.

5.3 Sport support

In 2008, it is worth highlighting the support given by Millennium bcp to the Portuguese football Cup, which has become known as the Portugal Millennium Cup. This sponsorship once again evidences the Bank's intention of associating its brand to moments of celebration, uniting different audiences, based on promotion of sporting activities.

Still within the sports domain, an agreement was signed for provision of support to junior football competitions, encouraging the practice of sports amongst youngsters. We are referring to the “*Taça Cidade dos Campeões*”, “*Mundialito Portugal*” and “*Nacionalito - Copa Foot 21*” competitions.

In Greece, Millennium bank sponsored Marathon athlete Yiannis Kouros, considered the best long-distance athlete of all time. Kouros has held the record for all distances between 100 and 1,000 miles, breaking his own records year after year.

The handball team of the Koropi region in Greece was also sponsored during the 2008 season and this support will be given until 2010.

In Romania the Rapid football team was also sponsored during the 2008 season.

The Millennium bim 2008 Mini Basketball Tournaments, which involved three province capitals for the first time - Beira, Maputo and Nampula – are included in the “More Mozambique For Me” programme, in partnership with the Lurdes Mutola Foundation. Approximately one thousand children aged 8 to 12 from schools, neighbourhoods and clubs in these cities participated in these tournaments. After three annual editions, these tournaments are also an important event

in Mozambican sports, receiving significant media coverage in television programmes, radio and newspapers. In addition to sports practice, the objective of these tournaments is to encourage team and solidarity spirit, discipline, overcoming ability and respect for opponents and teammates.

5.4 - Promoting Charity

In the charity area, support has been given to various social institutions and initiatives, as well as cases of social and economic need, disabled people and health initiatives.

In Portugal, in addition to the support provided to entities working with disadvantaged people, the continuing partnership with the Food Bank against Hunger should be highlighted. This partnership involves regular financial support for purchasing food, as well as support provided to the food collection campaigns organised twice a year in several supermarkets and hypermarkets all over the country.

In Greece, 60 children of the "Child's smile" Foundation were invited to attend the Bank Christmas party, which allowed them to socialise and make friendships with Bank employees' children. A solidarity chain was also created, resulted in collection of 20 book and toy bags and 125 food and detergent bags. An account was also opened to receive donations.

The General Hospital of Machava received an X-ray unit, offered by Millennium bim and the Millennium bcp Foundation. This equipment will have a fundamental role in diagnosis and effective fight against tuberculosis, which, albeit being a curable disease, is the second largest cause of death associated, to infectious diseases in the world, especially affecting the African continent.

Also within the scope of the "More Mozambique for Me" programme, Millennium bim offered a water hole to the district of Nhamatanda, in the Sofala province. By digging this hole, the Mozambican operations, in partnership with Western Union, contributed substantially to improving the quality of life of many Nhamatanda families, who had to travel long distances to access potable water.

In Romania, Millennium supported programmes promoted by the United Way Foundation, a foundation internationally recognised for its efficiency in selecting and financing Non-Governmental Organisations dedicated to charitable and social projects, seeking to help disadvantaged children, youngsters and families.

Other Relevant Support

<p>Portugal</p>	<ul style="list-style-type: none"> • Sale of Unicef Christmas cards in all Bank's branches; • <i>Vida Norte</i> Association – Support of disadvantaged pregnant youngsters; • Ronald McDonald Children's Foundation – Temporary homes for families of hospitalised children; • <i>Refúgio Aboim Ascensão</i> – Support of abandoned children; • V.I.D.A. Association – International Voluntary Work for African Development (3rd Year of the "Rural Community Capacity Development for Participative Development of the Matutuine District" project); • Donation of 725 pieces of equipment (in vast majority furniture) to social solidarity institutions.
<p>Polónia</p>	<ul style="list-style-type: none"> • Donation of 34.5 t of IT equipment for reuse; • Donation of 16.9 t of equipment (in vast majority furniture) to social solidarity institutions.
<p>Greece</p>	<ul style="list-style-type: none"> • Hardware and software donations to schools and non-profitable associations; • "Child's Smile – <i>to Hamogelo Tou Paidiou</i>" - support of abandoned and abused children; • Support provided to local municipalities for promotion of social and cultural events.
<p>Mozambique</p>	<ul style="list-style-type: none"> • Support to the "Sorriso da Criança" Association – non-profit humanitarian association, which aims to support children with cancer and their relatives, as well as to alert public opinion on this disease; • Offer of scholar material to the Sant'Egídio Community – Italian institution, with a presence in Mozambique since the 80's which currently develops the project DREAM, with a series of initiatives of fight against AIDS; • Offer of first need goods to the Communitarian Association for the Healthy Children – support to the orphan and abandoned children or children in risk on the Khongolote neighbour Community.
<p>USA</p>	<ul style="list-style-type: none"> • Donation to the American Red Cross of Northern New Jersey – support provided to 447 victims of house fires; • Sponsorship of the annual gala of the Trinitas Health Foundation – to raise funds for the Trinitas hospital; • Support of food donation to the disadvantaged population of the city of Newark; • Support of the Child & Family Services organisation – professional counselling and training of families with social and financial problems.

5.5 - Promoting and Recovering the Artistic and Historic Heritage

The Millennium bcp Artistic Heritage is ultimately part of the collective heritage. As such, its careful management, with a view to its maintenance and attentive and thoughtful preservation, constitute a Bank duty to Society.

Within this scope and included in its preservation and restoration policy, the Artistic Heritage Management area undertook approximately 71 heritage restoration and preservation projects in 2008, distributed as follows:

Restored Object	Number
Painting	18
Furniture	45
Textiles (carpets and tapestry)	8

Millennium bcp also made efforts throughout the year to display works of art from its collection in areas external to the Bank, in Portugal and abroad, having loaned paintings within the scope of its artwork loaning policy, for purposes such as:

- exhibitions in Portugal: José Malhoa, for an exhibition organised within the scope of the launch of a book on his work; Júlio, for the exhibition “Júlio and Expressionism in Portugal”, in Vila do Conde; Manuel Amado, for the exhibition “Horizon Line”, in the Soares dos Reis National Museum, and Raul Perez.
- international exhibitions: two works by Manuel Amado for a collective exhibition in Rio de Janeiro, in Brazil, entitled “Horizon Line”, and a symbolic piece from the 17th century, “Ark Lid”, of Asian origin, which is supposed to represent Macau or Guangdong and was included in the relevant “New Worlds - Neue Welten” exhibition organised by the Portuguese State in Berlin, in Germany.

With the objective of sharing its heritage with society, Millennium bcp opened its doors to several media publications, presenting its collection and inviting several art history specialists to write about certain collection pieces, categorised according to particular themes, namely paintings and furniture, amongst others, in order to further knowledge of its pieces, thereby sharing its heritage with a vast audience.

The *Núcleo Arqueológico da Rua dos Correiros* (NARC) (Rua dos Correiros Archaeology Collection), in Lisbon, representing 2,500 years of Lisbon life, was selected by the History Channel to feature in 12 episodes of the 2nd season of “Underground cities”. The NARC is located under a Millennium bcp building, whose remodelling works revealed archaeological findings from the civilisations that have inhabited Lisbon throughout time.

This historical location is part of the city and the Portuguese heritage and is open to the general public, which may benefit from a free-guided tour. More than 74,000 people have visited this site since it's opening to the public.

In 2009, the Bank intends to reinforce the disclosure of its heritage, diversifying the activities of exhibition and promoting a decentralization of the exhibitions by the district capitals, making it more accessible to a wider audience.

Page intentionally left blank

Chapter 6 – Environment

Throughout the years, Millennium bcp has been assuming a commitment to society through its sustainability policy. Regarding the environmental component of this policy, action is mostly focused on resource use optimisation, regarding internal Group operation, and raising of social awareness to sustainable behaviours.

6.1 - “For a Better Millennium” program

Within the scope of the environmental policy which is being implemented, Millennium bcp assumed a commitment towards reducing its environmental footprint in 2008. Included in the sustainability plan, the main objectives of the “**For a Better Millennium**” programme are to raise the awareness of as many people as possible to the urgent need to avoid waste and simultaneously contribute towards responsible environmental behaviours, by promoting: (i) consumption and behaviour optimisation; and (ii) implementation of pro-environmental projects.

This programme, launched in February 2008 as an educational programme, supported by the Bank’s internal communication channel, progressively integrated other components and projects, resulting in a global programme, with three main components:

Educational	<ul style="list-style-type: none"> • In 2008, 25 programmes were broadcast on Millennium TV including advice on natural resource savings, recycling, environmentally friendly behaviours and broadcasting of the best and worst environmental practices, through the following sections: <ol style="list-style-type: none"> 1. “Environmental Tip”; 2. “Eco-News”.
Participative	<ul style="list-style-type: none"> • Through the “Thousand Ideas” programme, employees presented environmentally efficient suggestions applicable to everyday Millennium bcp activities, namely waste treatment, energy savings and recycling.
Project	<ul style="list-style-type: none"> • Estimated water, paper and energy consumption and CO₂ emissions per employee and corresponding benchmarking with five Financial Institutions; • Survey of an employee sample regarding their perception of Millennium environmental concerns and willingness to change behaviours; • Survey of implemented eco-efficient practices; • Proposals for continuous improvement and estimated impacts.

In the sequence of ideas collected and impacts analysed in the “Green Footprint” project, some actions were immediately implemented, allowing resource savings and improved waste treatment, namely:

Action	Investment in 2008 (euros)	Savings in 2008
Installation of water-saving devices in taps	3,500	500 m3 water / month
Acquisition of containers for selective waste separation	2,500	n.a.
Removal of construction debris to certified disposal sites	1,500	n.a.

n.a. = data not applicable



The main objectives of this programme for 2009 are to carry out actions able to maintain Millennium bcp's contribution to reducing its footprint, namely:

- continuing to pursue educational actions through Millennium TV;
- elaborating a good environmental practice manual;
- continuing to analyse ideas sent by employees;
- continuing to implement actions leading to resource savings, namely water and electricity;
- reducing plastic consumption;
- reducing paper consumption;
- expand the selective waste separation program;
- promoting actions to reduce greenhouse gas emissions and other air emissions, namely using videoconference to conduct meetings, in detriment to employee travellings to/and from abroad, as well as substituting car and plane usage with train travelling.

6.2 - Consumption of Resources

According to Global Footprint Network, in 2008, the human population consumed, until September 23, the totality of the “annual budget” of natural resources generated by the planet, i.e., we live, during the remaining months, from the destruction of non-renewable resources. The optimization of the resources is therefore, a central aspect in the daily activity of companies.

Millennium bcp is aware of its responsibility to the society and, for that reason, has been searching the optimization of resources that consumes every day.

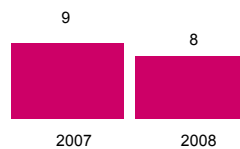
Evolution of internal resources consumption

Consumption in Portugal, in 2008, per employee

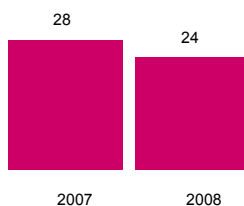
Internal paper consumption (kg/employee)



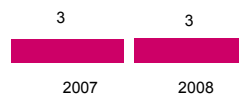
Internal plastic consumption (kg/employee)



Water consumption (m3/employee)



Ink cartridges and toners consumption (kg/employee)



Millennium bcp seeks to promote rational **water** use. This effort has been essentially made through a cost monitoring and management policy, notwithstanding, during 2008, awareness-raising actions were implemented in order to change behaviours, indispensable to saving an increasing scarce resource.

The main source of water consumed is the public network. In Portugal, a water hole also exists at TagusPark that partially supplies the corporate complex, representing approximately 25% of

¹ Global Footprint Network, Earth Overshoot Day 2008 (www.footprintnetwork.org)

water consumed by the Bank, in Portugal. A sprinkling water reuse system also exists at Tagus Park, which drains, collects and pumps water to a storage tank.

In 2008, Millennium bcp reduced its water consumption by about 15%, in Portugal, relatively to 2007.

Water consumption (m³)

	2008	2007
Portugal	254,723	300,334
Poland	98,569	80,125
Greece	15,800	15,400
Romania	32,000	n.a.
Mozambique	54,420	34,873
USA	911	973
	456,423	431,705

n.a. = data not available

note: global value is not directly comparable because the data for Romania in 2007 is not available

The most relevant **materials** consumed, essential for everyday Millennium bcp activities, are paper and card (non-recycled), followed by ink cartridges and toners and other office stationery. Although the Bank does not use recycled paper, all paper used in the institution is certified by the Forest Stewardship Council (FSC), which defines principles and criteria for responsible forest management.

In 2008, consumption of paper and card at Millennium bcp Portugal was reduced by approximately 7.5% relatively to 2007 (excluding from this analysis the paper consumption aimed at promotional campaigns). Among the measures adopted, there is the reduction of paper consumption, document digitalisation, such as employees' payment receipts, and the introduction of countless information transfer processes between areas of the Bank without paper support.

The office printing solution contributed to the documents printing reduction, because it presented the cost when the employee print any document.

This service has also been implemented in the remaining geographical locations where Millennium bcp operates, included in the scope of this report, so the ink cartridge and toner consumption decreased by approximately 60% and 29% in Poland and Greece respectively.

Plastic consumption at Millennium bcp corresponds mostly to plastic bottles and cups, banknote wrappers and other office stationery. Regarding this aspect, the Bank has also implemented several measures aimed at promoting reduced plastic consumption, including generalised use of Water Coolers and campaigns to encourage use of glass cups and drinking glasses.

Consumption of the main materials by Millennium Group in 2008 (t)

	Paper and cardboard		Ink cartridges and toners		Plastic	
	2008	2007	2008	2007	2008	2007
Portugal	1,650.0	1,784.0	32.5	31.0	92.0	108.0
Poland	864.0	778.0	5.4	14.0	24.0	31.6
Greece	142.0	129.0	1.7	2.4	0.3	0.4
Romania	56.0	n.a.	1.5	n.a.	2.9	n.a.
Mozambique	111.0	90.6	5.7	5.2	2.9	1.8
USA	22.0	n.a.	0.5	n.a.	0.3	n.a.
	2,845.0	2,781.6	47.3	52.6	122.4	141.8

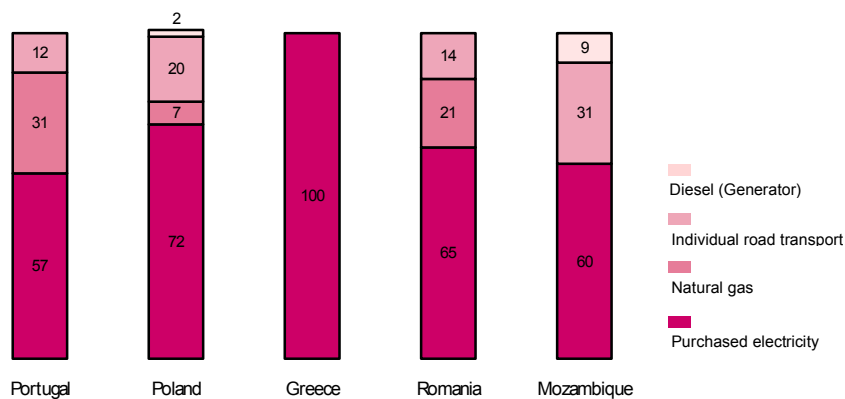
n.a. = data not available

6.3 - Energy, Greenhouse Gases and Other Air Emissions

Energy assumes a central role in all economic activities; its use generates a vast series of environmental pressures, from exploitation of non-renewable resources to associated atmospheric pollution. Greenhouse gas emissions, especially those resulting from use of fossil fuels, and their contribution to aggravating climate change, are especially relevant, due to their potentially devastating global impact, in the long run. However, the energy issue should be approached in an integrated fashion, including other relevant problems, such as exhaustion of non-renewable natural resources, depletion of the ozone layer and air quality deterioration, the latter being particularly relevant for its direct effect on public health.

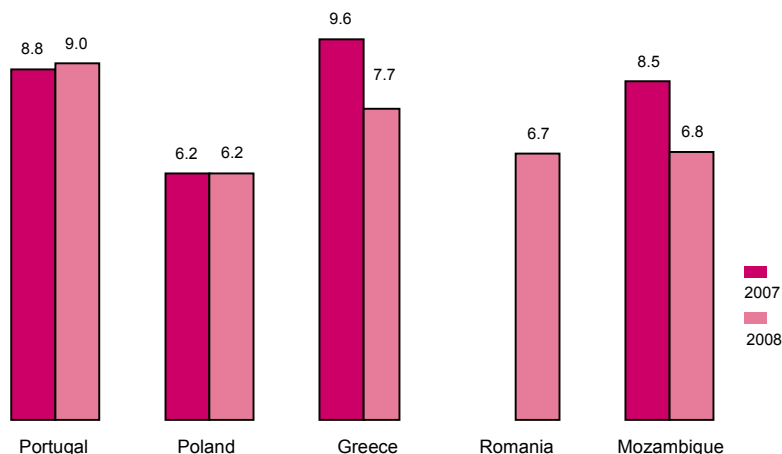
Most energy consumed at Millennium corresponds to electricity; consumption of natural gas, used in heating and power generation in cogeneration systems, is also very significant.

Energy consumption (%)



The electricity consumption, by employee, has been decreasing, except in Portugal where there was a slight increase, although the absolute consumption, in 2008, has increased less than 1%.

Electricity consumption (MWh/FTE)



Primary sources used in electricity generation, as well as the associated impacts, reflect the electricity generation structures of each country. A large part of electricity generation in Portugal and Mozambique uses renewable energy sources, as opposed to Poland, Romania and Greece, where coal is the main resource used. Energy efficiency measures are particularly important in these countries, due to the large impact of electricity consumption.

Measures progressively implemented within the last few years range from replacement of lamps and inefficient equipment to change in behaviours and lighting schedule optimisation. As an example, Millennium managed to maintain electricity consumption unaltered in Greece during a growth stage where ten new branches were opened. In Portugal, the Bank works actively with specialized companies to control energy consumption and implement measures aimed at improving energy performance in its facilities.

Relationship between acquired electricity and implied primary energy (TJ)

	Purchased electricity	Primary energy involved
Portugal	299	712
Poland	156	625
Greece	43	135
Romania	17	56
Mozambique	29	35
	544	1.563

Primary energy implied in electricity consumption (Tj)

	Water	Wind	Geo thermal	Coal and lignite	Oil	Natural gas	Biomass and waste
Portugal	67.0	14.0	0.6	285.0	123.0	186.0	36.0
Poland	4.9	0.3	0.0	594.0	3.0	16.0	6.9
Greece	5.3	1.2	0.0	89.0	21.0	18.0	0.3
Romania	7.2	0.0	0.0	29.0	3.4	16.0	0.3
Mozambique	35.0	0.0	0.0	0.0	0.0	0.0	0.0
	119.4	15.5	0.6	997.0	150.4	236.0	43.5

Regarding climate change, GHG emissions result mostly from electricity consumption. Despite these not being direct emissions, Millennium bcp recognises that, given its importance within the Group context, this problem needs to be actively addressed through some of the measures referred.

Transports used by employees in work trips have a relevant environmental impact, due to GHG emissions. Individual road transport, frequently used in national short-distance trips, is responsible for over 85% of total emissions in the Millennium transport sector.

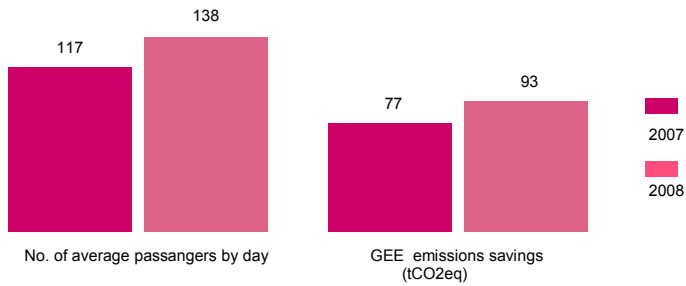
Direct and indirect GEE emissions (tCO₂eq)

	Portugal	Polónia	Grécia	Roménia	Moçambique	USA	Total
Purchased electricity	43,060.0	62,295.0	13,454.0	5,257.0	6.5	0.0	124,072.5
Cogeneration	8,197.0	0.0	0.0	261.0	0.0	0.0	8,458.0
Boilers	1,207.0	803.0	0.0	51.0	0.0	0.0	2,061.0
Sub-total – natural gas	9404.0	803.0	0.0	312.0	0.0	0.0	10,519.0
Diesel (generator)	0.0	280.0	0.0	0.3	324.0	0.0	604.3
Refrigeration gases	619.0	29.0	73.0	380.0	0.0	63.0	1,164.0
Colective road transport	29.0	n.a.	n.a.	n.a.	n.a.	n.a.	29.0
Individual road transport	4,559.0	3,007.0	0.0	258.0	1,082.0	48.0	8,954.0
Rail transport	31.0	491.0	0.0	1.1	0.0	0.0	523.1
Air transport	517.0	61.0	0.0	74.0	0.0	0.0	652.0
Sub-total - Transports	5,136.0	3,559.0	0.0	333.1	1,082.0	48.0	10,158.1
	58,219.0	66,966.0	13,527.0	6,282.4	1,412.5	111.0	146,517.9

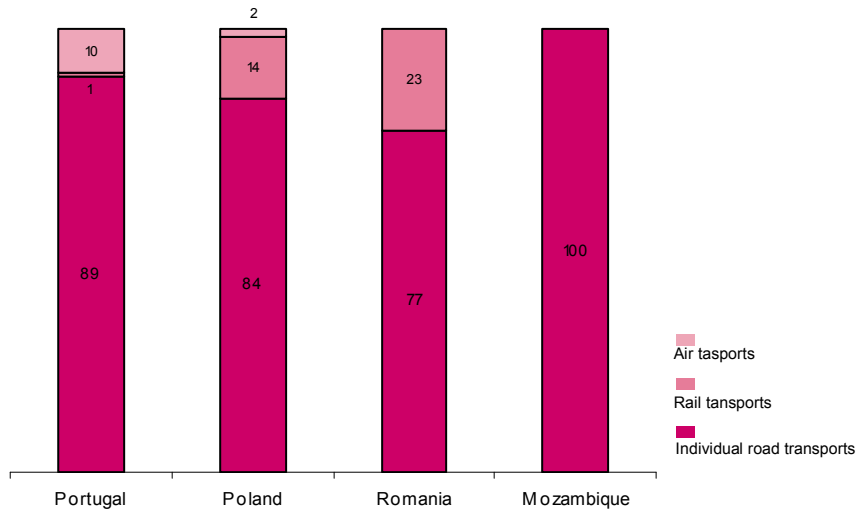
n.a. = data not yet available

In Portugal, Millennium provides a collective transport service to its employees, consisting of four buses travelling between Tagus Park and the Lisbon city centre, leading to a reduction in GHG and other pollutants. This service registered a daily increase of approximately 21 passengers in 2008, relatively to the previous year, leading to a reduction in GHG emissions corresponding to 93 tonnes of CO₂, which represents savings of 20% relatively to 2007.

Colective road transport



GEE emissions by transports (%)



In addition to GHG emissions, it is important to know the figures relative to emission of other pollutants resulting from Bank activity. Nitrogen oxides (NO_x), carbon monoxide (CO), non-methane volatile organic compounds (NMVOC) and sulphur dioxide (SO₂) have impacts on ecosystems and public health, which should be controlled and reduced. The main origin of these pollutants is associated to generation of purchased electricity, a problem that is especially relevant in countries using fossil fuels. In this sense, reduction of this type of emissions may be achieved by resorting to cleaner energy sources, such as natural gas and biomass.

Main air emissions from direct energy consumption (tCO₂eq)

Greenhouse gas emissions

tCO ₂ eq	Portugal	Poland	Greece	Romania	Mozambique	USA	
CO₂	13,830.0	3,793.0	0.0	566.0	1,080.0	48.0	19,317.0
CH₄	6.5	1.8	0.0	0.3	0.5	0.0	9.1
N₂O	126.0	15.0	0.0	4.3	1.7	0.1	147.1
	13,962.5	3,809.8	0.0	570.6	1,082.2	48.1	19,473.2

Main acidifying, eutrofizant and ozone depleting air emissions

	Individual road transport (t)			
	NO _x	CO	COV	SO ₂
Portugal	16.0	13.0	2.0	0.1
Poland	8.9	73.0	6.0	0.1
Greece	0.0	0.0	0.0	0.0
Romania	0.8	2.3	0.3	0.0
Mozambique	3.4	14.0	2.0	0.0
USA	0.1	0.9	0.1	0.0
	29.2	103.2	10.4	0.2

	Natural gas (t)			
	NO _x	CO	COV	SO ₂
Portugal	7.0	1.6	0.8	0.0
Poland	0.7	0.1	0.1	0.0
Greece	0.0	0.0	0.0	0.0
Romania	0.3	0.1	0.0	0.0
Mozambique	0.0	0.0	0.0	0.0
USA	0.0	0.0	0.0	0.0
	8.0	1.8	0.9	0.0

	Acquired electricity (t)			
	NO _x	CO	COV	SO ₂
Portugal	111.0	6.0	1.8	228.0
Poland	97.0	14.0	4.6	260.0
Greece	24.0	14.0	1.5	107.0
Romania	15.0	1.6	0.3	35.0
Mozambique	0.0	0.0	0.0	0.0
USA	0.0	0.0	0.0	0.0
	247.0	35.6	8.2	630.0

AVAC systems are responsible for emission of ozone depleting substances (ODS). Millennium bcp implements strict control of these systems, with a view to minimising this type of emissions, namely by resorting to specialised technicians and using refrigeration gases with smaller impact on the ozone layer.

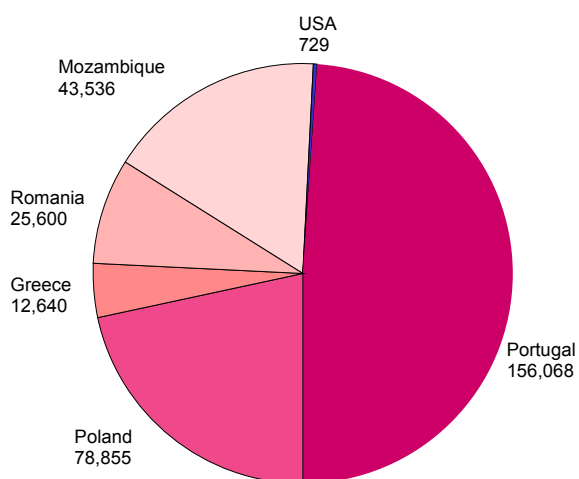
ODS emissions from uncontrolled leaks

	Used gas	Recharged quantity (kg)	ODS emission (kg CFC-11 eq)
Portugal	HCFC-22	342.0	17.0
Poland	HCFC-22	16.0	0.9
Greece	HCFC-22	23.5	1.3
	CF ₂ H ₂ (50%); C ₂ F ₅ H (50%)	17.7	0.0
Romania	CF ₂ H ₂ (50%); C ₂ F ₅ H (50%)	220.0	0.0
Mozambique	HCFC-22	0.0	0.0
USA	HCFC-22	35.0	1.9

6.4 - Liquid Effluent

Millennium bcp activities have no significant impact in what concerns wastewater discharge, all wastewater being collected and treated by municipal systems.

Estimate of residual water discharges by Millennium (m³)



Concentrations of pollutants resulting from wastewater discharges are included in the following graph. These polluting loads may be estimated from the number of employees and vary according to treatment efficiency of specific wastewater treatment plants, in each country.

Estimate of pollutant charges associated with residual water discharges (t)

	CBO	CQO	SST	N	P
Portugal	19,5	45,1	22,1	4,0	0,8
Poland	6,4	15,4	7,4	1,7	0,3
Greece	1,7	3,7	1,8	0,3	0,1
Romania	3,9	9,0	4,5	0,7	0,1
Mozambique	8,1	18,7	9,5	1,4	0,3
USA	0,1	0,1	0,1	0,0	0,0
	39,7	92,0	45,4	8,1	1,6

Millennium bcp activity is associated to a low risk of accidents that may originate significant environmental impacts. No harmful substance spills occurred in 2008.

6.5 - Waste

Waste produced by Millennium bcp consists mostly of paper, ink cartridges and toners, other stationery and obsolete office equipment. Ink cartridges, toners and some obsolete IT equipment are considered hazardous waste.

In locations of increased production, namely Group warehouses, authorised operators collect most waste.

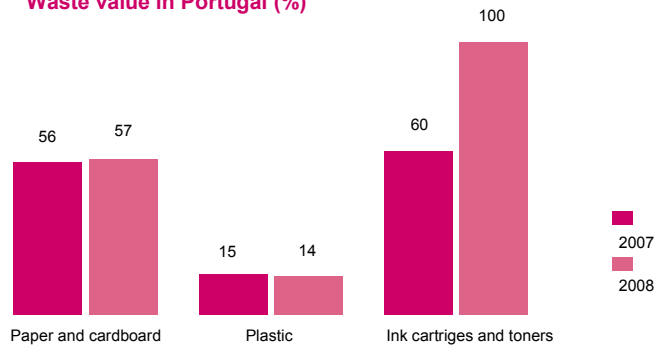
Waste produced by Millennium in 2008 (t)

	Paper/ Cardboard	Ink/ toners cartridges	Plastics
Portugal	931.0	33.0	92.0
Poland	703.0	5.4	20.0
Greece	79.0	1.7	n.a.
Romania	7.0	1.5	2.0
Mozambique	73.0	5.7	1.8
USA.	12.0	0.5	0.3
	1,805.0	47.8	116.1

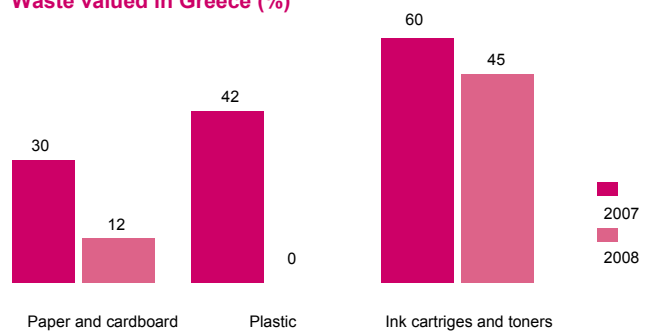
n.a.= data not yet available.

A project is currently in course, within the scope of the “For a Better Millennium” programme, aimed at reducing the impact of produced waste. These measures include waste separation in all buildings and branches and subsequent sending for valorisation.

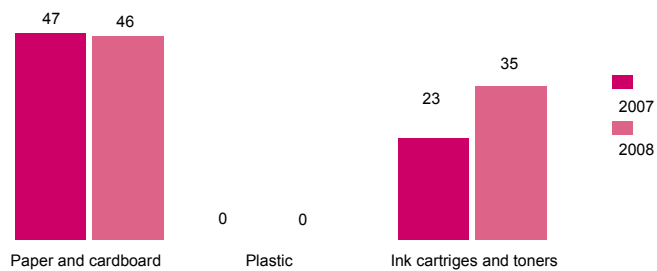
Waste value in Portugal (%)



Waste valued in Greece (%)



Waste valued in Poland (%)



Hazardous waste, such as IT equipment, is sent to specialised operators. In 2008, 23,573 IT equipment pieces were decommissioned in Portugal.

Millennium bcp does not produce or transport hazardous waste within the terms of the Basel convention.

6.6 - Nature Conservation

Due to the nature of its business, Millennium bcp has no significant direct impact on territory and biodiversity.

The institution owns some rural and mixed character land. In Portugal, the Bank owns at least 18.5 hectares of rural land in habitats rich in biodiversity (Sintra Cascais Natural Park: 17.1 ha, and Sítio Carregal do Sal: 1.54 ha). No threats are posed to biodiversity, since no economic activities are pursued in these lands.

In Poland, Millennium bank owns 0.84 ha in protected areas.

On the other hand, as a financial institution, Millennium bcp business may support projects that may contribute to degradation of natural values, namely through habitat fragmentation or destruction, direct impact on flora and fauna and soil, geological formation or landscape degradation.

Millennium has supported several institutions whose mission is Nature conservation. In Poland, Millennium financed non-governmental organisation WWF with 51,527 euros and contributed 53,606 euros to a series of environmental promotion initiatives.

6.7 - Compliance

Similarly to the previous year, no incidents occurred and no fines were incurred in 2008 due to non-compliance with environmental declarations, conventions, international treaties and national, regional and local environmental legislation.

Page intentionally left blank

7 – Additional Information

Participation of Millennium bcp in national and international organisations

- ACIF - Associação Comercial e Industrial do Funchal
- AEP - Associação Empresarial Portugal
- AFP - Associação Fiscal Portuguesa
- ALA - Academia de Letras e Artes
- APAF - Associação Portuguesa de Analistas Financeiros
- Aprender A Empreender - Junior Achievement Portugal
- Associação Amigos do Coliseu do Porto
- Associação Comercial de Lisboa
- Associação Comercial do Porto
- Associação de Jovens Empresários - ANJE
- Associação EPIS - Empresários pela Inclusão Social
- Associação Industrial Portuguesa
- Associação Nacional de Empresas de Recursos Humanos
- Associação Port Leasing Factoring
- Associação Portuguesa das Casas Antigas
- Associação Portuguesa de Anunciantes
- Associação Portuguesa de Bancos
- Associação Portuguesa para o Desenvolvimento Económico e a Cooperação (ELO)
- Banco Alimentar contra a Fome
- BCSD Portugal - Conselho Empresarial P/ Desenvolvimento Sustentável
- Bombeiros Voluntarios Lisboa
- Cadin - Centro de Apoio ao Desenvolvimento Infantil
- Câmara de Comércio Americana em Portugal
- Câmara de Comércio e Indústria Árabe-Portuguesa
- Câmara de Comércio e Indústria Luso Brasileira
- Câmara de Comércio e Indústria Luso Chinesa
- Câmara de Comercio e Indústria Luso-Alemã
- Câmara de Comércio e Indústria Luso-Espanhola
- Câmara de Comércio e Indústria Luso-Francesa
- Câmara de Comércio e Indústria Luso-Japonesa
- Câmara de Comercio e Indústria Luso-Marroquina
- Câmara de Comercio e Indústria Luso-Mexicana
- Câmara de Comércio e Indústria Luso-Sul Africana
- Câmara de Comércio e Indústria Portugal - Angola
- Câmara de Comercio e Indústria Portugal Namíbia
- Câmara de Comércio e Indústria Suíça em Portugal
- Câmara de Comércio Luso Britânica
- Câmara de Comercio Luso Ucrâniana

- Câmara de Comercio Luso-Belga-Luxemburguesa
- Câmara de Comércio Luso-Sueca
- Câmara de Comércio Portugal-Holanda
- Câmara de Comércio Portugal-Moçambique
- Câmara Hispano Portuguesa (de Comercio e Industria)
- Camera di Commercio Italiana Per Il Portogallo
- Caritas Portuguesa
- Casa da América Latina
- CIEP - Confederação Internacional dos Empresários Portugueses
- Corporate Executive Council
- Corporate Management Development
- Cotec Portugal - Associação Empresarial para A Inovação
- Diferenças - Centro de Desenvolvimento Infantil
- EACD - European Association Communications Directors
- Efma - European Financial Management & Marketing Association
- European Payments Council (EPC)
- European Strategy Forum
- Factors Chain International
- Fair Isaac
- Fórum de Administradores de Empresas
- Fórum para a Competitividade
- Fundação Cidade de Lisboa
- Fundação Luso Americana para o Desenvolvimento
- Fundação Luso-Africana para a Cultura
- Fundação Oliveira Martins
- Fundação Universidade Católica Portuguesa
- GIEM - Centro de Investigação e Formação em Marketing do ISCTE
- GRI Organisational *stakeholder* (Global Rep. Initiative)
- ICAP - Instituto Civil da Autodisciplina da Publicidade
- ICC International Chamber of Commerce - Portugal
- IIEB - Institut International d' Etudes Bancaires
- Insead
- Instituto Português de Corporate Governance
- Lafferty Group
- Lar do Comércio
- Museu Nacional de Arte Antiga
- Museu Nacional Soares dos Reis
- Palácio Nacional da Ajuda
- Proforum - Associação para o Desenvolvimento da Engenharia
- RSE Portugal
- Sociedade Histórica da Independência de Portugal
- SPA - Sociedade Portuguesa de Autores
- Teatro Nacional de São Carlos
- Universidade Nova de Lisboa



**KPMG & Associados – Sociedade de Revisores
Oficiais de Contas, S. A.**
Edifício Monumental
Av. Praia da Vitória, 71 – A, 11º
1069-006 Lisbon
Portugal

Telephone: +351 210 110 000
Fax: +351 210 110 121
Internet: www.kpmg.pt

ASSURANCE REPORT

**(This Report is a free translation to English from the Portuguese version.
In case of doubt or misinterpretation the Portuguese version will prevail)**

Introduction

1. We have been engaged by the Executive Board of Directors of Banco Comercial Português, S.A. ("Millennium bcp") to provide independent assurance on information related to the economic, environmental and social indicators included in the Sustainability Report for the year ended 31 December 2008 ("Sustainability Report"). Our work was restricted to the review of documental evidence and verification of the consistency with the audited consolidated financial statements of Millennium bcp, as described in paragraph 5 below.

Responsibilities

2. The Executive Board of Directors of Millennium bcp is responsible for preparing the Sustainability Report, maintaining an adequate internal control system, as well as defining, implementing and executing adequate processes, procedures and criteria for collecting, processing and validating the reported information. Our responsibility is to issue an independent assurance report about the adequacy of the above mentioned information, based on our limited assurance procedures.

Our work was performed solely with the purpose of reporting on information related to economical, environmental and social indicators included in the Sustainability Report. Hence, we do not accept or assume any responsibility to any person or legal entity other than Millennium bcp, for our work, for this report or for our conclusions.

Scope

3. The scope of the work includes the information concerning economic, environmental and social indicators related to Millennium bcp activity, in Portugal, Poland, Greece, Rumania, Mozambique and United States of America, for the year ended 31 December 2008 excluding the number of clients, suppliers and branches of the Bank. The scope of companies considered by the Executive Board of Directors is described in chapter "Scope and Relevance" of the Sustainability Report. To obtain a thorough understanding of Millennium bcp performance the reader should consult the Millennium bcp Corporate Governance Report and the audited consolidated financial statements for the year ended 31 December 2008.

Methodology and Criteria

4. Our review work was conducted in accordance with the International Standard on Assurance Engagements "ISAE 3000 - Assurance Engagements other than Audits or Reviews of Historical Financial Information" issued by the International Auditing and Assurance Standards Board of International Federation of Accountants. According to this standard, our work was planned and performed to obtain a limited assurance as to whether the information subject to our work is free of material misstatements.

The purpose of our work was not to perform an audit and, accordingly, we do not express an audit opinion.

Considering that there are no generally accepted standards applicable to the preparation of Sustainability Report, Millennium bcp applies its own internal criteria, defined by the Executive Board of Directors, and external criteria, derived from the AA1000AS Standard and the Sustainability Reporting Guidelines of the Global Reporting Initiative ("GRI") according to the application level selected by Millennium bcp (level of application GRI A+) as detailed in chapter "Scope and Relevance" of the Sustainability Report.



Work Undertaken

5. Our assurance work consisted of the following procedures:

- Interviews with staff and responsables, at operational and corporate level, for the collection and aggregation of quantitative and qualitative data, with the purpose of acquiring a reasonable level of knowledge of the processes used to aggregate and prepare the information;
- Verification on a test basis of the documental evidence supporting the economical, environmental and social indicators;
- Verification that the quantitative data related to the economical indicators is consistent with the audited consolidated financial statements of Millennium bcp for the year ended 31 December 2008;
- Comparison of the Sustainability Report content and indicators with the GRI Guidelines.

Conclusion

6. Based on the work described above, which was performed with the objective of obtaining a limited level of assurance, nothing has come to our attention that causes us to believe that the economical, environmental and social information, included in the Sustainability Report, is not free of material misstatements that affects its reliability in conformity with the criteria adopted by Millennium bcp.

Lisbon, 2nd March 2009

KPMG & Associados
Sociedade de Revisores Oficiais de Contas, S.A. (n.º 189)
represented by
Vitor Manuel da Cunha Ribeirinho (ROC n.º 1081)

Correspondence of GRI indicators and adequacy of *Global Compact* principles

	Scope	Principles of the Global Compact	Page	Answer
Strategy and analysis				
1.1			6,7	
1.2			10-17	
Profile of the organization				
2.1			9,10	
2.2			19	
2.3			AR Volume II, Notes to Accounts N° 56	
2.4			117	
2.5			20	
2.6			117	
2.7			19, AR Volume II, Notes to Accounts N° 50	
2.8			AR Volume I pg 5	
2.9			6, 29-31	
2.10			29-31	
Parameters of the report				
3.1			3	
3.2			3	
3.3			3	
3.4			115,117	
3.5			24	
3.6			3	
3.7			3	
3.8			3	
3.9			3	
3.10			3	
3.11			3	
3.12			105-109	
3.13			3,103,104	
Structure of governance, commitments and involvement				
4.1			10, AR Volume II. Pg 249	
4.2			AR Volume II, pg 249	
4.3			AR Volume II, pg 249	

	Scope	Principles of the Global Compact	Page	Answer
4.4	Mechanisms for Shareholders and Employees to provide recommendations to the EBD		33, 66-68	
4.5	Relationship between the compensation of the EBD's members and of the management staff and the performance of the organization		AR Volume II, pg 249	
4.6	Avoidance of conflicts of interest		AR Volume II, pg 271,273	
4.7	Qualifications and competences of the members of the EBD		AR Volume II, pg 272,278,319, 332	
4.8	Mission, values, codes of conduct and relevant statements		9,10	
4.9	Mechanisms for the supervision of performance in economic, environmental and social areas		15-17	
4.10	Mechanisms for evaluation of the performance of the EBD		23	
4.11	Precautionary approach	7	11-17AR Volume I, pg 132	
4.12	Charter of voluntarily subscribed principles and statements		48,65	
4.13	Membership in national and/or international associations		101,102	
4.14	List of the main Stakeholders		24	
4.15	Criteria for the identification and selection of the main Stakeholders		24	
4.16	Approaches to Stakeholder engagement		23	
4.17	Information generated by the engagement of the main Stakeholders		25-27	
Financial services				
DMAD	Disclosure of management approach	PT, PL, GR, RM, MZ, EUA	6,7,9 ,33 , 35, 37, 43,44 ,64	
FS1	Policies with specific environmental and social components applied to business lines	PT, GR, MZ, EUA	45,48 ,51, 52-55	
FS2	Procedures for assessing and screening environmental and social risks in business lines	PT, PL, GR, RM, MZ, EUA	48-50, 87, 90,91	
FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions	PT	50	
FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines	PT	63	
FS5	Interactions with clients/investors/business partners regarding environmental and social risks and opportunities	PT	23, 45, 48, 51-56, 75,76	
FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/large) and by sector	Cons.MG	AR Volume II Notes to accounts n° 50	

	Scope	Principles of the Global Compact	Page	Answer
FS7 Monetary value of products and services designed to deliver a specific social benefit for each business line broken by purpose	PT, GR, MZ, EUA		45-47, 53-55	
FS8 Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	PT		49	
FS9 Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures.	PT, PL, RM, GR, MZ, EUA		3,49,76	
FS10 Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues	PT		50	
FS11 Percentage of assets subject to positive and negative environmental or social screening.	PT		51,52	
FS12 Voting (policies) applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting	PT		51	
Economic performance				
DMA Disclosure of management approach	PT, PL, RM, GR, MZ, EUA		6,7,9 ,11 , 14, 15, AR Volume I, pg 45	
EC1 Direct economic value generated and distributed	Cons.MG		28,77	
EC2 Financial implications of climate change	PT	7	51	
EC3 Liabilities from the organization's defined plan of benefits	Cons.MG		70-72, AR Volume II Notes to accounts N° 48	
EC4 Significant financial assistance from Government	PT, PL, GR, RM, MZ, EUA		111	
EC6 Spending on locally based suppliers	PT, PL, GR, RM, MZ, EUA		75,76	
EC7 Local hiring	PT, PL, GR, RM, MZ, EUA	6	57,58	
EC8 Infrastructure providing public benefit	PT, PL, GR, RM, MZ, EUA		56,79,82, 83	
Environmental Performance				
DMA Disclosure of management approach	PT, PL, GR, RM, MZ, EUA		6,7,48,87, 88	
EN1 Materials used by weight or volume	PT, PL, GR, RM, MZ	8	89,91	
EN2 Percentage of materials used that are recycled input materials	PT, PL, GR,	8, 9	90	
EN3 Direct energy consumption by primary energy source	PT, PL, GR, RM, MZ	8	92	
EN4 Indirect energy consumption by primary source	PT, PL, GR, RM, MZ	8	93	
EN8 Total consumption of water	PT, PL, GR, RM, MZ, EUA	8	90	
EN11 Location and size of land owned in habitats of high biodiversity value	PT,PL	8	99	

		Scope	Principles of the Global Compact	Page	Answer
EN12	Description of the main impacts on biodiversity	PT,PL	8	50,99	
EN16	Emission of greenhouse gases (GHG)	PT, PL, GR, RM, MZ, EUA	8	93,94	
EN17	Other significant indirect emissions of GHG	PT, PL, GR, RM, MZ, EUA	8	94	
EN19	Emissions of ozone-depleting substances	PT, PL, RM, MZ	8	95,96	
EN20	NO _x , SO _x and other significant atmospheric emissions	PT, PL, GR, RM, MZ	8	95	
EN21	Total water discharge	PT, PL, GR, RM, MZ	8	96	
EN22	Total weight of waste by type and disposal	PT, PL, GR, RM, MZ, EUA	8	97,98	
EN23	Total number and volume of significant spills	PT,PL,GR, RM,MZ, EUA	8	97	
EN26	Initiatives to mitigate environmental impacts of products and services	PT	8, 9	50	
EN27	Percentage of reclaimed products and packaging	PT,PL,GR	8, 9	97,98	
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations in force	PT,PL,GR, RM,MZ, EUA		99	
Labour practices					
DMA	Disclosure of management approach	PT,PL,GR, RM,MZ, EUA		6,7,58,59, 60,61,62, 65,66,70	
LA1	Breakdown of total workforce	PT,PL,GR, RM,MZ, EUA		20,57	
LA2	Employee turnover	PT, PL, GR, RM, MZ, EUA	6	60	
LA4	Collective bargaining agreements	PT,MZ	1, 3	57	
LA5	Minimum notice period(s) regarding operational changes	PT,PL,GR, RM,MZ, EUA	3	61	
LA7	Rates of injury, occupational diseases, lost days and absenteeism, and number of work-related fatalities	PT, PL, GR, RM, MZ, EUA		72	
LA8	Programs for education, training, monitoring and the prevention of serious diseases	PT, PL, GR, RM, MZ, EUA		64,71,72	
LA10	Average annual training time	PT, PL, GR, RM,EUA		62	
LA 11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	PT		63	
LA13	Composition of governance bodies and breakdown of employees per category	PT	1, 6	57, AR Volume II, pg 272-278	
LA14	Ratio of basic salary of men to women	PT, PL, GR, RM, MZ, EUA	1, 6	65	
Human Rights					
DMA	Disclosure of management approach	PT, PL, GR, RM, MZ, EUA		6,64,76	
HR1	Description of formal agreements with trade unions or representatives on health and security at work	PT, PL, GR, RM, MZ, EUA	1, 2, 4, 5, 6	48,49,64, 75,76	

		Scope	Principles of the Global Compact	Page	Answer
HR2	Percentage of significant suppliers subject to evaluation related with human rights	PT	1, 2, 4, 5, 6	76	
HR4	Incidents of discrimination	PT, PL, GR, RM, MZ, EUA	1, 6	65	
HR5	Freedom of association and collective bargaining	PT, PL, GR, RM, MZ, EUA	1, 3	65	
HR6	Child labour	PT, PL, GR, RM, MZ, EUA	1, 5	65	
HR7	Forced or compulsory labour	PT, PL, GR, RM, MZ, EUA	1, 4	65	
Society					
DMA	Disclosure of management approach	PT, PL, GR, RM, MZ, EUA		6,7,11-13 , 15-17,44	
SO1	Impacts of operational activity on communities	PT, PL, GR, RM,MZ,EUA	1	11, 35-40, 44-47, 51-55, 77	
FS13	Access points in low-populated or economically disadvantages areas by type	PT, PL, GR. RM, MZ, EUA		38-40	
FS14	Initiatives to improve access to financial services for disadvantaged people	PT, PL, GR. RM, MZ, EUA		38-40, 45,52	
SO2	Analysis for risks related with corruption	PT, PL, GR, RM, MZ, EUA	10	11,12	
SO3	Training programs related with anti-corruption	PT	10	11,63	
SO4	Instances of corruption	PT, PL, GR, RM	10	12,16	
SO5	Public policy development and lobbying	PT, PL, GR, RM, MZ, EUA		111	
SO8	Monetary value of significant fines for non-compliance with laws and regulations	PT		111	
Customers and products					
DMA	Disclosure of management approach	PT, PL, GR, RM, MZ, EUA		6,7,35-41	
FS15	Policies for the fair design and sale of financial products and services	PT		44	
PR1	Health and safety impacts across life cycle of products and services	PT,PL, GR, RM, MZ, EUA		41-43	
PR3	Type of product and service information required by procedures in force	PT		37,44	
FS16	Initiatives to enhance financial literacy by type of beneficiary	PT,GR,MZ, EUA		45,51, 77-79	
PR6	Programmes for adherence to laws, standards and voluntary codes related to marketing communications, including advertising, promotion and sponsorship	PT		44	
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	PT		111	

Meaning of used abbreviations:

EBD Executive Board of Directors;

AR 2008 Annual Report;

Cons.MG Consolidated Millennium Group

Accounts 2008 Accounts included in volume II of 2008 Annual Report;

Countries: PT- Portugal, PL- Poland; GR-Greece; RM-Romania; MZ-Mozambique; EUA-United States of America.

Clarifications regarding some GRI indicators:

EC4 - Millennium does not receive any State aid. *stakeholders* consulted in the scope of the materiality test considered this indicator immaterial.

EN27 - The indicator is irrelevant for services and products available in Millennium. *stakeholders* consulted in the scope of the materiality test considered this indicator immaterial.

F11 – Indicator was not considered relevant for Millennium

SO5 - The Bank does not intervene or influence the definition of Government policies and is not involved in lobbies with that purpose.

SO8 e PR9 - In 2007, the amount of relevant cash sanctions accounted by Millennium bcp for the eventual non-compliance with regulations to which is subject, amounted to 376 thousand euros.

Calculation criteria

Water consumption: extrapolation/estimate for the Millennium Group. In 2008, estimates were based on specific summer and winter consumption in Bank “standard water-consuming facilities”. Water consumption calculations in the remaining locations were based on estimates made through financial data analysis or metering.

Paper/card and plastic consumption: totals were estimated with basis on the weights of the most consumed products and total values recorded in procurement. Paper unit weights were calculated according to ISO 216 Standard measures and a standard weight of 80 g/m². The amount of plastic consumed in bankcards was calculated with basis on the number of cards issued by the bank in 2008 and average card weight.

Ink cartridge, toner and battery consumption: consumption was estimated from Xerox and purchase file data.

Electricity, natural gas and liquid fuel consumption: estimates are based on information provided by the Bank. Calorific value information is based on values presented by the GRI. Diesel and petrol density data sources are EMEP/CORINAIR and Directive no. 2003/17/EC.

Indirect electricity consumption and emissions: primary energy used in electricity generation was estimated with basis on primary energy consumption data for the electricity generation sector relative to 2004-2006, referred by Eurostat, and, in the case of Mozambique, by the International Energy Agency. Emission factors were estimated with basis on data submitted to the UNFCCC, except for Mozambique, where IPCC emission factors were used.

Atmospheric emissions related to natural gas consumption and transports: estimates are based on EMEP/CORINAIR emission factors.

Paper/card waste: the total amount produced corresponds to the sum of the amount sent for valorisation and an estimated amount of waste produced from consumption of paper/card usually not associated to archiving or customers.

Used ink cartridges and toners: the total amount produced was considered equal to consumption.

Plastic waste: the amount of waste produced was estimated from consumption of water bottles and plastic articles from procurement, usually not associated to archiving or customers. Calculation of the amount of plastic waste associated to bankcards was based on the number of cards collected by the Bank in 2008 and standard card weight.

Liquid effluents and polluting loads: data presented correspond to estimates based on the number of employees and standard polluting loads for urban offices, calculated with basis on METCALF & EDDY (2003). Polluting loads were calculated according to European Environment Agency (EEA) and Environmental Protection Agency (EPA) data corresponding to the population percentages served by the various types of wastewater treatment in the locations studied.

Biodiversity: biodiversity-rich ecosystems, protected by national and European nature conservation laws, classed as protected areas or *Rede Natura 2000* (2000 Natura Network) are considered.

GLOSSARY

BOD₅ – biochemical oxygen depletion, 5 days, 20 °C.

CH₄ – methane

CO₂ – carbon dioxide

NM VOC – non-methane volatile organic compounds

COD – chemical oxygen depletion

FCT-UNL – *Faculdade de Ciência e Tecnologia da Universidade Nova de Lisboa* (School of Science and Technology of the New University of Lisbon)

GHG – greenhouse gases

GRI – Global Reporting Initiative

HCFC – hydrochlorofluorocarbons

DCEA – *Departamento de Ciências e Engenharia do Ambiente* (Department of Science and Environmental Engineering)

N - nitrogen

N₂O – nitrous oxide

NH₃ – ammonia

NO_x – nitrogen oxides

P – phosphorus

ODS – ozone depleting substances

SF₆ – sulphur hexafluoride

TSS – total suspended solids

t – tonnes

Acknowledgement

The 2008 Sustainability report is a result of the excellent collaboration between several areas of Millennium Group, which implemented the initiatives highlighted, and the dedication of countless employees.

We would like to express our appreciation and thank to all for their contribution.

Give us your opinion

For any theme related with Sustainability in Millennium bcp, and in particular with the content of this report, the following email address is available:

sempremelhor@millenniumbcp.pt

2008 Sustainability Report

Millennium bcp

Banco Comercial Português, S.A.

Share Capital: 4.694.600.000 euros

Public deed registered in the Oporto Commercial Registry,
with the unic registry and tax number of 501 525 882

www.millenniumbcp.pt

Praça D. João I, 28 – 4000-295 Porto – Portugal

Telephone: (+351) 22 607 11 42

Rua Augusta, 84 – 1100-053 Lisboa – Portugal

Telephone: (+351) 21 321 10 00

Communication Division

Av. Professor Doutor Cavaco Silva

Edifício 1 Piso 0 Ala B

2744 002 Porto Salvo

Telephone: (+351) 211 131 243

Email: comunicar@millenniumbcp.pt

Investor Relations

Av. Professor Doutor Cavaco Silva

Edifício 1 Piso 0 Ala B

2744 002 Porto Salvo

Telephone: (+351) 211 131 084

Email: investors@millenniumbcp.pt