



# SUSTAINABILITY REPORT 2018

CGD Reports  
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# 1. Message from the Chairman of the Executive Committee

From its beginning, CGD has been contributing to the country's economic and social progress. Since 1876 we've been addressing the challenge of contributing to a better society, empowering companies, the economy and society in general. Responsibility, Trust, Sustainability and Transparency are values that are part of our identity.

In this perspective, its corporate management model integrates civic intervention and active participation regarding the preservation of the environmental heritage, in accordance with the principles of the Global Compact and of the Sustainable Development Goals. Our commitment to development involves, first of all, our financial activity and the imperative of giving appropriate answers to our customers and other stakeholders. Though, only a performance that integrates the several fields of intervention in a comprehensive way will allow us to ensure that our profitability and investment are passed on to the next generations. We have CGD's future in our minds.

The Board of Directors is supported by a governance model designed against a backdrop of sustainable development and in line with the objectives of the Institution's Strategic Plan. In this context, our multi-year vision is taking shape along the three axes of intervention that were present concerning the activity carried out in 2018, namely:

1. In the economic area, by ensuring the proper implementation of our strategic plan, business accessibility, and the publication of the Sectoral Exclusion and Limitation Principles and the Tax Principles;
2. In the social area, by putting into practice a model of solidarity and giving back to society. CGD supported an ongoing investing both in Culture and University, launched the Caixa Social Programme, published the Declaration of Respect for Human Rights and introduced its Corporate Volunteering agenda;
3. In the environmental area, we focused on the co-efficiency of operations by reducing and/or optimising the consumption of materials, energy and other natural resources. This commitment was recognised by the international rater Carbon Disclosure Project, which named CGD an A- leader in *Climate Change* 2018, highlighting CGDs strategic role within the scope of adaptation to climate change.

CGD will continue to implement its sustainability strategy. This line of action encompasses the implementation of best practices and international recommendations. We will also continue to devote our attention to the challenges and opportunities of "sustainable finance", in areas of business and spheres of action that will allow us to ensure CGD's future. These matters, which are increasingly significant in the analyses carried out by rating agencies, counterparties and other stakeholders, are also our priority.

Throughout this report, we will emphasise aspects such as rigour and transparency. CGD wishes to underline the promise of hope in the future. We will therefore give even further meaning to the journey traced along with our depositors and other customers since the beginning. Each stakeholder's expectations are also our own, so each challenge becomes ours as well.

We want to continue to be a Portuguese Bank, worthy of the trust of the Portuguese.

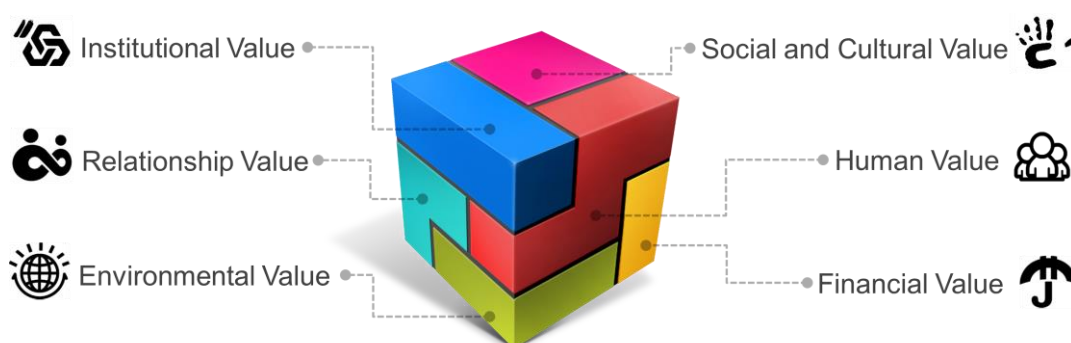
**Paulo Moita de Macedo**

CEO (Chief Executive Officer)

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## 2. About this Report

Caixa Geral de Depósitos, S.A., hereinafter referred to as CGD or "Institution", hereby publishes its 2018 Sustainability Report with quantitative and qualitative data for the period from 1 January to 31 December, 2018, complemented with information from previous years, for a perspective on the developments achieved within the scope of Sustainability.



The information herein relates mainly to CGD's activities in Portugal. However, as leader of the largest Portuguese financial group - the CGD Group -, this report also makes reference to the activity of the following group entities, which reinforce the value of the Portuguese-speaking community:

- In Portugal: Caixa - Banco de Investimento, S.A.; Caixa Gestão de Activos, SGPS, S.A.; Sogrupos - Compras e Serviços Partilhados, ACE;
- Abroad: Banco Interatlântico, S.A. (BI) and Banco Comercial do Atlântico, S.A (BCA)., both in Cape Verde; Banco Caixa Geral Brasil, S.A (BCG); Banco Caixa Angola; BCI Mozambique; BNU Macao and Timor Branch<sup>1</sup>.

For the fourth consecutive year, CGD adopted an integrated reporting model that includes its contribution to sustainable development in its 2018 Annual Report. In particular, Decree-Law No. 89/2017, of 28 July, 2017, sets forth new duties regarding the disclosure of non-financial information, namely, the mandatory annual reporting of non-financial information on environmental, social and employee-related matters, gender equality, non-discrimination, respect for human rights, the fight against corruption and attempted bribery and diversity in management and supervisory bodies.

In this context, reinforcing the principle of alignment with international benchmarks, our approach to Sustainability issues followed the guidelines of the Global Reporting Initiative (GRI) in their latest version - "GRI Standards 2016" -, including the G4 financial supplement for the "comprehensive" option.

The materiality matrix summarises the key vectors for CGD's activity underpinned by key stakeholders, regulatory and sectoral trends, national and international assessments and benchmarking to the best practices for responsible finance, under the principles of the Paris Climate Agreement and of the Sustainable Development Goals (SDGs), among others.

On the other hand, the Sustainability Accounting Standards Board (SASB) systematically assesses the relevance of each topic and the potential for material impacts on companies in each SICSTM industry, ensuring that the recommended topics for disclosure are included in the standards, based on the evidence accumulated in the industry's context, as well as on the contribution of a balanced group of experts.

This report is included in the perimeter of verification of sustainability information for 2018, disclosed by Caixa Geral de Depósitos, S.A. and prepared by Ernest & Young, Audit & Associados, SROC, S.A., responsible for the declaration of verification of non-financial information - Independent Reliability Assurance Report -, which is an integral part of the 2018 Annual Report.

Our progress also depends on the suggestions of our readers, which can be sent to [sustentabilidade@cgd.pt](mailto:sustentabilidade@cgd.pt).

<sup>1</sup> The Timor Branch appears throughout the 2018 Sustainability Report also referred to as "BNU Timor Branch" and "BNU Timor," including information provided in the Annexes.

### 3. Our Institutional Value

In keeping with its centenary mission of commitment to citizens, economy and society, CGD's Sustainability strategy addresses the creation of value through the development of its tangible and intangible assets, the economic and technological progress of its customers and companies, the social and digital inclusion of individuals and families, the protection of fundamental human rights, the respect for our common natural heritage.

CGD aims to strengthen its social and economic contribution in Portugal and in all the markets in which it operates through the CGD Group and its companies, through a process of continuous learning among its key stakeholders, hoping that its activity may reflect, in addition to its inherent economic and financial contribution, other forms of capital that the Institution promotes and in which it invests, contributing to generate Institutional, Financial, Relationship, Human, Social, Cultural and Environmental Value.



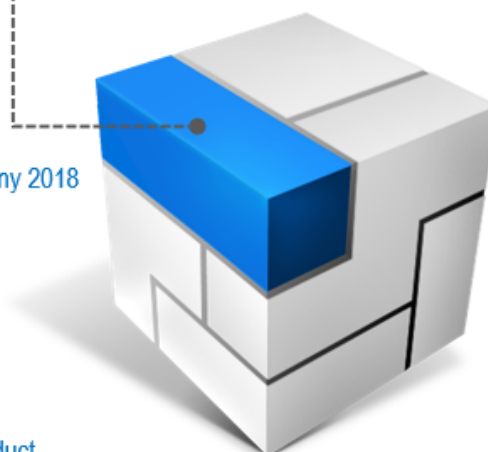
#### Institutional Value

##### RECOGNIZED

- Most valuable banking brand in Portugal - € 139.9M
- Most reputable banking brand in Portugal
- Caixa Contact Center with ISO 9001:2015 Certification
- Caixa Gestão de Activos, Best Portuguese Managing Company 2018

##### GENERATED

- Letter on CGD's Mission Vision and Values
- Declaration of Commitment to Human Rights
- Tax Principles
- Sectoral Exclusion and Limitation Principles
- Business Continuity Policy
- Ethical performance indicators reinforced in the Code of Conduct
- CGD is a member of the Sustainable Finance Working Group (SFWG) of the European Banking Association (EBF), representing the Portuguese Banking Association (APB).



#### CGD'S VALUE

The importance of the intangible dimension of the development and operationalisation of institutional capital indicators is reflected in CGD's economic, financial, social and environmental development strategy, on which this intangible capital is built, as well as in its contribution to the pursuit of strategic development goals, generating greater and better value.

In line with the Paris Agreement on Climate Change and the United Nations (UN) 2030 Agenda for Sustainable Development, the High-Level Expert Group of the European Commission (EC) published the final report on sustainable finance on 31 January 2018, which supported the EC's position in March of the same year, when it presented its "Action Plan on Financing Sustainable Growth".

This plan consolidates the EC's vision and commitment, acknowledging sustainability and the transition to a circular economy - a low-carbon economy based on a more efficient use of resources - as crucial to ensure the long-term competitiveness of the European Union (EU).

With the ambition of turning Europe into a pioneer in the adaptation and mitigation associated with climate change, there are 10 actions with different goals pursued along three guiding axes:



- 1) Capital flows should be redirected towards sustainable investments to reshape the economy, in accordance with the Paris Climate Agreement commitments and the Sustainable Development Goals (SDGs);
- (2) The financial risks arising from climate change, scarcity of resources, environmental degradation and social issues should be managed and mitigated, and
- 3) Transparency and long-term perspectives should be fostered in the financial sector.

The experience and knowledge of those who strive to develop CGD day after day contribute to consolidate the road we've travelled and the roadmap we're outlining, to promote trustworthy relationships, to multiply solidarity, to value a history intertwined with the history of our own country and to preserve legacies, based in a medium- and long-term vision of a future that needs to be fair, accessible to many generations and, therefore, sustainable.

## REGULATORY TRENDS AND CGD'S ACTIVITY

Within its sphere of action, CGD complies with and adopts regulatory trends, namely:

### a) Decree-Law No. 89/2017, of 28 July – Non-Financial Information

The Sustainability Report is a powerful means to communicate reliable information and to assert the values of the Brand, the reputation of CGD and its Group companies, enabling all the structures involved to promote their quality and accuracy, both in terms of presentation and informative value for the various CGD stakeholders, and in accordance with the guidelines and requirements of the international methodology of the Global Reporting Initiative (GRI) frameworks.

Decree-Law No. 89/2017, which sets forth new reporting duties applicable to annual financial statements regarding the disclosure of non-financial information and diversity, establishes the obligation of reporting information on environmental, social and employee-related matters, gender equality, non-discrimination, respect for human rights, the fight against corruption and attempted bribery and diversity in management and supervisory bodies. For the fourth consecutive year, CGD has responded to this framework, which was transposed into national legislation in 2017.

### b) Recommendations of the *Task Force on Climate-Related Financial Disclosures* (TCFD) - Inclusion of environmental risks in regular reports

Set up in 2015 by the *Financial Stability Board* with the purpose of generating recommendations to facilitate the disclosure of financial information related to climate change by the private sector and various global organisations, the *Task-force on Climate-related Financial Disclosures* (TCFD) has a set of guidelines that indicate the need to assess the risks involved in the transition to a low-carbon economy, as well as "physical risks", setting a standard trend towards a model of risk management which incorporates criteria and indicators related to direct and indirect environmental performance and impact, capable of preserving the tangible and intangible assets of organisations, businesses, communities and their ecosystems.

Therefore, it prompts financial market players to identify and ensure the day-to-day management of risks related to climate change.

The TCFD structures its recommendations around four thematic areas - Governance, Strategy, Risk Management, and Metrics and Targets -, providing a guiding framework that enables companies to identify and report climate-related risks and opportunities in a transparent manner.

CGD's activity also takes into account the TCFD's recommendations, namely with regard to:

## GOVERNANCE

- The Board of Directors (CA) is the main responsible for defining the sustainability strategy and the associated policies, codes, commitments associated with or arising from it.
- The Sustainability Committee (CSU) is the consulting body of the Executive Committee and responsible for assessing, discussing and monitoring the implementation, from a corporate point of view, of the sustainability strategy, thus promoting the mitigation of environmental risks and the development of business opportunities. The CSU meets, at least, every six months.
- The Environmental Policy, which is publicly accessible, endorses one of the strategic axes of action and undertakes three key commitments: (i) compliance with environmental legislation, (ii) the adoption of a proactive attitude and measures to prevent pollution, and (iii) continuous improvement of the environmental performance..

## STRATEGY

- The Low Carbon Programme materializes CGD's strategy for climate change and is based on four action lines: (i) Low-Carbon Economy Financing; (ii) Reduction of Greenhouse Gas (GHG) Emissions; (iii) Mitigation of Environmental Risk, and (iv) Transparency and Awareness-Raising.
- CGD participates in several national and international working groups, such as the Sustainable Finance Working Group and the Taxonomy Subgroup, both of the European Banking Federation (EBF); BCSD Portugal, Global Compact Network Portugal and GRACE, integrating the main trends and best sectoral practices into its strategy and corresponding activities.
- Every year, CGD responds to the Climate Change questionnaire of the Carbon Disclosure Project (CDP), which identified specific examples of climate-related risks and opportunities.

## RISK MANAGEMENT

- The Sectoral Exclusion and Limitation Principles cover activities and projects excluded or restricted, under certain criteria, from the credit policy, taking into account potential socio-environmental risks.
- The Tax Principles are a complement to ensure a prudent management of potential risks arising from fraudulent activities or tax evasion in the markets in which CGD operates.
- Integration of clauses associated with sustainability into contracts related to the supply chain.
- The Environmental Management System (EMS) includes procedures to identify and assess environmental aspects associated with CGD's current operations and commercial offer.

## TARGETS AND METRICS

- GHG emissions (Scopes 1, 2 and 3) reported in the Management Report.
- Key performance indicators in the area of Sustainability reported in the Management report.
- Indicators, objectives/targets and internal platforms for assessing the performance and monitoring the EMS.

## CODE OF CONDUCT

The values, ethical principles and rules of professional conduct that govern the Employees' performance are disclosed in the Code of Conduct, which is a self-regulatory, binding and imperative document to be complied with in and by CGD and a key instrument in the ethics management, contributing to:

- Harmonise benchmarks vis-à-vis ethical dilemmas;
- Formalise the values, operating principles and rules of conduct that guide relationships with the various stakeholders;
- Promote an organisational culture of legal compliance and compliance with the values and principles that are adopted;
- Develop best practices of corporate governance and ethical conduct.

In 2018, the ethical performance indicators were assessed and revised, with a view to updating the Management Model of the Code of Conduct.

One of the ethical performance indicators in this Model is the number of violations of labour duties by employees, considering that such violations constitute disciplinary infractions and, ultimately, violations of the Code of Conduct. In 2018, 16 disciplinary sanctions were applied, four of which resulted in dismissals. New and current employees of different CGD corporate bodies, as well as employees of CGD Group companies received training in Ethics and Code of Conduct. CGD's Code of Conduct is available at <https://www.cgd.pt/English/Institutional/Corporate-Governance/Documents/CGD-Code-of-Conduct.pdf>

## MISSION

Caixa Geral de Depósitos, S.A. (CGD) pursues the mission of creating value for the Portuguese society, providing high-quality banking services to retail and corporate customers, thus contributing to improve the well-being of the Portuguese families and to develop the business sector, generating adequate profitability for the shareholder. CGD ensures that its customers have access to a diversified set of high-quality financial products and services, with a particular emphasis on the attraction of savings and the granting of medium- and long-term loans, based on an efficient corporate governance model in compliance with the highest ethical standards.

## VISION

The shareholder's vision for CGD is that of a reference institution in the financial system and leader in the banking sector in Portugal, which is always committed to enhancing its competitive advantages and guaranteeing levels of solidity, profitability, service and efficiency in line with best practices in the European banking sector.

## VALUES

CGD's activity and conduct are guided by the following core values:

- **Trust**, guaranteeing the security of depositors, promoting a long-term relationship with customers and favouring their loyalty, by providing a high-quality service and a product offer adjusted to its risk profile, thus reinforcing the institution's stability and financial soundness;
- **Profitability**, ensuring an adequate remuneration of public capitals, based on the sustainability of its business model and on an effective and strict management;
- **Transparency**, providing services and communicating, externally and internally, in a truthful, clear and objective manner;
- **Integrity**, in scrupulous compliance with all legal, regulatory and contractual provisions, respecting ethical values and abiding by the rules of conduct in force;
- **Professionalism** in order to provide the best service to its customers and establish relationships with all the stakeholders, with high technical competence, rigour and diligence;

- **Proximity**, through a comprehensive network of bank branches in Portugal, as well as through remote channels based on the use of new technologies, guaranteeing an innovative, diversified and accessible offer;
- **Responsibility** towards its customers who entrust it with their savings, investors and society, being involved in programmes and initiatives in the areas of social responsibility, sustainable development and financial literacy;
- **Culture of risk and rigour**, ensuring compliance with the best practices in risk management, reinforcing the trust of customers, markets and shareholders through an adequate balance sheet management;
- **Innovation**, investing in technological progress, leading digital banking in Portugal, with open architecture solutions, in a logic of multichannel response to the evolution of customer expectations and preferences.

Therefore, in view of the above, the Institution should explore its **competitive advantages**. CGD is the most well-known financial brand in Portugal, serving the widest base of customers and holding a network of branches with great capillarity, based on a relationship of proximity, experience and trust with its customers. The bank also has a significant presence in the provision of banking services in Portuguese-speaking communities.

CGD is recognised by families as a safe banking institution, a fact which allows it to have a highly stable deposit base, and lead the granting of medium- and long-term loans. Its activity is supported by a high capacity of access to international financial markets. We should also add that CGD has a commitment to social and environmental responsibility, digital inclusion and sustainable development, which is recognised by its stakeholders.

The vision for CGD and its guidelines, as established by the shareholder, are based on these competitive advantages, which are decisive for the pursuit of its mission in strict compliance with the fundamental values that have been defined.

## POLICIES AND LINES OF ACTION OF THE STRATEGY IN PLACE

CGD's activity is governed by the following **guidelines**:

- Sustainability of the business model, ensured by the profitability of its operations, associated with appropriate risk management, and by a comprehensive network of financial services;
- Support to the economy, gearing its lending activity towards companies, in particular by promoting internationalisation and operationalising lines of support to small- and medium-sized enterprises;
- Maintaining CGD's role in the provision of banking services to retail customers, as well as in the attraction of savings, ensuring a comprehensive coverage and a high-quality service;
- Efficient corporate governance model, in line with recommended best practices;
- Continuous appreciation of the employees, promoting merit, initiative and the development of human capital, in a framework of balanced labour relations that foster productivity;
- Keeping up with technological developments in the financial sector, both within the institution, making the necessary adaptations to allow CGD to remain competitive in a dynamic and competitive market and to lead digital banking in Portugal, and in its relationship with its customers, financing investments in innovation and the technological development of companies;
- Ensuring the CGD's international dimension, geared towards business with countries and territories with strong cultural and commercial ties with Portugal and enhancing the value of the CGD brand;
- Commitment to the principles of social responsibility, sustainable development and respect for stakeholders.

## BRAND - REPUTATION, VALUE AND DISTINCTIONS



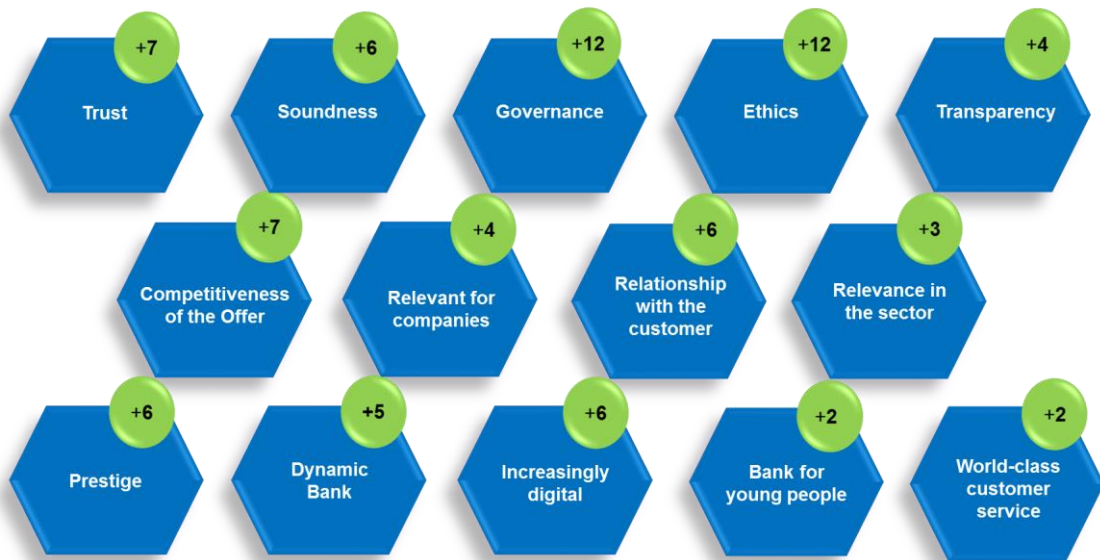
In 2018, CGD continued to be the most reputed brand according to the Marktest Reputation Study; it reached the highest financial value of 139.3 M€ - for the reputation of a brand of the banking sector in Portugal, according to the 2018 OnStrategy Reputation Study.

Source: Marktest Reputation Index Reputation Study – 2018.

According to the BrandScore 2018 - SCOPEN study, CGD continued to rank first in brand awareness in the banking sector. In addition, the main image indicators rose in 2018, compared to 2017. According to Brandscore's study, "Ethics" and "Governance" were the indicators that rose the most in 2018, assessed by CGD customers with an additional 12 points compared to 2017. "Trust" and "Soundness" recovered 7 and 6 points, respectively, obtaining a very positive assessment, and the "Transparency" indicator reversed the downward trend, recovering four (4) points compared to the preceding year.

### Brand and Reputation Indicators 2018

Developments in the main Brand and Reputation indicators in 2018, compared to 2017



Source: BrandScore – SCOPEN

CGD's Overall Image is very positive. Customer retention is increasing, reducing the likelihood of customers choosing another Bank and the brand's reputation is improving together with the improvement of the attributes deemed crucial for the Bank's Sustainability; CGD's relevance for companies and the banking sector stands out, with a very positive assessment.

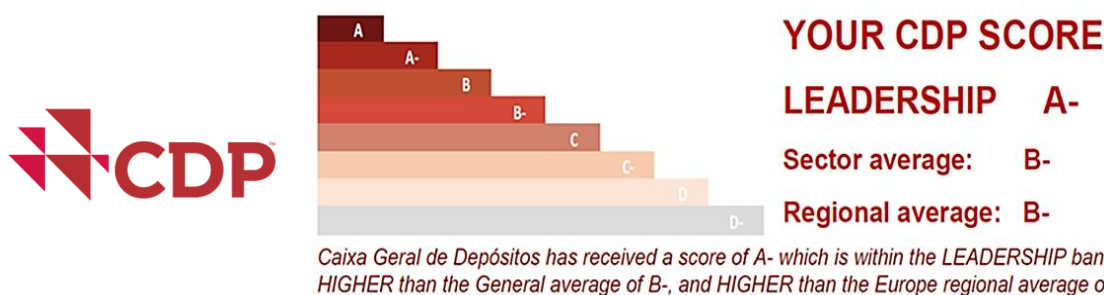


Financial value of the CGD Brand 2018. Source: "The Banker Top Worlds Brands 2018".

According to The Banker, in 2018, CGD held the most valuable banking brand in Portugal, worth 181 M€; it stood out in the 2018 Top 1000 World Banks ranking, as it rose to 154th, up 106 places compared

to 2017 (ranked 260th). CGD is also the Western European Bank with the greatest increase in *Tier 1 Capital* in 2017 (+132%), following the implementation of the recapitalisation plan agreed between the European Commission and the Portuguese State.

### CGD is on the “2018 Climate Change A List”



CGD's rating in CDP's 2018 Climate Change. Source: CDP

The "A -" rating obtained in the CDP's 2018 *Climate Change* questionnaire recognises CGD as the leader of its sector in Portugal, namely for its adaptability and mitigation within the scope of climate change, its performance in the reduction of GHG, its approach to climate-related risks and its efforts geared towards the transition to a Low-Carbon Economy.

In 2018, only 17% of all world companies that responded to *Climate Change* were rated "A -" or "A". CDP is a non-governmental organisation that provides the largest, most comprehensive, and reputed international environmental information system on nearly 7,000 companies and/or organisations from different economic sectors and 70 countries.

The ratings assigned by the CDP provide information to support the decisions of large investors and funders as to the performance and level of commitment of companies when it comes to managing the risks associated with adaptation, mitigation and opportunities arising from climate change.

### CGD above the global financial sector average in the Dow Jones Sustainability Index

CGD responded voluntarily to the 2018 *Dow Jones Sustainability Index* (DJSI) questionnaire, which is in line with the best international practices and trends in Sustainability, reaching an overall result above the average of the global financial sector.

The DJSI is the result of an evaluation carried out by Robeco *Sustainable Asset Management* (SAM), which assesses and rates companies according to their degree of compliance with Sustainability indicators in economic, social and environmental areas; the weight of each indicator may vary each year, according to current or mainstream international practices. The assessment report associated with the DJSI consists of a *scorecard* with a score for each Sustainability indicator that is reported, in which companies can compare their results against the average, *top and low scores*, and according to their sector.

### Caixadirecta Awarded – best Homebanking website 2018

For the first time, CGD was distinguished by the readers of the PC Guia magazine, winning the Award for "Best *Homebanking Website* 2018" consolidating its position as "Digital bank of the Portuguese, simple and for all". CGD is the leader in the number of Internet banking users in Portugal, with more than one million customers, about 47% of the total of homebanking customers nationwide.

### Caixagest: Best Portuguese Managing Company 2018

The consistent results obtained by the Caixagest funds continue to merit recognition from entities such as Morningstar, one of the world's leading fund information experts.

### Caixa Contact Centre (CCC) recognised with Certification

CCC is now certified according to the ISO 9001:2015 standard, thus maintaining the Quality and Service Excellence that earned it its first certification in 2013. APCER, as certification body, highlighted the following strengths:

- Strategic interest of the activity for CGD's purposes and objectives
- Context analysis and SWOT analysis
- Contact quality monitoring
- Service level monitoring
- Skill management
- Approach to Stakeholders and connection to Risks and Opportunities

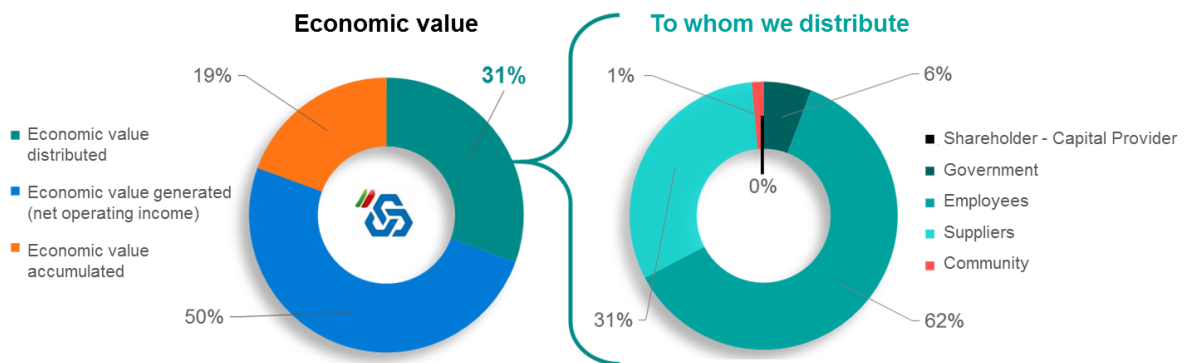
As ISO 9001 is the most commonly used standard and an international reference for the Certification of Quality Management Systems, this recognition is a source of satisfaction, since it represents the effort, determination, effectiveness and efficiency that, on a daily basis, support our remote customer service, also available to the public in general, enabling us to achieve the desired service levels. A focus on continually improving Customer experience and, consequently, their level of satisfaction with CGD.

### ACTION AND DISTRIBUTION OF VALUE TO STAKEHOLDERS

CGD and its Group ensure a comprehensive and universal service that generates and distributes Value across several financial areas, addressing it to different groups of stakeholders and geographies.

Commercial banking	Investment banking, risk capital and brokerage	Asset management
Specialised credit	Auxiliary services	Shareholding management

#### Caixa Geral de Depósitos, S.A.



(Amounts in Euros)

Economic value distributed (Including Community)	794.402.508	Shareholder - Capital Provider	0
Economic value generated (net operating income)	1.299.218.363	Government	46.558.053
Economic value accumulated	504.815.855	Employees	496.022.524
		Suppliers	251.811.483
		Community	10.448.133

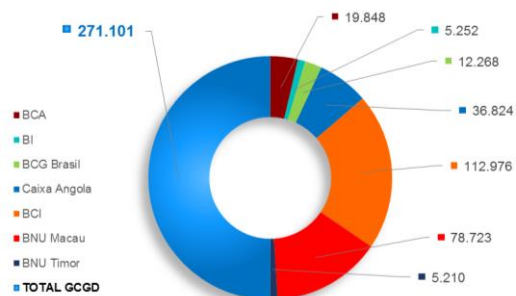
#### CGD Group | International



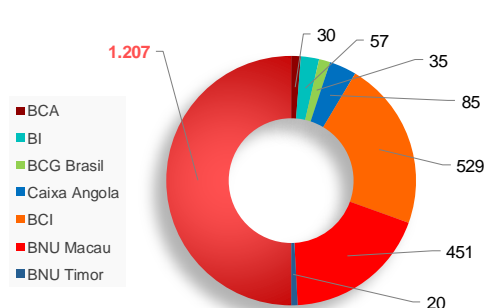
### Economic Value (Amounts in Euros)

	BCA	BI	BCG Brasil	Caixa Angola	BCI	BNU Macau	BNU Timor
Economic value distributed (Including Community)	19.848	5.252	12.268	36.824	112.976	78.723	5.210
Economic value generated (net operating income)	28.730	9.875	17.469	104.568	191.779	114.941	10.156
Economic value accumulated	8.882	4.622	5.200	67.745	78.803	36.218	4.946

**Economic Value Distributed**  
(including Community)

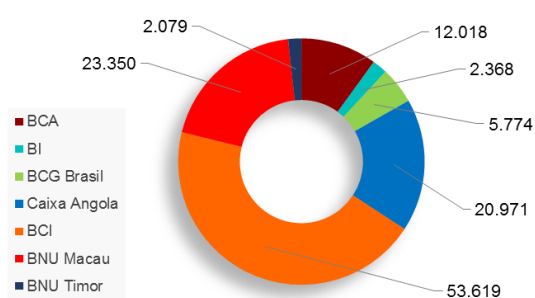


**Investment in the Community**

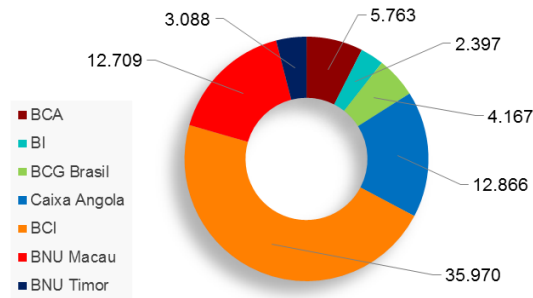


To whom we distribute	BCA	BI	BCG Brasil	Caixa Angola	BCI	BNU Macau	BNU Timor
Shareholder-Capital Provider	533	0	0	0	0	33.347	0
Government	1.504	219	3.360	2.902	22.858	8.866	23
Employees	12.018	2.368	5.774	20.971	53.619	23.350	2.079
Suppliers	5.763	2.397	4.167	12.866	35.970	12.709	3.088
Community	30	57	35	85	529	451	20

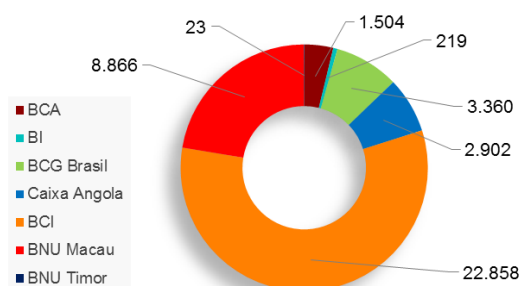
**Employees**



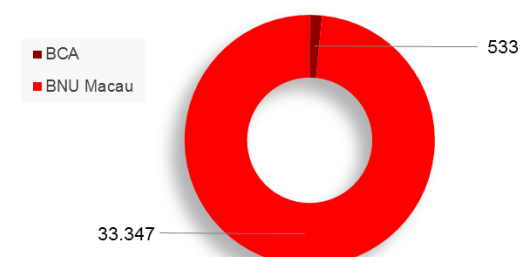
**Suppliers**



**Government**



**Shareholder – Capital provider**





## SUSTAINABILITY STRATEGY 2018-2020

The strategy adopted by CGD and defined based on the 2017-2020 Strategic Plan shows the rationality and sustainability of the investment decision of its sole shareholder. The Strategic Plan has five key pillars:

### Pillars of the 2017-2020 CGD Strategic Plan



CGD generates value for its stakeholders by promoting the sustainable management of its resources, based on ethical principles and economic, social and environmental responsibility. By increasing customer loyalty, integration and satisfaction by strategic objective associated with sustainable performance, CGD contributes to the social and economic development of citizens, families and companies and to the future of Portugal.

Corporate Sustainability Strategy						
<b>Vision</b>	Caixa for the Future.					
<b>Mission</b>	More value for customers, greater social advancement, less environmental impact. Better <b>profitability</b> for the future.					
<b>Strategy</b>	Increasing customer integration and satisfaction by strategic goal and corresponding action plan, contributing to the social, digital and economic development of each Customer, families and companies.					
	<b>Accessible Business</b> Value Creation	<b>Social Responsibility</b> Social Progress	<b>Environmental Footprint</b> Less Impact	<b>Risk</b>	<b>Ethics</b>	<b>Stakeholders</b>
	Offering innovative, profitable and sustainable products and services, ensuring <b>proximity and accessibility</b> to customers and the public in general, with rigour and objectivity.	Contributing to the socio-economic, cultural and digital inclusion of the citizens; managing the employees' talent and meritocracy; operating according to the values of active citizenship and <b>respect</b> for the protection of Human Rights.	Promoting operational eco-efficiency, minimizing the consumption of materials, energy and other natural resources. With <b>responsibility</b> , playing an active role in the commitment to sustainable development.	Managing the socio-environmental risk in operations, reputational risk and protection of tangible and intangible assets, <b>ensuring investment security</b> and promoting a <b>culture of risk and rigour</b> .	A corporate culture of <b>integrity</b> based on an ethical and transparent conduct and on principles, policies and commitments geared towards the security and trust of the stakeholders and the shareholder.	Establishing trustworthy partnerships and relationships, providing <b>transparent information</b> and creating value for the stakeholders..
<b>Purpose</b>	Being the "Bank of the Portuguese".					

In keeping with its centenary mission of commitment to the Portuguese economy and society, CGD's Sustainability strategy addresses the generation of value through the development of its tangible and intangible assets, the economic and technological progress of its customers and companies, the social and digital inclusion of individuals and families, the protection of fundamental human rights, the respect for our common natural heritage. The experience and knowledge of those who strive to develop CGD day after day contribute to support the path we've travelled and the path that lies ahead of us, promoting trustworthy relationships, multiplying solidarity, preserving legacies, based in a medium- and long-term vision aimed at a continuously sustainable progress.

The 2018-2020 Sustainability Strategy, aligned with CGD's Strategic Plan and respecting the assumptions of the Sustainability Policy, establishes six areas of structural intervention - Accessible Business, Social Responsibility, Environmental Footprint, Ethics and Compliance, Risk Management and Involvement with Stakeholders - which are reflected in annual activity plans, which give continuity to the commitments that we've undertaken.

## CGD Sustainability Strategy 2018-2020



### Three strategic lines of our commitment to Sustainability

- i. Accessible Business - The first key line of the Sustainability Strategy, it aims to contribute to a more innovative offer; industry 4.0, socio-economic and digital inclusion; cross-cutting financing of the green/circular, blue (oceans/sea) and social "economies"; attracting new businesses and customers; a strong position to consolidate Trust and Good Reputation.
- ii. Social Responsibility - The second line fosters socio-economic, cultural and digital advancement ("social lift") of third-sector individuals and entities, as well as the fight against poverty and social exclusion, through the Caixa Social Programme; equity and diversity in the hiring and management of human capital; the management of talent and meritocracy; work-life balance; a corporate culture anchored in the values of Volunteer Work and in the sharing of skills - Corporate Volunteering.
- iii. Environmental Footprint – The third strategic line represents the commitment to reduce the impact on the environment and the surrounding communities on behalf of the bank's activities through the Low Carbon Programme; mitigate waste and optimise the material, natural and energy resources used in everyday activities through the Environmental Management System (EMS); eco-efficient means and structures; the commercial fulfilment of opportunities arising from the "circular economy", the "sea economy" and digital evolution; managing the supply chain in line with CGD's operating values and principles; preserving the Portuguese natural heritage and ecosystems; establishing partnerships for Sustainability.

### Three key links of our Sustainability Strategy

A triad of cross-cutting links for a "Leading Institution": Ethics, Risk and Stakeholders.

- i. Ethics - Driven by the compliance functions, this link strengthens a corporate culture geared towards rigour and resilience, codes of conduct, the policies and commitments that have been undertaken, contributing to the security and trust of the stakeholders and the shareholder, in

compliance with the legislation and sectoral regulations, ensuring that Reputational Risk is managed in line with the best Governance practices.

- ii. **Risk** - A key link for preventive management, geared towards the safeguarding and development of CGD's assets and activities under social and environmental criteria, which complement the economic indicators, aimed at detecting and mitigating occurrences or damages potentially harmful for Caixa, namely with regard to financing models and opportunities for investment, managing the socio-environmental risk potentially present in commercial operations in line with the national and European regulatory trends.
- iii. **Stakeholders** – CGD has a permanent commitment to manage its stakeholders' expectations, mainly those regarded as "relevant" (customers, employees, suppliers, regulator, shareholder and entities representing groups of stakeholders), which allow us to assess levels of satisfaction and opportunities for improvement through a continuous dialogue based on transparency and trust, capable of resulting in a regular contribution to the sustainable development of Caixa's performance and position.

Within the six areas of action of the 2018/2020 Sustainability Strategy, we defined key performance indicators taking into account their relevance to CGD's activity. The rate of implementation of the actions planned for 2018 included in the 2018-2020 Sustainability Strategy was 82%. The Management and Accounts Report and the Sustainability Report provide detailed information on key performance indicators and their evolution.

### **Governance (ESG) - Sustainability Management Model**

CGD has updated its Sustainability management model by integrating good practices and valuing recommendations from international entities such as the Task Force on Climate-Related Financial Disclosures (TCFD) and UNEP FI's Principles for Responsible Banking.

To achieve this goal, the Board of Directors is the CGD Group's highest decision-making body for policies and strategies related to Sustainability, and the Executive Committee is the body that monitors the progress made in the implementation of the most important initiatives in CGD and in the Group companies, with the aim of generating value and profitability for CGD.

The Governance Committee ensures compliance with governance principles and assesses Sustainability strategies and policies, proposing guidelines on Sustainability strategy, social and environmental responsibility to the Board of Directors.

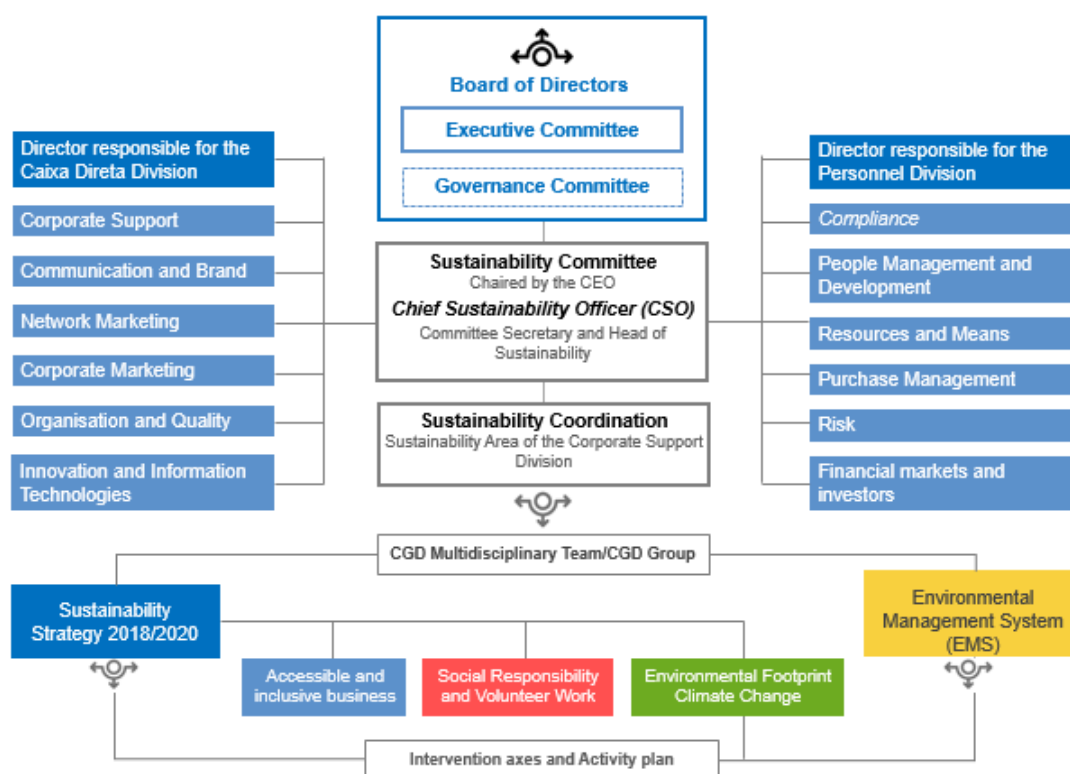
The Sustainability Committee is an advisory body of the Executive Committee, chaired by the Chairman of the Executive Committee and composed of managers of the different corporate areas responsible for implementing the activities that have been defined. It meets, at least, every six months and proposes, coordinates and promotes the implementation of the annual activity plan, among others, reporting to the Governance Committee.

The Chief Sustainability Officer (CSO) is a key position created by the Executive Committee in 2016, acting as CGD's official representative for these matters, Secretary of the Sustainability Committee and head of the Sustainability Area.

The Sustainability Area, which is part of the Corporate Support Division, coordinates the strategic initiative plan, programmes and related systems, being responsible for internal mechanisms and circuits that monitor performance indicators, assessment procedures and reporting processes.

The subsidiaries and local branches of the CGD Group in Portugal and abroad have, within this scope, their own management models and have Sustainability initiatives adapted to local requirements and commercial contexts, in line with CGD's comprehensive strategy and in compliance with the prevailing corporate policies. CGD Sustainability Report covers the performance of those entities, consolidating the CGD Group cross-cutting commitment to Sustainability.

## Corporate management model for Sustainability



The sustainability performance of the Institution is disclosed to the stakeholders through the Sustainability Report, under the guidelines of the Global Reporting Initiative (GRI) and the "Comprehensive" option of the GRI Standards 2016, and independently verified by an external entity.

The Corporate Sustainability Programme is supported by a Sustainability Policy that brings together the four positioning vectors that guide CGD's activity: (i) economically profitable; (ii) financially viable; (iii) socially fair, and (iv) environmentally correct. Through this programme and, in particular, the Sustainability Strategy for the 2018-2020 triennium, CGD has been working continuously, efficiently and effectively, to reduce the exposure of its activity to risks arising from economic, environmental and social impacts.

The Corporate Sustainability Programme has been promoted within CGD and its Financial Group through the development of a set of themes and goals, which in recent years have contributed to the consolidation of several benefits, namely: reducing costs and improving operational efficiency; obtaining additional income; retaining talent; monitoring and meeting the expectations of several groups of stakeholders; monitoring regulatory trends; mitigating risks; promoting an innovative offer and improving the brand's reputation and image.

The sustainability management model can be found on the 2018 Annual Report.

### POLICIES AND ADHESIONS

Policies and commitments guide CGD's activity in terms of fundamental values and sustainability, fostering the prevalence of ethics, rigour and transparency in all activities and operations, binding employees and functional structures, Group companies and, where possible, partners and stakeholders.

In this context, in 2018, CGD published and disclosed, namely on its corporate website, four new policies with guiding principles that cover its activities, employees and other stakeholders: (i) the Declaration of Commitment to Human Rights, (ii) Sectoral Exclusion and Limitation Principles, (iii) Tax Principles, and (iv) the Business Continuity Policy.

In 2018, the following documents were updated or developed:

- Code of Conduct
- Sustainability Policy

- Quality Policy
- Policy and Plan for the Prevention of Corruption and Related Offences
- Community Involvement Policy
- Product and Service Policy
- Environmental Policy
- Handbook of Good Practices for Suppliers
- Declaration of Ethical Principles and Good Business Practices for Suppliers

### Human Rights and Non-Discrimination

By binding all the activities and relationships ensured by CGD and its employees, the Institution reflects the applicability of its policies - in particular: the Code of Conduct, the Declaration of Commitment and Respect for Human Rights and the Community Involvement Policy - regarding the management of its human assets, by ensuring developments in equal treatment and opportunities, in terms of sex and gender, equity in hiring, career advancement and basic pay, as well as the principle of "non-discrimination". In this context, as an example, more than 2% of its employees have functional diversity, with disabilities rated 60% or higher, being integral and active members of the CGD community, contributing to a culture of responsibility, resilience and solidarity.

### Product Governance, Approval and Monitoring Policy

Due to their nature and importance in the day-to-day life of citizens, financial products and services are subject to permanent scrutiny by the supervisory entities, as well as by customers and consumer protection organisations, self-regulatory entities, sectoral representation entities, as well as the legislator.

The marketing of CGD's financial products and services complies with strict internal control mechanisms, from design to sale, dissemination and promotion, in order to ensure compliance with all legal and regulatory obligations, as well as with the best practices disseminated by national and international entities and with the ethical principles governing the Institution. This policy therefore assigns to the Compliance Support Office (GFC):

- The responsibility to check whether the characteristics of the new products, as well as the pre-contractual information provided to customers, sales support documents and advertising are in line with the legal framework in force, future known amendments to legislation, regulations and supervisory requirements, along with CGD's ethical practices and principles.
- The analysis of the specific risks of money laundering and terrorist financing related to new products.

In 2018, 77 products and services were subject to the "Product Approval Process", plus one product - in the meantime subject to prior approval by the competent supervisory authority -, and all of them were validated in terms of legal and regulatory compliance.

CGD voluntarily endorses principles and/or fundamentals issued by national and international organisations which are complementary to the corporate policies and codes in force within the scope of the Sustainability Programme, namely:

- **The 10 Principles of the Global Compact of the United Nations (UN)** – The Global Compact, through the capillarity of its local networks around the world, which include Portugal, represents the largest business initiative of Sustainability worldwide. In this context, aware of the commitments it has undertaken, CGD annually shows its progress in complying with the principles in question by responding to the Communication on Progress (COP) questionnaire, obtaining the classification of "Advanced" as regards the quality, diversity and accuracy of the information it reports.
- **The 17 Sustainable Development Goals (SDGs) of the UN** - CGD incorporates the SDGs into its performance and contribution to Sustainability, under the assumption that they are relevant for the 2030 World Agenda, which outlines the path to fostering peace, ending extreme poverty, combating inequality and injustice and protecting the planet, promoting partnerships capable of generating economic and financial value, balancing risk management with socio-environmental demands and opportunities.

- **Charter for Responsible Business of the European Savings Banks Group** - As member of the European Savings Banks Group (ESBG/ WSBI), CGD endorses the Charter for Sustainable Business, reflected in a performance guided by the following operating principles: (i) Fair and transparent relationships with customers; (ii) Promotion of financial accessibility and inclusion; (iii) Environmentally-friendly business; (iv) Responsible contribution to the community; (v) Development of responsible relationships with employees, and (vi) Communication.

In addition, CGD participates in working groups and or integrates the governing bodies of national and international organisations, namely:

- **Sustainable Finance Working Group (SFWG), of the European Banking Association (EBF)** - Representing the Portuguese Banking Association (APB), CGD is a member of the "Sustainable Finance" working group and the "Taxonomy" subgroup.
- **Corporate Social Responsibility and Sustainable Development Committee (CSR-SD), of the European Savings Bank Group** - CGD and Caixa Económica Montepio Geral are the only Institutions that represent the Portuguese financial system in this working group focused on a consequent reflection, alignment and discussion of European regulations applicable to the sector. This group, due to its capillarity and specificity within the European banking context - being composed of representatives of French, Italian, German, Austrian, Spanish, Greek, Norwegian, and Swedish savings banks, among others - is regularly consulted by the European Commission, through the presence and intervention of Commissioners and other representatives of the EC, Parliament and/or EU institutions, bodies and agencies.
- **"Sustainable Finance" Working Group of the Portuguese Banking Association (APB)** - CGD, together with representatives of all the Portuguese banks, is a member of the working group aimed at disseminating the European agenda for "sustainable finance" from an informative and constructive perspective on responsiveness, where required by European entities, namely the EBF and the EC, and anticipating impacts and adaptations that should be considered.
- **UN Global Compact - Network Portugal** - CGD is a member of the *Board* of the Global Compact Network Portugal, which reports directly to the Headquarters of the United Nations, in New York.
- **Sustainable Development Goals Alliance, Portugal** - CGD is a member of the Coordinating Commission of the Sustainable Development Goals Alliance, under the 2030 Agenda, which is embodied in the aggregation of the contributions of its 126 institutional members representing all social, economic, public, private, institutional and non-governmental sectors of the country.
- **Group of Reflection and Support to Corporate Citizenship (GRACE) - Member of the Board of Directors** - CGD joined this entity with about 170 members in 2015; its purpose is to strengthen and enhance the contribution of the business sector to social development, without neglecting the importance and opportunity of environmental aspects for the necessary balance between quality of life and business profitability. In 2018, CGD joined the Governing Bodies (Board of Directors) of GRACE for the 2018/2020 triennium.
- **Group for Strategy Implementation, Monitoring and Assessment (GIMAE)** - The GIMAE coordinates the implementation of the National Strategy for the Integration of Homeless People (ENIPSSA), managed by the Institute of Social Security (ISS, I.P.) and composed of public and private entities. CGD is the only representative of the Portuguese banking sector since March 2018, taking into account the responsibilities assigned to it as a state-owned bank responsible for specific banking operations aimed at specific target audiences.
- **SmartWastePortugal (SWP)** - As an associate and founding member, CGD collaborates and contributes to the recovery and disposal of waste (National Waste Sector), within the framework of the circular economy, asserting its role in the socio-economic and environmental development of the country, together with more than 95 associated entities.

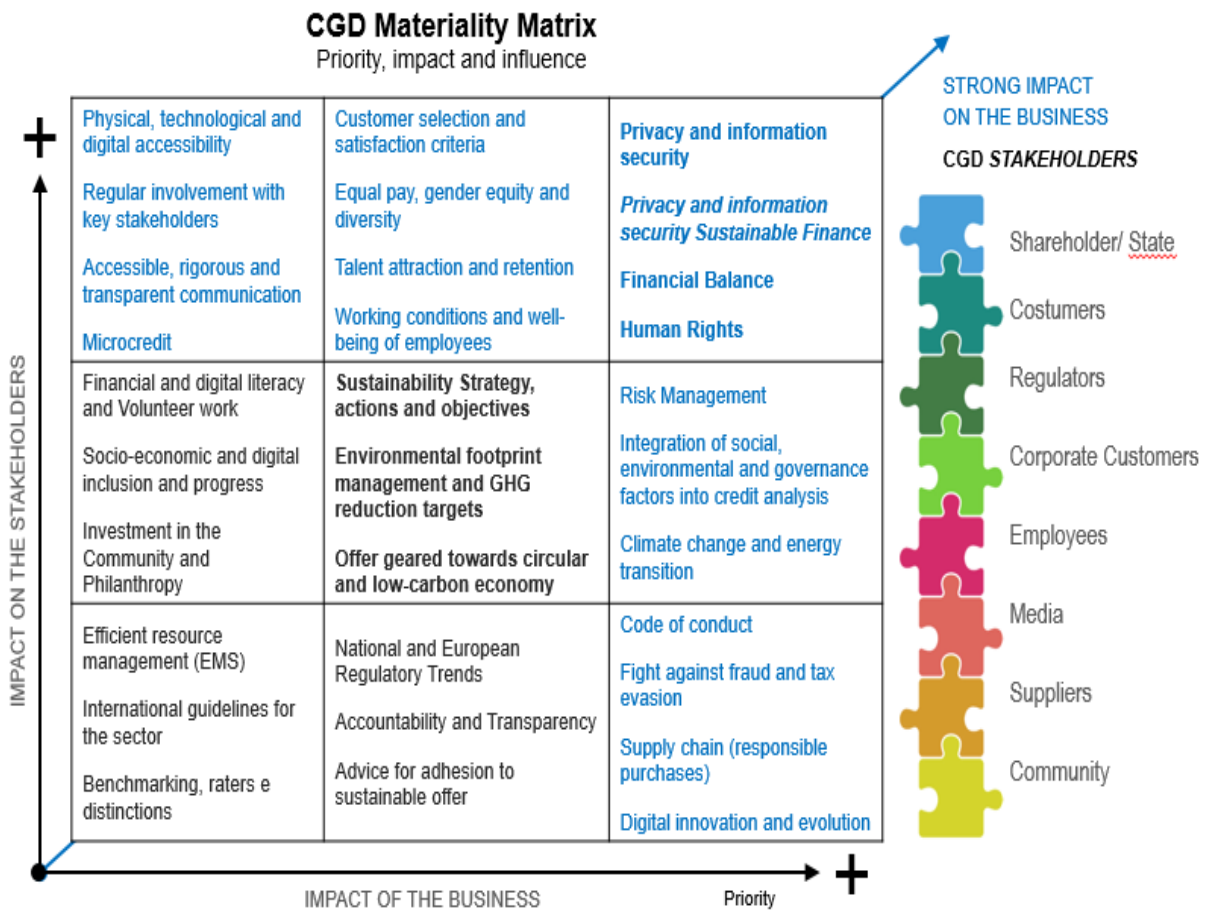
- BCSD Portugal** - Being a member since 2008, it has endorsed the Charter of Principles of the BCSD Portugal - Business Council for Sustainable Development which establishes guidelines for good business management, aimed at small, medium-sized and large enterprises. This partnership strengthens CGD's performance beyond the legal framework, with standards and practices aligned with management, social, environmental and quality standards, in any context of the global economy.

## MATERIALITY AND RELATIONSHIP WITH STAKEHOLDERS

CGD considers that a continuous dialogue with its stakeholders is essential for the sustainable development and evolution of its activity, using, for this purpose, various relationship means and channels that ensure contact with the various interest groups.

In this context, the Institution's materiality matrix incorporates the vectors deemed essential to its contribution to sustainable development, taking into account the monitoring of the challenges posed to its sector by the various stakeholders and society in general, especially those with the greatest influential or transformational power. Furthermore, CGD's materiality matrix is inspired by the latest international guidelines with the greatest influence on States and regulatory/supervisory bodies, thanks to their structuring nature and to the fact that they challenge the competitiveness of the front runners of the financial industry.

The materiality assessment process contributed to the Institution's strategy, corroborating the pre-defined path and/or realigning it with its financial performance needs and its desired position in this context, by identifying themes that will potentially lead to the development of banking activities and financial results in the short, medium and long term, positively influencing the brand's reputation and trust in CGD and its Group entities.




## Relationship with Stakeholders


Group of Stakeholders	Relationship	Frequency
<b>Shareholder / State</b>	General Assembly	Annual
	Report	Quarterly
	Sustainability Survey	Every two years
<b>Private Customers</b>	Satisfaction Surveys	Half yearly
	Cx Magazine (digital)	Quarterly
	WebSite CGD	Ongoing
	Caixa Woman, Caixa News and Caixa Gold Newsletters	Where appropriate
	Portal Caixa Advantages	Ongoing
	Social Media	Ongoing
	Customer Area - Suggestions and Complaints Service	Ongoing
	Commercial Network	Ongoing
	Communication Campaigns	Where appropriate
	Sustainability Survey	Every two years
	<b>Corporate Customers</b>	Satisfaction Surveys
Caixa Empresas Newsletter (for companies)		Monthly
Cx Magazine (digital)		Quarterly
WebSite CGD		Ongoing
Portal Caixa Advantages		Ongoing
Social networks		Ongoing
Sustainability Survey		Annual
<b>Regulators</b>	Specific instructions from regulators	Ongoing
	Clarification requests	Ongoing
	Participation in national and international Working Groups	Ongoing
	Personal supervisory actions	Ongoing
	Public Consultations	Ongoing
	Production of reports	Ongoing
	Sustainability Survey	Annual
<b>Suppliers</b>	Regular meetings and contacts	Quarterly
	Sustainability Survey	Annual
<b>Employees</b>	Employees Committee	Monthly
	Intranet	Ongoing
	Portal Caixapessoal	Ongoing
	WebSite CGD	Ongoing
	Newsletter Caixa Noticias	Monthly
	Training Initiatives	Where appropriate
	Performance Assessment	Annual
	Organizational Climate surveys	Where appropriate
	Sustainability Survey	Annual
	Microsite Nós Caixa	Ongoing
	Caixa Info	Where appropriate
	Comercial Agenda Newsletter	Monthly
Internal publications (brochures, guides, manuals, leaflets and posters)	Where appropriate	
<b>Community</b>	Foundation CGD Culturgest	Ongoing
	Protocols with Higher Education Institutions	Annual
	Website CGD	Ongoing
	Community Platform	Ongoing
	Sustainability Survey	Annual
<b>Media</b>	Press Office	Ongoing
	Website CGD	Ongoing
	Sustainability Survey	Annual



## 4. Our Financial Value

CGD's determination to comply with its strategic plan is aligned with its ambition of continuous and innovative growth, contributing to sustainable economic performance.



**Financial Value** 

**ACCESSIBLE BUSINESS**

- 572 branches and 29 offices
- 3 Mobile Branches = 43,000 customers, 52 towns/cities and 18 municipalities
- 45 agreements for cooperation with Higher Education Institutions
- 22 billion euros in deposits and savings 1.4 million active digital customers in the best homebanking in Portugal: CaixaDirecta Online
- 102 million euros in transactions with the Caixa Viva card that encourages the use of public transportation
- 950 thousand euros for Companies affected by Fires

**AND INNOVATIVE**

- Remote account opening via video call
- Launch of the Digital Passbook and the digital inclusion programme
- Caixagest Investimento Socialmente Responsável Open-End Real Estate Investment Fund - 87.3 million euros under management
- Caixagest Energia Renováveis Open-End Alternative Investment Fund - 8.3 million euros under management

In 2018, CGD returned to good financial results after a period of demanding challenges that led to the deep restructuring of this institution, a reference in the Portuguese financial system.

A complex equation of values and resources underpinned these financial results, made possible through the combination of the dynamic capabilities disseminated across its management and the value indicators that turn CGD into the "Bank of the Portuguese", synthesised in the various forms of value that capitalise on its skills, its control of the financial sector and its knowledge of the market, giving it a greater competitive advantage: its Institutional, Financial, Human, Relationship, Social, Cultural and Natural Value. This aggregate contribution underpins CGD's vision as a trusted brand, continuously investing in the satisfaction of its stakeholders and establishing itself as the right choice in the markets in which it operates. Generating good results and preserving values illustrates CGD's best asset: its medium- and long-term Sustainability.

The economic vector, the first key line of the Sustainability Strategy, recalls the Product and Service Policy and aims to contribute to business accessibility and a more innovative offer; industry 4.0; socio-economic and digital inclusion; cross-cutting financing of the green/circular and social "economies"; attracting new businesses and customers; a strong position to consolidate Trust and Good Reputation.

In 2018, CGD's activity was geared towards the main actions that enable its medium-term sustainability, supported by an improved customer experience, increased pro-activity, commercial dynamics, a suitable offer and service levels. The retail and branch network had a very good performance, making progress on all business fronts:

- **Growth in Credit Production**, Home Loans, +27% (14.4% Share), and Medium-/Long-Term, +17%;
- **Improved disintermediation**, mutual funds (FIM), +17% (33.2% Share), retirement saving plans (PPR), +25%;
- **Improved Loyalty** with 1.4 million Caixa Accounts.

## ACCESSIBILITY - DISTRIBUTION NETWORK AND CHANNELS

In 2018, CGD continued to optimise its distribution and service network, adjusting its geographic footprint and its presence in the domestic retail segment; at the end of the year, it had 522 universal branches (65 less than in 2017) and 25 Caixa Empresas Offices, totalling 547 business units, plus 27 automated branches.

Within the scope of the plan for restructuring its Branch network and with the aim of providing service levels adjusted to the needs of the customers, communities and populations and ensure the provision of CGD banking services in areas where these are not available, or where they are very limited, CGD broadened the "Mobile Branch" solution, designed and launched in 2017. This solution consists of a vehicle modified to provide mobile services as a CGD Branch to populations penalised for living in inland areas of the country, far from urban centres, offering all the operations that can be carried out in a regular bank branch, except for those that involve cash transportation (for security reasons and to protect the assets entrusted to the bank by its customers).

In 2018, CGD launched two additional mobile units: (i) on 19 February in Castelo Branco, and (ii) on 3 September in Portalegre. CGD's three (3) mobile units are currently covering a geographic area of about 10,700 km<sup>2</sup>, travelling more than 3,000 km every two weeks to serve a population of 43,000 inhabitants, distributed across 52 towns in 18 municipalities.

At the end of 2018, the self-service network and/or areas had 3,747 pieces of equipment, which registered 239 million operations for a total of 18.6 billion euros.

### University Segment

CGD has been strengthening its leadership in the University segment, with national partnerships with Higher Education Institutions (HEIs) and several cooperation agreements were signed in 2018, among which the protocol with the Catholic University and the renewal of protocols with the Higher Institute of Economics and Management (ISEG), the Polytechnic Institute of Lisbon (IPL) and the Estoril Higher Institute of Hotel Management (ESHE).

CGD has been a pioneering and innovative Bank in its relationship with the Academy for 24 years. It is also the Portuguese Financial Institution in Portugal that has remained committed to Higher Education for longer, incorporating the challenges and needs of academic communities into its offer and commercial relationship. The Caixa IU - Institutes and Universities programme has attracted over one million customers, which are a strategic segment for CGD, which, in turn, supports the continued investment in leadership achieved through national partnerships with HEIs, with 45 agreements of cooperation with some of the main Portuguese Universities and Polytechnics, from which we highlight the Catholic University, the ISEG, the Polytechnic Institute of Lisbon and the Estoril Higher Institute of Hotel Management.

During the New University Term, at the beginning of the 2018/2019 academic year, CGD also reinforced its investment in technological innovation, via digital onboarding processes and fast and efficient contracting, using mobile devices (tablets) to open accounts and enable digital product subscription. The investment of 4.2 million euros in the Academy was made under 45 protocols and covered 56% of the Portuguese academic population.

Over 24 years, CGD grew with the expectations of 370,000 customers - teachers and administrative staff.

## PRODUCTS AND SERVICES WITH ENVIRONMENTAL BENEFITS

The financial sector, one of the main drivers of economic development, plays a structural and potentially structuring role in leveraging a low carbon economy. In this context, CGD follows trends and opportunities generated by new markets and agents of change, integrating aspects of this evolution in its portfolio and developing a financial offer that makes access to environmentally responsible products easier.

The development of products and financial solutions that promote the transition to a more sustainable economic model is, therefore, a key vector of the Low Carbon Programme.

CGD has continued to market several financing lines that effectively contribute to reduce its customers' GHG emissions, covering areas such as Energy Efficiency, Renewable Energy and Sustainable Mobility.

Within the scope of products and services with environmental benefits we highlight:

**Caixa Viva Card:** A bank debit card that allows the automatic payment of trips in the public transports of the Lisbon Metropolitan Area (subway, bus, boat or train). It was designed as an incentive to the use of public transportation. This card recorded 102 million euros in transactions in 2018.

**Caixa Webuy Pre-Paid Card:** Card issued only on paper, without a PIN code, whose sole purpose is to enable safer payments on Portuguese or foreign Internet websites, while contributing to combat tax evasion and dematerialise the use of PVC/plastic. This card recorded 9.6 million euros in transactions in 2018.

**Caixagest Socially-Responsible Investment (SRI):** Open-end investment fund aimed at fostering a diversified investment in shares (maximum 40%, central point 30%) and bonds issued by companies with the best ESG (Environmental, Social and Governance) practices. The main objective of the fund is to give participants access to a diversified portfolio of assets with varying degrees of risk and/or profitability, seeking to invest in companies with the best practices in areas such as respect for human rights, environmental impact or human resources management and excluding entities operating in sectors regarded as controversial (with a negative social impact). At the end of 2018, there were 87.3 million euros under management.

**Caixagest Energias Renováveis (Renewable Energy) Alternative Open-End Investment Fund:** The fund is aimed at financing investment projects that contribute to increase the production of renewable and non-polluting energy, reducing CO<sub>2</sub> emissions and, consequently, improving the quality of the environment. The main goal of this fund is to allow access to the diversified portfolio of assets that are, directly or indirectly associated with renewable energy, environmental quality and "carbon" assets. At the end of 2018, there were 8.3 million euros under management.

**Treasury Support for Companies affected by Fires:** Line of credit with the purpose of creating conditions for companies affected by the large fires that started on 15 October, 2017 to meet cash or working capital needs associated with the relaunch of their activity. In 2018, 950 thousand euros were granted.

**Caixa Empresas Energias Renováveis (Renewable Energy):** This solution aims to promote investment in the area of renewable energy - solar thermal and photovoltaic, hydro and wind technologies, with 20 thousand euros in loans granted.

## PRODUCTS AND SERVICES WITH SOCIAL BENEFITS

CGD enhances its financial offer by developing and facilitating access to products that promote the social and financial inclusion of its customers and contribute to addressing the challenges faced by society in general and some communities in particular - social, economic and digital exclusion, increase access to health care, encourage education and knowledge, foster saving habits and entrepreneurship, from which we highlight the following:

**Basic Account:** Since 31 December 2014, CGD has been offering a demand account exclusively for retail customers - "Conta Base Extrato", following the recommendations of Circular Letter No. 24/2014 of the Bank of Portugal, aimed at increasing transparency and making it easier to compare the offers of the various Banks. This account allows customers to use basic operation and payment services (a Caixautomática Electron/Maestro debit card with free annuity, access to the Caixadirecta service, three free withdrawals per month/account in Branches and free national transfers between CGD accounts) for a single price. On 31 December 2018, there were 1,848 Basic accounts.

**Minimum Banking Services Account:** Since 20 March 2000, CGD has been providing minimum banking services (SMBs), following the signing of the tripartite protocol between CGD, the Portuguese Government and the Bank of Portugal and within the scope of Decree-Law No. 27-C/2000, of 10 March 2000, in order to give customers access to the banking system, regardless of the associated financial conditions.

Intended for retail customers with only one account in the banking system, the SMB account includes, in addition to the maintenance and management of the demand deposit account, access to the Caixadirecta service, an SMB debit card and the following banking operations: (i) deposits, (ii)

withdrawals, (iii) payments of goods and services, (iv) direct debits, and (v) transfers, including standing orders within the European Union, intra-bank credit transfers via ATMs, and 24 SEPA + credit transfers and/or SEPA + standing orders, per calendar year, via the Caixadirecta Online service. The aforementioned services are provided by CGD free of charge. On 31 December 2018, there were 26,153 SMB accounts.

**Emergency Health Personal Loan:** Line of credit for unforeseen health expenses, with exclusive financing conditions for customers with a monthly average income equal to or lower than 3 times the national minimum wage. In 2018, 1.2 million euros of credit were granted.

**Crediformação Caixa:** The purpose of this solution is to provide financial support to higher-education students, both in terms of course-related expenses and the purchase of training-related material. In 2018, 12.8 million euros of credit were granted within this scope.

**Savings and Investment Solutions:** CGD has been pursuing a strategy aimed at creating saving habits among its customers and their families, by offering customer-friendly savings solutions based on a responsible and profitable approach to financial management. At the end of 2018, there were 22 billion euros in savings accounts that allow further deposits.

**Caixa Invest Cultura Criativa** - CGD negotiated with the European Investment Fund the provision of a guarantee under the Creative Europe programme. This financial guarantee instrument aims to improve access to finance by cultural and creative SMEs to support the development of cultural and creative projects and to help make the sector more competitive.

## Economy and Companies

CGD pursues the mission of supporting the Portuguese economy and, at the same time, the ambition of becoming the leading Bank for companies, producers and employers, with a strong presence in its customers' day-to-day lives. The growing demand in the follow-up of this customer segment requires the permanent adaptation of solutions capable of responding to different needs in a timely manner, through a local presence and proximity to the business fabric, enhancing trust and solidity through a specialised network scattered across the Portuguese territory. We should highlight the importance of SMEs as a crucial macro business segment that enables CGD to reach its natural market share, contributing to the sustained development of the Portuguese economy, with profitability and safeguarding the associated risk.

With regard to the support provided to the Portuguese business sector (SMEs and Businesses), we highlight the launch of Linha Capitalizar 2018, a credit solution with a total amount of 1,600 million euros aimed at improving the access of the Portuguese SMEs to finance, with specific sub-lines to support Investment (microenterprises, digitisation) and Treasury.

We should also highlight the launch of Linha Caixa Invest Inovação, stemming from the Innovfin programme of the European Investment Fund with 200 million euros to finance innovation and modernisation projects, and the creation of the Enterprise Overdraft Limit (LDE) in euros and foreign currencies - a differentiating product that increases the number of companies with access to the overdraft facility for occasional cash needs.

The steering of the Corporate Marketing functions allowed attaining indicators that underpin the elements that differentiate CGD and enhance its competitiveness, namely: (i) the most comprehensive offer on the market; (ii) a broad presence in Portugal and another 20 countries, with specialised managers; (iii) leadership in lines of credit under protocols with the Portuguese State; (iv) *internet banking* with added features which is a reference for its users and (v) development of a specific sectoral offer.

In 2018, a set of business levers ensured the dynamics of the aforementioned competitive factors, namely: (i) structural operations aimed at streamlining and automating tasks associated with the credit granting process, in order to streamline customer response times; (ii) upgrading the Empresas Programa de Reconhecimento and Caixa TOP offer, with the main purpose of ensuring greater growth and profitability in this segment, namely among SMEs, giving visibility to companies with a more dynamic

performance and good risk characteristics; (iii) strengthening commercial dynamics and systematics, and (iv) reviewing pricing mechanisms.

The implementation of these levers to support CGD's ambition for the corporate segment has allowed: (i) gaining market share, with emphasis on the leasing of movable and immovable property, external trade and APT; (ii) growing in loans to SMEs associated with manufacturing, transportation and storage, and hotels and restaurants; (iii) financing the economy with 1,700 million euros in medium-/long-term credit and 3,800 million euros in commercial credit, and supporting short-term treasury needs; (iv) attracting new customers and ensuring the retention and loyalty of the existing customers; (v) increasing the number of digital *factoring* and *confirming* transactions and foreign trade documentary operations; (vi) innovating the offer and fostering exports and imports in the agricultural sector; (vii) recognising the best companies via the Caixa TOP Programme; (viii) extending the offer of insurance products, in partnership with COSEC; (ix) ensuring the largest and most comprehensive portfolio of medium- and long-term investment solutions - EIB, EIF, IFD, PME Investimentos, Turismo de Portugal and SPGM, and (x) reaching a leading position in the main government lines.

## FINANCIAL INNOVATION AND DIGITAL TRANSFORMATION

Within the scope of the offer geared towards sustainability, we should stress the importance of Caixagest Investimento Socialmente Responsável (ISR) Fund – Social Responsible Investment Fund - since it combines environmental and social benchmarks and criteria, standing out as an example of social and financial innovation and being the only investment fund in Portugal with these characteristics.

The fires that ravaged Portugal in 2018 prompted debates and attracted the attention of civil society to the preservation of the country's natural capital and biodiversity. CGD responded by providing specific credit lines to support the victims and enable the reconstruction of the damaged areas, with a particular emphasis on the recovery of permanent housing and access to emerging health care services that were not available in a framework of regional disaster, while creating conditions for the recovery and/or continuity of the economic activity of the affected companies and businesses, some of which operated in the agricultural, cattle raising and forestry industries - the most severely affected business sectors.

The Institution continued to support the debate on important topics for the future of society, economy, technological innovation and its impacts, entrepreneurship, Industry and Globalisation 4.0, among others, in order to contribute to an up-to-date knowledge capable of favouring the growth of the Portuguese business community, through "Encontros Fora da Caixa" - a programme geared towards an integrated and strategic vision for Portugal, with the commitment and intervention of the CGD's Board of Directors, travelling across the entire country, with different agendas for discussion and guest speakers and experts who expressed their views to local civil and business communities.

In 2018, we continued to strategically invest in digital means and resources, enhancing the value proposal offered to customers, which is consistent across all channels and points of contact, with the concern of providing local, high-quality services to populations in regions far from large urban centres.

CGD combines the availability of its service portfolio with technological and multichannel innovation - branch network, travelling agencies, digital passbook, Caixadirecta, APPs (mobile), call centre, etc. - and the socio-financial inclusion of people with special needs and/or levels of disability dependent on the availability of exclusive means of contact, relationship and/or mobility.

As part of the digital transformation process, we are now offering the possibility of opening account remotely by video call via CGD's online channels, in any place, meeting the expectations and needs of citizens limited by their daily schedules and/or who are unable to visit a branch, among other reasons.

### Digital Passbook

CGD launched a new digital version of its passbook. The Caderneta App intends to complement customer experience with the historic and emblematic passbook, used by many generations of Portuguese. We are continually committed to and investing in our customers' digital inclusion, in order to facilitate the adoption of new technology for a better and more accessible use of the financial services we provide.

The new Caixa Easy service also showed CGD's digital evolution by enabling customers to make immediate transfers of small amounts via smartphone based on the mobile phone number of subscribers, of customers registered in the service and/or to the demand accounts of MB WAY service users. A new Caixadirecta App was launched with a greater number of features, including facial recognition authentication, voice command operations, and the possibility of paying for services using PDF invoices.

CGD's relationship with the academic population was also based on fully digital banking procedures. Currently, the application for the identification card is completed without the use of paper; mobile devices are used to provide services to new students, and the creation of new customers, the opening of accounts and the activation of services rely on digital and automated processes. This fully digital process aimed at the population of higher education institutions - universities and polytechnic institutes - allowed a significant reduction in paper consumption associated with legal documentation, photocopies and forms, while eliminating the consumption of ink cartridges associated with these procedures.

The renewal of the customer service model in CGD Branches is clear in the Boavista (Porto) and Lumiar (Lisbon) branches, equipped with Wi-Fi and digital platforms for frequent operations; services tickets were eliminated in pilot branches.

At the same time, CGD has been modernising its digital platforms. In 2018, it reached 1.4 million active digital customers, a growth of 9% compared to December 2017. As for corporate customers, 147,000 active customers represent an increase of 4% compared to the preceding year. For more information about Active Digital Customers, please refer to page 781 of this 2018 Management Report.

### **The CGD Group**

With regard to the CGD Group's international branches and subsidiaries, we provide a framework of their scopes of activity and market and highlight some of the initiatives that contributed to the economic development of the communities in which they operate.

#### **Banco Caixa Geral - Angola**

BCGA is an institution incorporated under Angolan law on 2 July 2009, present, in addition to Luanda, in 10 other provinces, being essentially aimed at the large and medium-sized companies and affluent market segments. Its mission is to contribute to the success and growth of its customers and to the progress and development of Angola.

In order to ensure the transposition of the CGD Group's corporate policies on the prevention and management of conflicts of interest to BCGA, in line with the latest requirements issued by the European supervisory authorities, there was an update to BCGA's Policy on the Prevention and Management of Conflicts of Interests, which establishes: (i) operating principles, (ii) rules of professional conduct to be complied with by all employees in the performance of their activities and/or duties and (iii) organisational measures and procedures necessary to ensure an adequate prevention and an effective management of real or potential conflicts of interests, without prejudice to its application being complementary in matters governed by specific regulations.

#### **Banco Comercial de Investimentos – Mozambique (BCI)**

BCI positions itself as a reference in Sub-Saharan Africa's financial system, known for its best practices, competitiveness, innovation and quality of service, aiming at achieving the leadership of the domestic market. In 2018, there were several initiatives aimed at promoting entrepreneurship with the goal of accelerating the growth of micro, small and medium-sized enterprises and boosting their capacity for innovation and job creation.

BCI sponsored the seventh edition of the "Best 100 SME" Awards together with the Ministry of Industry and Trade (MIC) and Sociedade Independente de Comunicação (SOICO). Once again, BCI's sponsorship reinforced its commitment and position as the right partner for SMEs in Mozambique, offering products and services that meet their needs, thus contributing to create wealth, more employment and increase social well-being in Mozambique.

In 2018, the "Super Mentors" project, a platform to support entrepreneurs and microenterprises in Mozambique - the entrepreneurship development programme of the Institute for the Promotion of Small and Medium-Sized Enterprises (IPEME) and CD Brand - contributed to encourage Mozambique's entrepreneurial and innovative spirit, through the creation of micro and SMEs, providing guidance and advice to entrepreneurs so that they can grow professionally, improving their quality of life and ensuring the economic development of the country.

### **Banco Comercial do Atlântico – Cape Verde (BCA)**

BCA's vision is to consolidate its market leadership and be recognised as the most solid and efficient banking institution in Cape Verde, committed to sustainable development and building lasting and trustworthy relationships with all its stakeholders. In 2018, it continued to market products and services that contribute to the economic development of Cape Verde, such as the medium- and long-term line of credit for investment projects and the treasury support line to finance the day-to-day needs of companies.

As part of the World Savings Day celebrations, BCA held awareness-raising events in the cities of Praia and Espargos, with the aim of furthering the participants' knowledge of family budget management.

In order to foster meetings between financial partners and local entrepreneurs, BCA participated in the Meeting with Entrepreneurs organised by the Municipality of São Miguel, where it presented the Line of Credit for Small and Medium-Sized Enterprises (SMEs), an offer of financial products aimed at micro, small and medium-sized enterprises and associations and micro credit and provided clarifications on the guarantees required by the Bank to grant loans.

We should also highlight the BCA Poupança Jovem account, for young people up to 30 years old, which allows accumulating savings and had a deposit balance of 10.5 million euros at the end of 2018.

With regard to electronic channels, 52,057 customers recognise BCA's investment in digital evolution.

### **Banco Interatlântico, S.A. – Cape Verde (BI)**

BI stands out as a provider of a global high-quality financial services, distinguished by its relevance and by the strong responsibility and commitment underlying its performance, contributing to a high ethical standard, the economic development of the country, improved competitiveness, capacity of innovation and satisfaction of employees and other key stakeholders.

In 2018, BI continued to market products and services that contribute to sustainable growth, from which we highlight the University Education Credit line, aimed at increasing the training and qualification of the population of Cape Verde.

In terms of digital financial accessibility, BI had 18,230 BIN@NET active contracts in 2018, 15,274 corresponding to retail customers and 2,956 to corporate customers.

In 2018, it was recognised as "Best Commercial Bank" in Cape Verde by the Global Banking and Finance Review magazine.

#### **Portfolio value for each Banco Interatlântico product** (31 December 2018)

<b>Products/Services with social benefits</b>	<b>Indicator</b>	<b>Values</b>
BI University Education Credit	Amount (thousands of euros)	209
Line of credit for higher-education students with mutual guarantee	Amount (thousands of euros)	136
Opening of account under the minimum banking services (free of charge) (*)	No. of accounts opened	4,242
BI Conta Poupança Jovem*	Amount (thousands of euros)	1,570
BI Trade Finance Line	Amount (thousands of euros)	331
BI Sustentável	Amount (thousands of euros)	**

\* Product under local legislation. \*\* There are no assets in the portfolio, with reference to 31 December 2018.

### **Banco Internacional de São Tomé e Príncipe (BISTP)**

BISTP is the oldest bank in São Tomé and Príncipe's financial system, operating as universal bank since 1993, geared towards retail banking, providing support to companies and individuals.

The dynamics of the market and the growing diversity of customer needs led BISTP to adopt a more proactive and differentiated commercial policy. In addition to offering traditional and homogeneous financial products and services, BISTP favours the creation of new products and services.

With regard to the youngest segment, we highlight the Poupança Júnior Account, for children aged between 0 and 18, as a product aimed at encouraging savings.

To support academic training, BISTP has the university credit line, destined for Undergraduate, Post-graduate, MBA, Master's and PhD courses in São Tomé and Príncipe and abroad.

### **Banco Nacional Ultramarino – Macao (BNU)**

BNU Macao was the first Bank that issued paper money in Macao, and has 116-old-history of supporting the local community. BNU is part of Macao's history and financial life, playing an active role in the social and economic development of the territory and supporting local business activities.

In partnership with UnionPay, BNU launched an innovative payment service via QR code, an example of the importance of customer expectations and of the Bank's commitment to and investment in its digital evolution.

In 2018, BNU Macao received 6 distinctions, namely the prizes for "Best Bank for Social Responsibility - Macao" and "Best Retail Bank - Macao" awarded for the fourth consecutive year by International Finance Magazine. Its efforts to develop a more digital, increasingly better and safer bank earned it the prize for "Most Innovative Bank", awarded by The European Magazine.

### **BNU Timor Branch**

The CGD Group was the first bank to set up its operations in East Timor, and is currently the oldest bank operating in the financial system in this territory. One of its missions is to contribute to the sustained development of the economy.

In the Retail segment we highlight, first and foremost, financing to support improvements in social and family environment, particularly those related to purchase of goods for domestic purposes, vehicles, health support, studies and home improvements. It is worth highlighting the line of credit for Education and Health, which allows financing education costs, while enabling households to address unexpected health costs.

We should also highlight the professional qualification line, in collaboration with the State Secretariat for Vocational Training and Employment of East Timor, which aims to support Timorese workers abroad within the scope of professional qualification programmes.

### **France Branch**

CGD's French branch is active in retail banking with its own offer of products and services. With a strong reputation and prestige, it has a central corporate branch to support the internationalisation of Portuguese companies. CGD was the first Portuguese bank to operate in France, with its own assets and branch network.

2018 was marked by the strike of the France Branch's employees against its sale.

The Portuguese Government maintained close and constructive contact with the European Commission on CGD's 2017-2020 Strategic Plan, in particular on the relevance of its branch in France. As a result of these efforts, the strategic plan was updated to reinforce CGD's profitability in light of the current market conditions, reflecting the success of the ongoing implementation of cost control measures, pursuing the goal of reducing bad credit taking into account how good its recent performance has been, recognising it as a relevant activity for the CGD Group's operation. In this context, CGD will maintain its presence in France, for the benefit of the Portuguese community in that country and its business strategy.



## Banco Caixa Geral (BCG) – Brazil

With a portfolio of corporate customers, BCG Brazil is targeted at industries from a wide range of sectors, offering them a wide variety of financial products and services. Whether Portuguese or Spanish companies with presence in Brazil or Brazilian groups with businesses in countries where CGD is present, the Bank's customers can rely on advanced solutions that bring them closer to the global markets. As the most important operations carried out in 2018, we highlight the financial advisory provided in the sale of equity interests in hospital assets to one of the largest groups in the health sector; the financial advisory provided in the restructuring and coordination of debenture issues for companies in the fleet management sector in the amount of R\$ 380 million and a Swap operation in the amount of R\$ 58 millions involving a Portuguese group in the mining sector.



## 5. Our Relationship Value

**Trust.** The capital that CGD receives and transforms into the value it preserves.

Long-lasting relationships are underpinned by professionalism, ethics, integrity and respect. For this to happen, our employees transform their knowledge and experience into creativity, dynamism and trust-inducing initiatives that contribute to the Institution's good reputation, the development of the economy and the changes required by society. Therefore, CGD's relationship value becomes a value that contributes to the sustainable development of the economy and society.



### Relationship Value

#### SERVICE

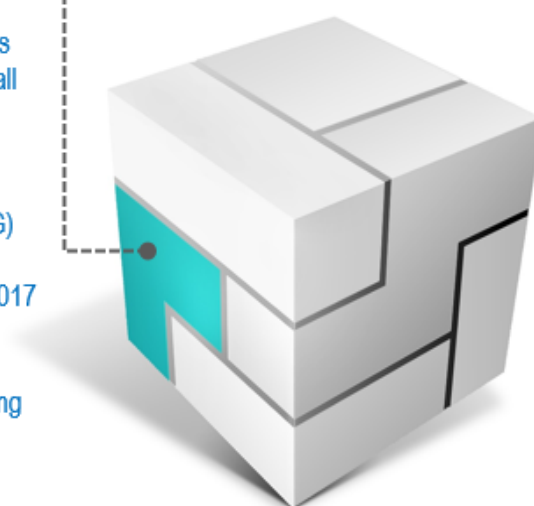
- Service Quality - 80% of retail customers and 73% of SMEs said they were "satisfied" or "very satisfied" with their overall experience with CGD

#### RISK AND FIGHT AGAINST CORRUPTION

- Integration of environmental, social and governance (ESG) criteria into Risk Management
- The number of complaints dropped 13.7% compared to 2017

#### SUPPLY CHAIN

- 93.5% of the suppliers hired in 2018 are covered by binding environmental and social clauses



Because 142 years of history side by side with the Portuguese, their families and businesses are a legacy of experience capable of promoting the innovation required to meet the expectations of the stakeholders and of many generations.

CGD provides information about its products, services and associated costs, including tax-related costs, written in a clear, correct, safe and accessible manner, so that customers can make free, weighted and responsible choices. Promotional, advertising and marketing campaigns focused on its activities, products and/or services are implemented in compliance with all applicable legal and regulatory standards, as well as with the principles of truthfulness, transparency, balance and clarity.

CGD continuously monitors the publication of new legal and regulatory obligations, as well as the issuance of recommendations and the outlining of best practices by supervisors, with the aim of adjusting its activities to its target audiences.

In order to adjust its performance in line with these duties of conduct, CGD systematically analyses its internal procedures and regulations relating to these matters, identifying opportunities for improvement and incorporating legal and regulatory changes.

#### SERVICE QUALITY

Improving customer service is a priority for CGD, being one of the key topics for reinforcing the value proposals offered to its customers. The assessment of service quality and the identification of best practices are, therefore, key indicators to promote a good relationship with customers and to continuously optimise their levels of satisfaction.

In 2018, the satisfaction and quality assessment programme was focused on three methodologies:

- i. Telephone interviews with a survey to estimate the quality of service perceived by the customers;
- ii. "Mystery visits" across the Branch network to analyse the quality of the service provided by employees, identify good practices and opportunities for improvement, and
- iii. Assessment of external indices of perceived quality monitoring, via the analysis of the quality of the service provided to Retail, Business and Corporate customers.

As main results, we highlight a large share of satisfied customers, as 80% of Retail customers and 73% of Corporate and Business customers said they were "satisfied" or "very satisfied" with their overall experience with CGD.

CGD provides its customers with a high-quality service based on the best banking and financial practices and on its knowledge of its customers and their businesses, needs, capabilities and potential.

We respond to our customers' requests ensuring a prompt and polite service, a good commercial and operational performance and a careful adjustment of the available products and means, therefore establishing relationships based on excellence with all our stakeholders.

CGD maintains its leading position in the most significant customer and product segments, namely mutual funds and deposits, household loans, payments and bank cards and digital banking, with 1.4 million customers in Caixadirecta Online.

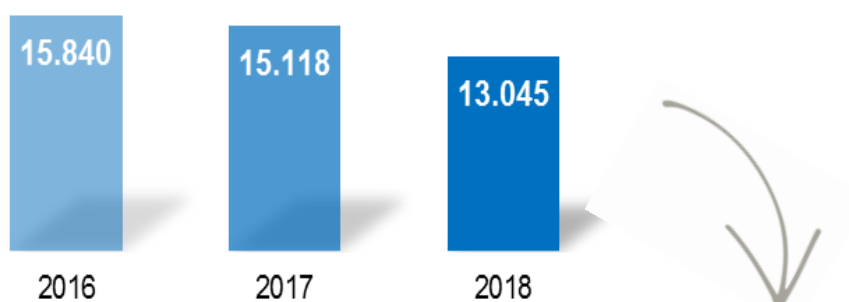
To improve the value proposal we offer our customers, we have expanded our offer of Caixa Accounts, a multi-product solution for Retail customers, with the launch of the Caixadirecta Online Personal Loans, which allows concluding distance contracts, and the Caixa Casa Fast service, with a "Fast Decision" based on three steps; (i) Simulation and Decision; (ii) Assessment and Confirmation (iii) Deed replied within 10 business days. On the other hand, we expanded our offer in the field of health care by making the Multicare health insurance available for customers up to the age of 65.

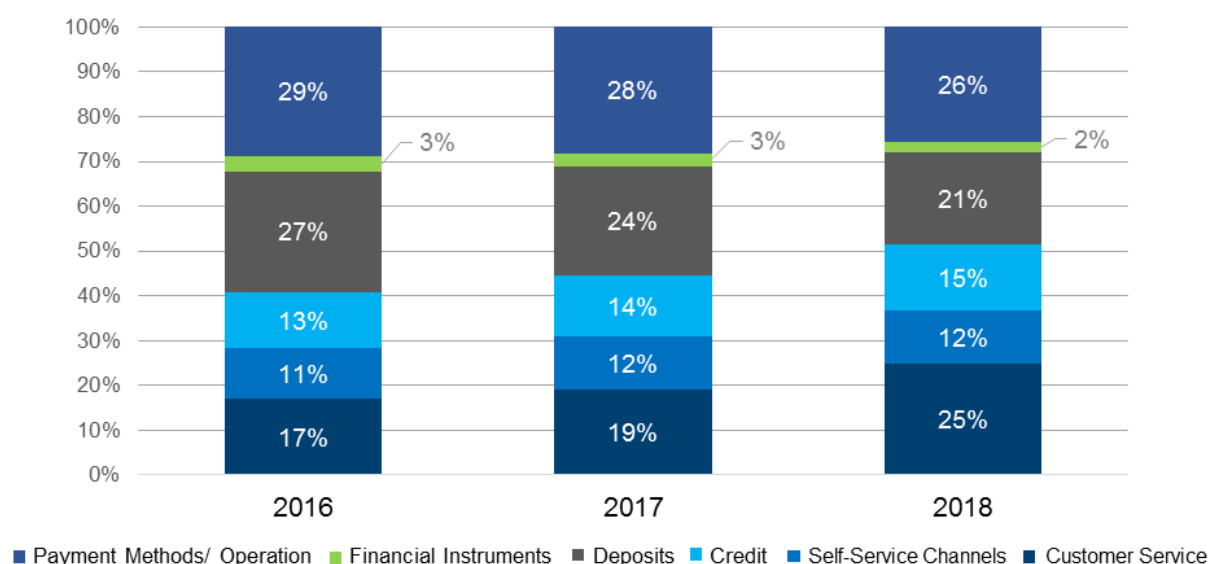
## Complaints

In 2018, the number of complaints registered in CGD, S.A. continued to decrease, as the total volume of incidents stood at 13,045, being 13.7% lower than in the same period of 2017. Payment Methods and Service were the areas that gave rise to more complaints, with 26% and 25% of the total, respectively. However, with regard to Payment Methods, there was a decrease of 22% in the number of reported occurrences.

The number of complaints also continued to drop for financial instruments (-28% of the total), deposits (-27% of the total), self-service channels (-14% of the total) and credit (-6% of the total). On the other hand, in terms of Service there was an increase in the number of complaints related to waiting times in Caixadirecta Telephone, the change in the service model and the growth of the remote management model.

**Total complaints per year - Scope CGD, SA**



**Complaints broken down by issues - Scope CGD, SA****Banco Comercial do Atlântico – Cape Verde (BCA)**

Complaints are received via e-mail, post and complaints book. A total of 88 complaints were analysed, 38% were submitted via the complaints book. Areas giving rise to most complaints:

- Commercial Network – 41%
- Payment Methods - 16%
- Deposit and Financial Investments -16%

**Banco Interatlântico, S.A. – Cape Verde (BI)**

In 2018, no customer satisfaction surveys were conducted. However, BI registered 51 complaints, and the main issues were related to delays in the provision of services (delivery of the 2nd Visa PIN and delivery of debit and credit cards), with the odour inside the Sal-Rei Branch and with the absence of a passwords system.

**Banco Caixa Geral (BCG) – Brazil**

The customer satisfaction service was implemented in 2018 (Ombudsman service assessment). In 2018, BCG Brazil didn't receive any complaints via the Ombudsman channel.

**QUALITY MANAGEMENT AND ASSESSMENT**

In 2018, CGD secured the certification of six processes:

- Design, planning and implementation of operations in financial markets;
- Management, implementation and control of Operating Processes;
- Management and handling of customer suggestions and complaints, except those that constitute fraud;
- Services for the development and maintenance of applications and Information Systems in line with the needs of CGD's business, as well as hardware, communications and basic software management, support, monitoring and control systems, which ensure the functioning of the applications and information systems necessary for the normal operation of the CGD Group's business, and
- Environmental Management System - Activities, products and services developed in the Head Office building.

## Customer Experience Area

The Customer Experience Area is responsible for the mechanisms and procedures associated with complaints management, focusing on the continuous improvement of the experience of both retail and corporate customers, to ensure increased satisfaction, trust and loyalty in their relationship with CGD. Managing and acting quickly and appropriately on any dissatisfaction that may be expressed and incorporating the lessons learned while interacting with the customers, along with the other quality indicators in the optimisation of processes and the development of the commercial offer contributes to a more consistent relationship between the Institution and its key stakeholders.

We highlight the following initiatives:

- Ongoing follow-up of the satisfaction of customers who submit complaints, based on a monthly assessment;
- Optimised use of the online form provided in the Customer Area, by separating requests for information from complaints and/or suggestions, in order to ensure that all customer requests are correctly forwarded according to the nature of the contact;
- Improved self-service experience in the Customer Area, with FAQs and solutions to recurring issues;
- Creation of the Customer Experience Area, which integrates the Customer Service Area (complaint management and handling) and the Customer Satisfaction Area (monitoring processes and Customer satisfaction), in order to get a more integrated overview of each customer's interests and needs;
- Review of the reporting model and follow-up of opportunities for improvement identified in the handling of complaints;
- Initiatives in the management of complaints, such as application, organisational and procedural adequacy, in order to increase efficiency in the analysis and response to the requests that are received;
- Adaptation to the General Data Protection Regulation (GDPR), and
- Adaptation to the new legislation on the Complaints Book, in cooperation with the Portuguese Securities and Exchange Commission (CMVM) and the Supervisory Authority for Insurance and Pension Funds (ASF).

## RISK MANAGEMENT

In 2018, CGD reinforced its procedures for a more comprehensive risk management, aware of market changes and regulatory trends, integrating social and environmental criteria in the risk assessment process and in decisions to grant loans. The risk analyst, within the scope of the qualitative rating assessment, analyses environmental, social, labour and anti-corruption issues. The answers to these questions influence the customer's rating, which underlies the credit decision process. Subsequently, in the credit decision process, the Credit Risk Division assesses the existence of social and environmental risks and confirms the application of the sectoral exclusion criteria set forth in the internal regulations and officially published as a policy on the corporate website.

Sustainability and socio-environmental impact - Environmental, Social and Governance (ESG) - are a qualitative risk factor taken into account in the rating assessment, within the political/legal framework that governs the proposing company and/or project.

### Sectoral Exclusion and Limitation Principles

Within the scope of the Sectoral Exclusion and Limitation Principles published on its corporate website, CGD does not finance projects that may fit into one of the following categories and/or sectors of activity:

- Manufacturing of or trade in any product or activity considered illegal in the country where the investment takes place, or considered illegal under the terms of international regulations or agreements, including those that CGD subscribes to or integrates;
- Companies and/or projects that use child labour or forced labour;
- Companies and activities related to prostitution;

- Companies and/or projects that disseminate discriminatory information or practice discriminatory acts based on religion, politics, race or gender and
- Companies and/or activities engaged in the unlicensed trade of wildlife and/or endangered species.

If a company or project, after being granted a loan, develops activities under conditions identified as leading to exclusion, CGD will arrange for its framing in the credit policies, namely by cancelling the relationship with the customer or entity in question, being able to intervene in order to be reimbursed for any tangible or intangible damages.

### Sectoral financing models

CGD has proactive and comprehensive processes that facilitate the identification of real and potentially negative economic, environmental and social impacts derived from decisions and initiatives associated with the life cycle of a product, service or institutional activity in order to avoid and mitigate them.

In the context of its commercial activity, CGD recognises the existence of sectors of activity or projects that may contribute negatively to sustainable development and to economic, socio-environmental and reputational risk, defining principles, guidelines and requirements to be applied to financing models associated with its customer portfolio.

### Operational Risk

The CGD Group's operational risk management is supported by a set of guidelines, methodologies and regulations recognised as "good practices":

- Principles and approaches to operational risk management arising from the Basel II Agreement;
- Internal control methodologies proposed by the COSO (*Committee of Sponsoring Organisations of the Treadway Commission*) and defined within the scope of the CobiT (*Control Objectives for Information and related Technology*) and
- Approach underlying the Risk Assessment Model implemented by the Bank of Portugal.

The CGD Group should ensure the adoption of best practices in risk management by applying this principle as follows:

- i. Developing a strong risk management culture focused on protecting the bank's solvency and funding capacity, avoiding risks that may affect the stakeholders, particularly depositors, and ensuring a strong reputation and image in the market.
- ii. The Risk Appetite Statement, which formally codifies the Bank's risk appetite, detailing the maximum level of risk that the bank is willing to take for each category of risk regarded as material. This risk strategy is directly related to the Institution's objectives and strategic plan, which are regularly reviewed and monitored by the Board of Directors and the management team.

In order to reinforce its risk management practices in line with international best practices, CGD has updated the Group's Risk Appetite Statement. The purpose of this initiative was to ensure an up-to-date and consistent language with regard to the understanding of the categories and levels of risk that the CGD Group is willing to take, while complying with strategic objectives, regulatory requirements and the targets agreed upon with the shareholder.

## FIGHT AGAINST CORRUPTION AND ATTEMPTED BRIBERY

CGD's internal control system integrates documented procedures and practices for detecting and preventing corruption, attempted bribery and related offences - namely through its Code of Conduct, its organisational and functional structure, its decision-making processes and the adoption of the principle of segregation of duties in the activities and tasks that justify it, which bind the Institution's activity and employees as a whole.

For this purpose, we highlight the following mechanisms:

- System for Internal Reporting of Irregular Practices, which allows employees to report situations which they regard as falling within scope of corruption;
- Employee Performance Management System including an "Attitudes and Behaviours" assessment parameter, which measures aspects related to ethics and the prevention of corruption vis-à-vis the Compliance Officer's duties;
- Continuous training for all CGD Group employees;
- System for Preventing Money Laundering and Combating Terrorist Financing, which identifies the customers' risk profile;
- Disclosure of the Sanctions Policy on the corporate website;
- Tax Principles, and
- Sectoral Exclusion and Limitation Principles.

### **Main initiatives related to prevention of money laundering**

In order to comply with the legal and regulatory requirements and recommendations issued by relevant international entities with regard to the Prevention of Money Laundering and Counter Terrorist Financing (PML/CTF), CGD has implemented an advanced and effective system for preventing money laundering (ML) and terrorist financing (TF), which allows identifying, assessing and mitigating the potential risks associated with its Customers and the business relationships established with them.

The PML/CTF activity is developed based on policies and procedures defined with the objective of ensuring strict compliance with legal, regulatory, ethical and deontological standards and with internationally accepted good practices.

In this context, CGD is equipped with appropriate IT tools for PML/CTF, specifically applications aimed at monitoring accounts and customers, rating the customers' risk profile and filtering sanctioned customers and politically exposed persons.

Transactions and customers are continuously and systematically monitored according to indicators defined in line with a Risk-Based Approach (RBA)).

Since CGD is obliged to comply with binding international economic sanctions, enacted by several international organisations, the respective Sanctions Policy is published on its institutional website. We should also note that the Principles for Accepting and Retaining Customers and the update to the PML/CTF Statement were also published on our website in 2018.

In 2018, due to the importance and impact of CGD's banking activities, we highlight the development of several projects aimed at meeting the requirements arising from the entry into force of Law No. 83/2017, of 18 August, and Notice No. 2/2018 of the Bank of Portugal, namely with regard to the updating of internal regulations (policies and procedures) and the adaptation of IT tools.

On the other hand, we should note that the Internal Audit Division carried out tests to assess the effectiveness of CGD's internal control system for PML/CTF, as determined in Article 17 of Law No. 83/2017, of 18 August, and Article 8 of Notice No. 2/2018 of the Bank of Portugal.

It is required that all employees know and comply with legal and regulatory standards in the performance of their duties, that directly apply to them, as well as of all internal rules and procedures established for the normal development of their activities. Specific training is also made available in various formats, which constitutes one of the fundamental aspects of the entire PML/CTF system.

In 2018, and in this context, there were training sessions on PML/CTF for new employees, trainees integrated into the "Summer Academy and NEU 2018" Project and employees of the Caixa Empresas Offices which, in this case, covered a total of 195 trainees.

### **Preventing Corruption**

With regard to preventive measures, CGD's internal control system incorporates documented procedures and practices for detecting and preventing corruption and related offences, such as the

Code of Conduct, its organisational and functional structure, decision-making processes and the adoption of the principle of segregation of functions in activities and tasks that require it.

As a result of these policies, CGD is included in the list of the Corruption Prevention Board (CPC) concerning the entities that submitted information regarding their Plans for the Prevention of Risks of Corruption and Related Offences, pursuant to CPC Recommendation No. 1/2009, of 1 July.

In addition to the aforementioned procedures and internal rules, which are part of the internal control system, all the activities carried out by the Institution and its employees are bound by the principle of active rejection of all forms of corruption. It is an imperative of professional conduct set out in Article 31 of its Code of Conduct, which expressly states that:

1. CGD actively rejects all forms of corruption, and its employees must refrain from engaging in any situations conducive to acts likely to be associated with this phenomenon, and
2. CGD's activity is subject to strict internal control mechanisms, which include internal regulations aimed at preventing and combating corruption.

In 2018, CGD adopted the Plan for the Prevention of Corruption and Related Offences, which implements the guidelines issued in its Policy on the Prevention of Corruption and Related Offences (PPCIC). This policy determines the guiding principles for the detection and prevention of corruption practices and related offences, the potentially more vulnerable areas, describing the preventive measures to be taken up and the responsible entities, as well as the rules applied to the monitoring, assessment and update of the Policy itself. The provisions contained in the Policy are supplemented, where necessary, by specific internal regulations or other instruments.

CGC's PPCIC also provides for the possibility of employees reporting situations that are known to them and which they regard as falling within the scope of corruption. This reporting is made via the internal or external mechanisms in place, which include the System for Internal Reporting of Irregular Practices (SCIPI).

In 2018, in order to comply with the legal requirements arising from Law No. 83/2017, of 18 August, and Law No. 28/2017, of 30 May, CGD made the necessary amendments to the SCIPI, which dealt with the areas of communications covered by the System and the definition of the anonymity scheme for certain communications.

We should also note that the PPCIC establishes that CGD must provide training to all its employees on issues related to the prevention of corruption and related offences. The training sessions held in 2018 covered topics related to the prevention of corruption and related offences and were aimed at new employees, employees who are members of various governing bodies and Compliance Officers of CGD Group Entities. In this context, there is also an e-learning course on "Preventing Money Laundering and Terrorist Financing in Financial Intermediation", subject to a final evaluation requiring a minimum passing grade of 75%.

In addition, the annual employee performance assessment includes an "Attitudes and Behaviours" component, which measures the commitment shown within the scope of ethical procedures in line with CGD's Code of Conduct, which includes specific provisions on the Prevention of Corruption.

With regard to potential suppliers and service providers, CGD carries out an assessment that takes into account the various risks listed in the CGD Group's Subcontracting Policy, including compliance risk and reputational risk, which may include corrupt practices.

In addition to the aforementioned scrutiny, contracts with suppliers include the Declaration of Ethical Principles and Good Business Practices, according to which, among other aspects, they undertake to comply with all the laws and other regulations applicable to their activities and/or economic sectors and to adopt high ethical standards, repudiating and condemning the practice of illicit acts, such as bribery and corruption.

Lastly, we should note that in 2018 there were amendments to the Global Policy on the Prevention and Management of Conflicts of Interests aimed at clarifying the roles played by the various stakeholders and strengthening the mechanisms for preventing and managing conflicts of interests.



## Internal Reporting of Irregular Practices

CGD provides a circuit, which is duly regulated by specific internal regulations, that enables the internal reporting of irregular practices allegedly occurred within the scope of its activity, ensuring that complaints are handled confidentially and that there are no retaliations against anyone who makes a complaint in good faith and in a non-anonymous way (SCIPI). CGD's activity is subject to strict internal control mechanisms, which include internal regulations aimed at preventing and combating corruption. For the purpose of preventing the occurrence of operations related to money laundering and terrorist financing, CGD has appropriate internal regulations, which include all the duties established in the current legal framework, as well as internal measures and procedures designed to ensure the fulfilment of the aforementioned duties.

## Safety Prevention

In 2018, within the scope of safety prevention, the Protection and Security Division (GPS) developed the following initiatives:

- 1) Incident analysis and management- Following the reporting of incidents, GPS promoted the analysis of the circumstances in which each incident occurred and implemented the necessary improvement measures to reduce the impact of the event and, subsequently, prevent future incidents of a similar nature.
- 2) Training sessions as part of the Caixa Segura programme - As part of the Caixa Segura Programme, GPS continues to promote training courses for First-Responder Groups (GPI) with the goal of providing trainees with theoretical and practical knowledge that allows them to intervene in the most efficient way in case of emergency: ensuring that all occupants leave the premises safely, providing first-aid to accident victims and intervening in the most efficient way with fire extinguishers in the event of a fire (325 training sessions).
- 3) Emergency drills at central buildings - complete evacuation drills at central buildings, in order to assess the activation of the Emergency Management Office, test the Internal Emergency Plan in its various aspects and promote coordination, at the operational level, with the Operational Command Station as part of SIOPS (Integrated System for Relief and Protection Operations), which comprises civil defence agents.
- 4) Emergency drills at facilities with risk category 2, as part of the Self-Protection Measures (MAP) Continuation of emergency and evacuation training and drills as part of the implementation of self-protection measures at facilities with risk category 2, 3 and 4 in accordance with legislation in force.
- 5) Visita Segura (Safe Visit) - Mandatory fact-finding visit to the head office and to the building located on Avenida dos Aliados, Porto with the goal of raising the new residents' awareness and providing information on basic emergency procedures.
- 6) Férias Seguras (Safe Holidays) and Crescer em Segurança (Growing up in Safety) Project - Consolidation of the protocol signed with the Lisbon Municipal Civil Defence Services, focused on collaboration and training on the protection of people and property, participation in emergency drills organised by CGD and availability to take part in the training provided to the children of employees as part of the Férias Seguras (Safe Holidays) Concept and the Crescer em Segurança (Growing up in Safety) Project.
- 7) Programa Proximidade (Proximity Programme) (security) - Programme for the branch network, consisting of the presence of a security officer at each branch (along the coastline, from Setúbal to Minho) in order to prevent/deter any situations of theft, fraud, threats, etc., that may threaten customers and staff at the branch network.
- 8) Programa Prevenção de Furto de Portáteis (Laptop Theft Prevention Programme) - Programme based on daily preventive rounds to detect laptops in vulnerable situations or risking theft, which are preventively collected and returned on the following business day by the Secretariat of the Division to which they belong.
- 9) Programa Balcão Seguro (Safe Branch Programme) - The Security Centre detects and monitors situations involving increased risk at branches, namely the counting or packaging of cash outside the areas provided for in the internal regulations.

## SUPPLIER MANAGEMENT

Supplier management is part of CGD's Sustainability strategy, because the supply chain and its agents contribute to the identification of CGD's environmental and social impacts that are indirectly reflected in its suppliers' activities.

In order to mitigate negative impacts on the Institution's socio-environmental performance, CGD ensures respect for Human Rights and compliance with the standards for the prevention of corruption and bribery attempts for the duration of partnerships and/or subcontracting agreements with third parties by contractual means - obligations contained in the Handbook of Good Environmental, Safety and Health Practices attached to the agreements -, monitoring the compliance of accredited and/or in-house suppliers with the regulations applicable to the nature of the services they provide.

CGD provides its suppliers with Engagement Letters, which are signed by the parties thereto, and draft contracts that always include the following documents and clauses:

- i. Ethical principles and good business practices - in all contracts, except in specific cases where the draft contract is provided by the supplier. These contracts and those concerning one-off purchases do not include this document.
- ii. Handbook of good environmental, safety and health practices for suppliers - in all service provision agreements with "in-house" suppliers.
- iii. Some of the contracts may also include specific clauses on waste clauses, namely building maintenance, multifunctional and waste management operation (OGR) contracts, covering services listed in the Specific Requirement Matrix.

In addition, suppliers are also required to endorse the Declaration of Ethical Principles and Good Business Practices, which underpins the implementation of the CGD Group's Subcontracting Policy that assesses compliance risk and reputational risk within the supply chain.

In this context, CGD has been managing risks in the value chain by incorporating Sustainability principles, namely through ethical principles and good business practices, aligned with the 10 principles of the Global Compact, and the obligations contained in the Handbook of Good Environmental, Safety and Health Practices attached to the agreements, according to the scope, industry and nature of the services that are provided. The acquisition of goods and services by CGD is guided by principles of effectiveness, operability and economy, which ensure transparency and equity in the relationships with the various suppliers through the formalisation of Engagement Letters that, in addition to the draft contract, include the documents mentioned in the preceding paragraph.

As shown in the following image, three in-house suppliers based in CGD's Head Office building were audited under the Environmental Management System.

In 2018, CGD's negotiation area concluded 247 new contracts, 93.5% of which include environmental clauses, an increase of 36% compared to 2017.

### Suppliers CGD, S.A.



93.5% of agreements with environmental and social clauses



Three (3) suppliers subject to environmental assessments as part of internal and external audits concerning CGD's environmental management system and legal compliance

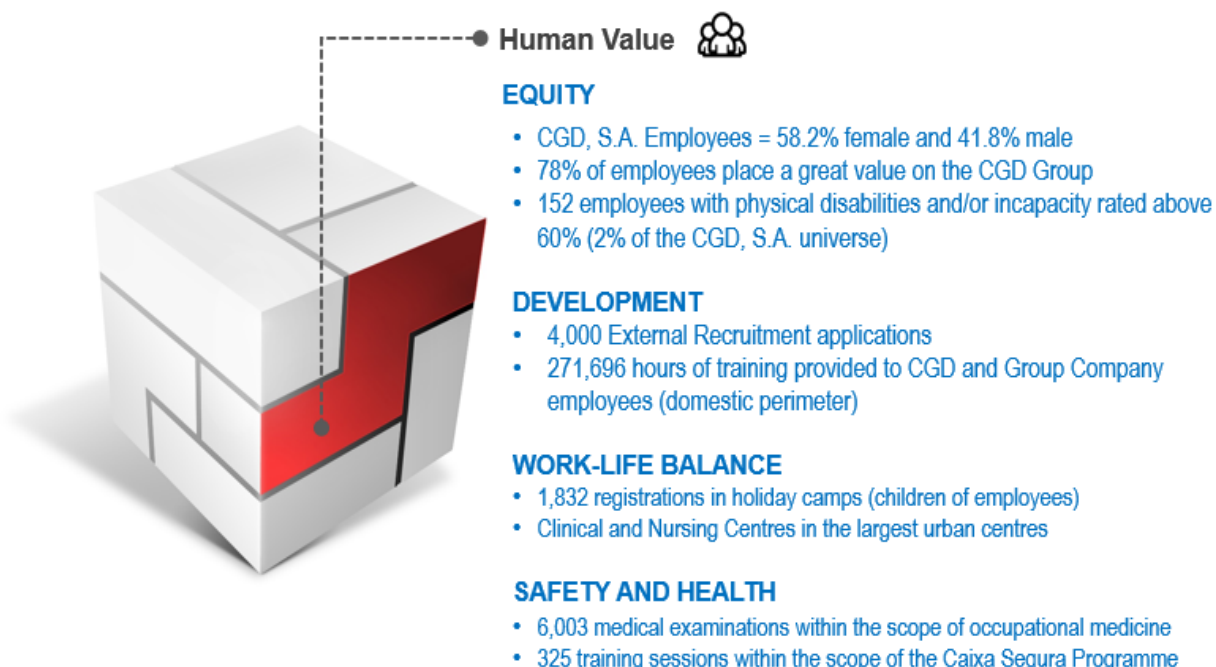


247 suppliers hired

## 6. Our Human Value

CGD is built by its employees, day after day. By every person's face, voice, words, presence and capacity to match needs with solutions, to respect differences and to perform their duties with the utmost accuracy, turning it into an accessible and close Institution.

Empowering and developing in diversity and equity, which are key for building an organisational culture of excellence, creativity, resilience and solidarity.



CGD asserts itself as a "family-responsible company", managing its human capital under the principles of social responsibility and conciliation between professional, family and personal life, valuing an approach to management centred on people, talent and ethical leadership, getting all hierarchical levels involved to substantiate an equitable, motivating and inclusive organisational culture, namely with regard to the integration and development of people and to the prevention of a wide range of challenges to the stability of the work environment.

In 2018, we continued to implement structural measures to reduce costs, namely the closure of Branches and staff cuts, through an early retirement programme and a mutually agreed termination programme, without the need to replace employees.

The Strategic Plan agreed between the Portuguese State and the European Commission for the period between 2017 and 2020, within the scope of the recapitalisation of CGD, continued to be the most important reference for strategic initiatives in human resources.

In this context, we highlight the main strategic guidelines:

- Adjusting the operational infrastructure (commercial network and central areas);
- Adjusting the staff to business and process changes;
- Reducing staff costs;
- Developing talent and adjusting skills.

Accordingly, in 2018 we adjusted our commercial network, closing branches in accordance with the Sustainability model that has been defined, while implementing measures to optimise and adjust the staff establishment plan of our domestic departments and entities. In this context, we reinforced the competences of the control divisions in line with the growing regulatory requirements, and adjusted our support structures, by optimising processes and rationalising teams. We highlight the reorganisation of the functions associated with Procurement, Management of Own Real Estate, Contract Management and Logistics.

We met the goals for the adjustment of our staff establishment plan, mainly via voluntary retirements and early retirements agreed with our employees. However, taking into account the demanding nature of the staff reduction objectives, there was also a Mutually-Agreed Termination (RMA) process; employees could submit their applications which would be subject to acceptance by CGD.

As part of this process, the Institution continued to offer its employees with an outplacement programme, with a view to following them up on their re-entry into the labour market and supporting possible career transitions, either by searching for a new job or by setting up their own business.

We should also note that we continued to invest in training to reinforce qualification and develop the employees' skills according to their positions and individual needs. In 2018, training was focused on subjects with a major impact on the implementation of CGD's strategy, as well as on training programmes with certification, mandatory within the scope of financial activities, namely the "DMIF II" Certification - 80 hours and 339 employees certified - and "Marketing Mortgage Loans" - 25 hours and 1,823 employees certified.

## EMPLOYEE CHARACTERISATION AND EVOLUTION

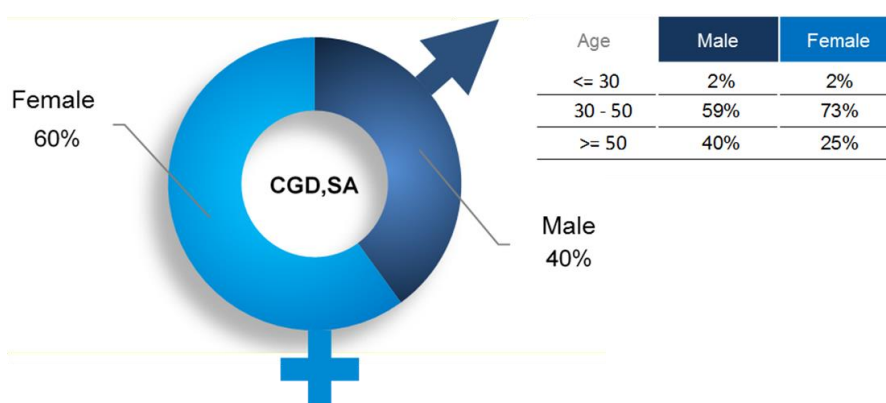
On 31 December 2018, CGD, S.A. had 7,401 employees, corresponding to a reduction of 7.14% compared to the previous year; 99% of these employees were working full-time in Portugal.

Of the total number of employees, 99.5% have an individual contract of employment or a supply contract and about 0.5% with a fixed term contract; job stability is ensured in the various types of contract.

CGD does not make gender-based distinctions, ensuring the principle of implementation of equal opportunities in both the recruitment and the selection stage; the recruitment and selection procedures are based on curriculum and skill profile assessments, as well as on career development and progression, which are analysed according to criteria for merit and competence.

In addition, and under the same principle of equity and diversity, in 2018 the Institution had 152 employees with disabilities rated 60% or higher.

### Distribution by age group and gender



As of 31 December 2018, the average age at CGD was 44.51 years (44.63 in the central services and 43.34 in the commercial network). CGD's employees are broken down by educational level as follows.

### Distribution by Degree of Education

Degree of Education	Male	Female
Higher Education	3142	1735
Secondary Education	1082	1017
Below Secondary Education	203	222

On 31 December 2018, the CGD Group had 14,027 employees, a decrease of 5.2% compared to 2017.

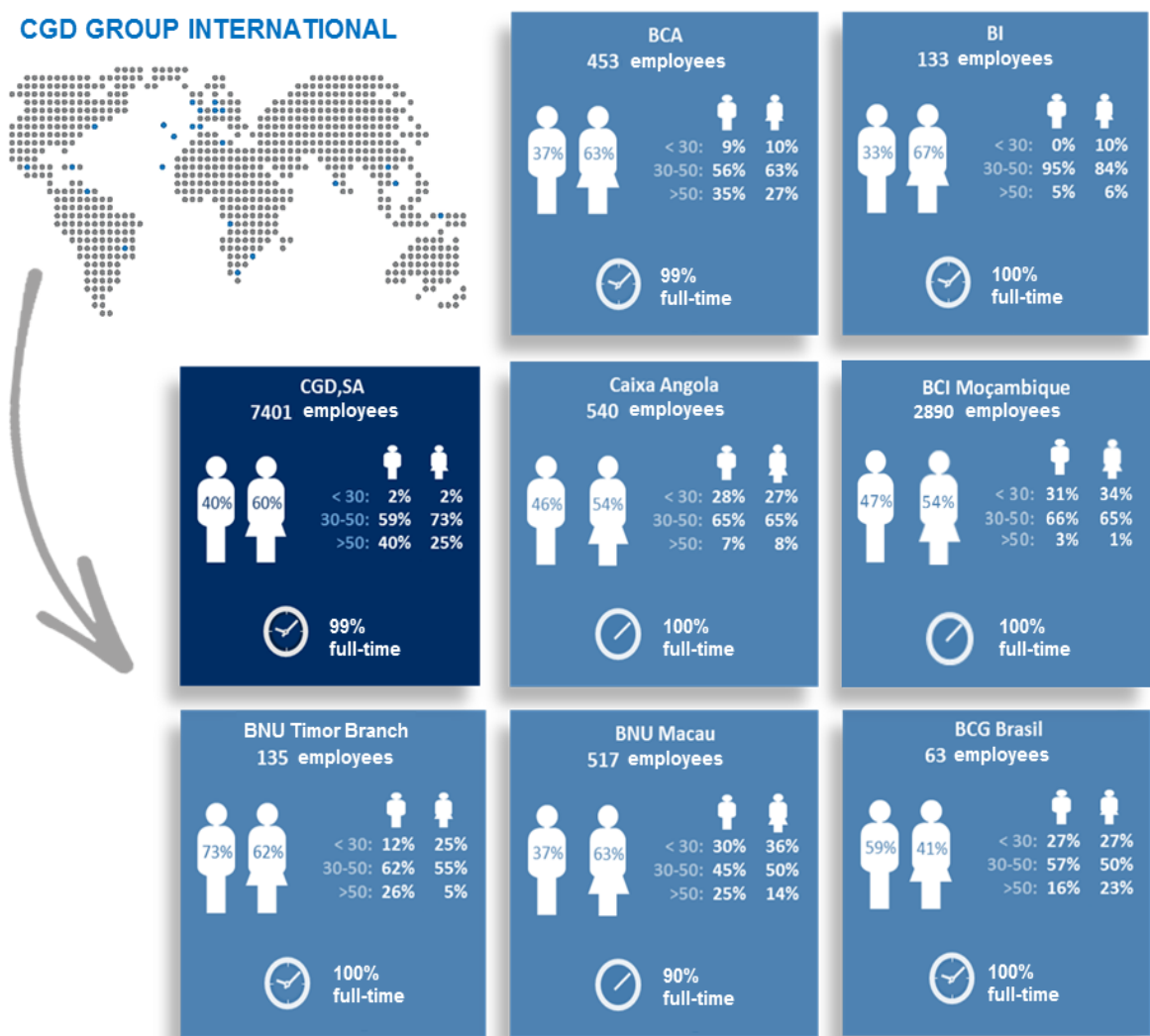
### CGD GROUP - Number of Employees

	Dec	Dec	Variation	
	2017	2018	Abs.	%
Banking Activity - CGD Portugal (1) (2)	7,665	7,244	-421	-5.5%
Other	7,134	6,783	-351	-4.9%
<b>Total</b>	<b>14,799</b>	<b>14,027</b>	<b>-772</b>	<b>-5.2%</b>

(1) Employees on duty, including those from other Group companies.

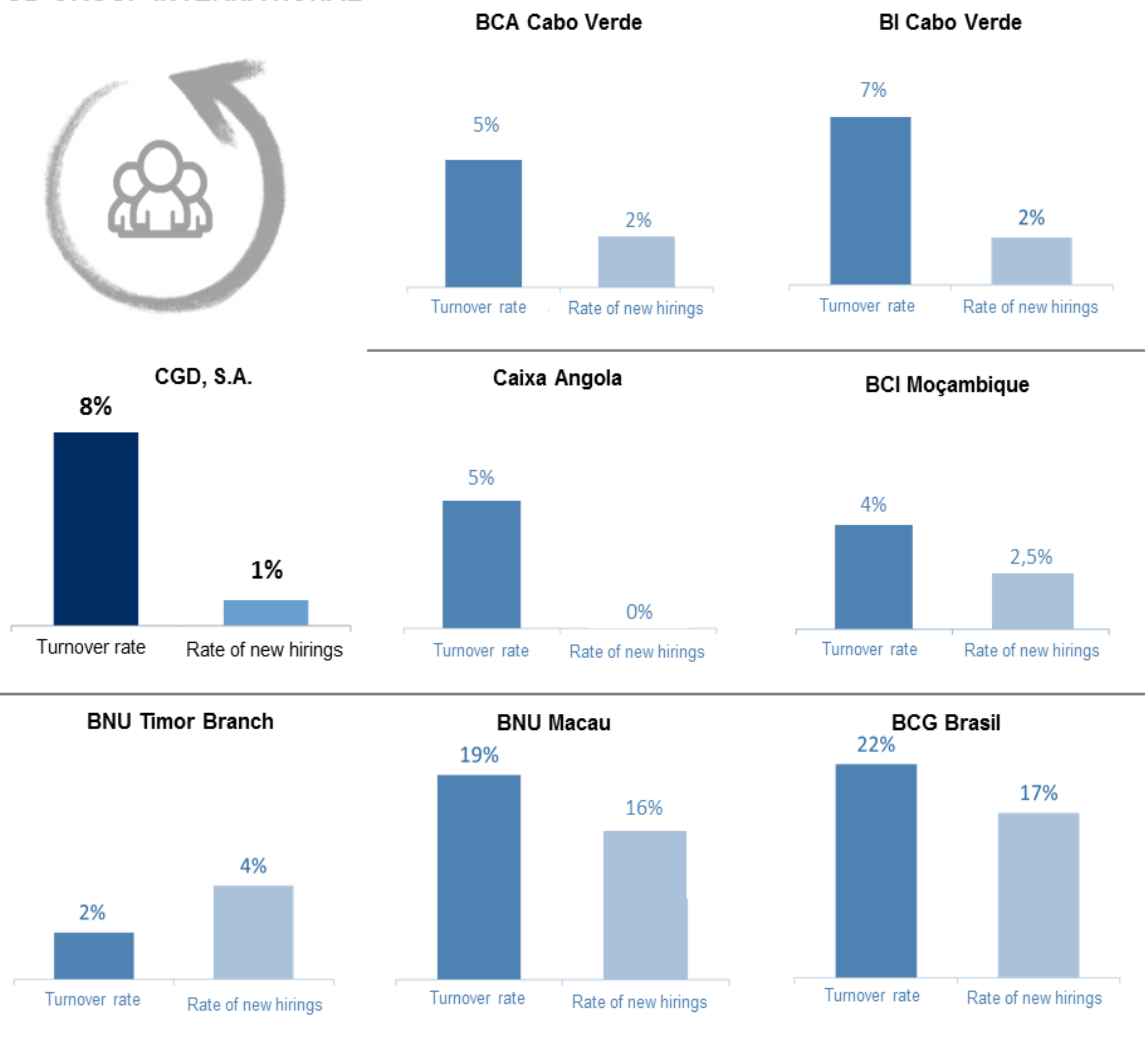
(2) Excluding employees of the Caixa Geral de Aposentações (Civil Servants Pension Fund) and other covered by service requests or prolonged absences.

### CGD GROUP Employees - Distribution by branch and geography



## CGD GROUP Employees - Turnover and hiring rate

### CGD GROUP INTERNATIONAL



### RECRUITMENT

In 2018, the need to meet the objectives that had been defined for workforce adjustment also allowed implementing external recruitment processes to strengthen specific skills in strategic areas, namely in the internal control and information systems areas. To this end, CGD posted several job offers throughout the year for holders of Undergraduate, Master's or PhD degrees, receiving around 4,000 applications.

With regard to internal recruitment, 25 processes were launched to strengthen certain areas across the CGD Group, based on the availability of a number of internal employees for national and international mobility. A total of 730 employees submitted their applications.

In terms of internal mobility, and as a result of the restructuring in progress, about 900 employees adjusted their skills, profiles and motivations to business needs.

### PROFESSIONAL DEVELOPMENT AND TRAINING

CGD's Training Plan promotes ongoing training and the continuous development of the employees' skills according to their individual positions and needs and, in 2018, there was an emphasis on subjects with a major impact on the implementation of its strategy. In 2018, CGD provided a total of 271,696 hours of training to CGD and Group Company employees (domestic perimeter), reaching an average of 35.40 hours per employee. Within the scope of the Sustainability Report, where only employees active

as of December 31, 2018 are considered, the average number of training hours stood at 32.98 hours per employee for a total of 244,100 hours.

With regard to training programmes and initiatives, we should highlight:

- *Permanent Education Program* – ongoing programme designed for Executive and Non-Executive members of the Board of Directors, which allows them to come into contact with current issues and best practices, ensured by leading Experts and External Entities.
- Executive Training for senior managers, consisting of programmes customised or selected according to the knowledge and skills that need to be reinforced, considering their relevance and contribution to addressing the challenges faced by the Bank and the Group.
- Mandatory Training Programmes with Certification for banking and financial activities:
  - DMIF II Certification, 80 hours and 339 certified employees.
  - Marketing Mortgage Loans, 25 hours and 1,823 certified employees.
  - Insurance Brokers with 75 certified employees.
  - Euro Note, with 2,157 certified employees and/or certification renewals.
- e-Learning courses focused on the knowledge necessary to implement new regulatory requirements, namely on Information Security - Digital Mobility, General Data Protection Regulation and Risk, which were comprehensively made available across CGD and Group Companies in Portugal, reaching a total of 8,096, 7,553 and 5,921 employees, respectively.
- Programmes developed with the purpose of supporting the commercial plan, available across the commercial network, providing tools, arguments and good practices for monitoring and selling products and services, namely: "Transformation of Commercial Dynamics - Siebel" and "Qualify to Win".
- Ongoing training within the scope of Prevention and Security and courses related to Quality Certifications.

With regard to the welcoming and initial training of new employees, the 10th Summer Academy received 60 trainees who had the opportunity to learn about CGD in a welcoming session and a traineeship in the branch network, along with the training required for a successful start of the 2018/2019 New University Term.

The need to acquire specific knowledge and come into contact with new contents and other realities resulted in a total of 479 registrations and 4,286 hours of training in courses and seminars that took place outside the Institution.

Face-to-face training was mostly provided by in-house trainers under the principle of valuing and sharing internal know-how for building contents and organising training sessions. In 2018, 114 in-house trainers provided 10,652 hours of training.

Training courses continued to be the subject of Level-1 Effectiveness Measurement and Assessment surveys (Satisfaction Assessment) and more courses are now the subject of Level-2 (Learning) and Level-3 (Behaviour) assessments.

Satisfaction is measured and assessed with regard to all face-to-face training sessions, reaching an average of 4.29 (five-point Likert Scale) for four groups of indicators: "Acquired Knowledge", "Course Organisation", "Trainer" and "Overall Assessment of the Initiatives".

CGD's training centre - Academia Caixa - encourages the sharing of knowledge by those who have it with those who want to develop their capacities to generate more and better value for stakeholders. Diversity proves to be a powerful ally in this context, fostering the combination of different thoughts, opinions and ideas. And equity ensures that we're following our path together, contributing to enhance relationships between employees, teams and hierarchies.

CGD promotes a culture of continuous development geared towards results, based on its corporate strategy and its Code of Conduct, along with other references and commitments that bind all employees in the performance of their duties in representation of the Institution. Valuing employees and managing talent are part of an approach to management that privileges inclusive training and the creation of opportunities for functional mobility that enrich professional careers and competences.

CGD's annual plan aims at developing cross-cutting or specific competences, based on the strategic and regulatory guidelines, and on the survey of specific needs of the various divisions and employees in the performance of their duties. Therefore, the knowledge management strategy, which supports the training model and the development and valorisation of employees, allows aligning their needs with the requirements of the business, promoting a culture of excellence geared towards a better customer service, higher profitability and good brand reputation.

In 2018, CGD continued to develop initiatives for continuous training in basic skills, reinforced skills critical to the business, and behavioural and technical skills related to regulations and business support. In this context, there were mandatory and optional training courses covering various topics and virtually all the employees, with face-to-face, video conference and/or e-learning sessions. This digital training platform has been the privileged channel of access to the most up-to-date information on subjects that underpin the banking, financial and regulatory activity, using critical and/or innovative ways to provide educational contents.

The continuity of the training programmes for directors, in leading Management Schools, was based on contents that addressed issues related to banking sector trends, management of transformation processes and development of team management and negotiation skills, providing contact with best sectoral practices.

In 2018, contributing to improve key competences for CGD's transformation process - such as strategic vision and contact with new models and trends, capacity for innovation, agility in problem-solving, focus on Customer service and leadership ability, we developed the following initiatives aimed at senior managers:

- Continuity of the three Executive Training Programmes launched in 2017, including an in-company format for senior managers of the CGD Group, which will have two more editions next year.
- Continuity of the *Permanent Education Program* for CGD's Board of Directors, with *workshops* led by national and international consultants and specialised entities, under an individual plan with registrations in Management Schools of excellence in the training of "Boards".

In addition to the support and fulfilment of training plans geared towards the individual and functional needs of the Institution's functional structures and the corporate Compliance and Risk Management Training Plans, there was also an emphasis on cross-cutting training, crucial for the qualification and certification of employees in critical competences in the areas of regulations, customer orientation and support to the marketing of products and services.

So, CGD and Group employees working in Portugal were offered training on topics such as: Information Security, General Data Protection Regulation, Operational Risk.

The mandatory goals of Certification and Continuity within the scope of DMIF II, Training and Certification for Marketing Mortgage Loans, Euro Note Certification and Insurance Broker Certification were met.

## TALENT MANAGEMENT AND INDIVIDUAL PERFORMANCE

In the first quarter of 2018, there was a performance assessment and, for the first time, the same model was applied to employees from Group Companies within the domestic perimeter and to the Timor and Luxembourg branches.

In 2018, the conditions remained in place for a process of merit-based promotions, salary review and, in addition, the awarding of the Performance and Potential Award that, in view of the results achieved by CGD, recognised and distinguished employees who stood out for their performance and contribution



to the goals that have been set, as well as to the fulfilment of the goals included in the 2017-2020 Strategic Plan. This award was an incentive for the future.

Within the scope of the Incentive Scheme applied to the Caixa Empresas commercial network, a commercial prize was awarded to the teams and/or managers that played a key role in the fulfilment of the objectives that have been set.

The conditions for extending processes arising from the human resources policy to Companies in the domestic perimeter allowed enhancing the integrated management of the Group's employees, creating conditions for the use of a common IT platform to support the performance assessment concerning 2018 and the first quarter of 2019.

The Caixa Excelência Award was one of the initiatives with greater visibility at CGD, receiving applications from all areas of activity. This initiative reinforced a culture geared towards meritocracy, a stimulus for personal valorisation and professional development, distinguishing the employees who stand out as examples of excellence in the performance of their duties.

## PERFORMANCE MANAGEMENT SYSTEM

The Performance Management System is an annual process through which CGD monitors performance, evaluates the results and/or contributions of its employees to the associated strategic, functional and individual goals. The results of the performance assessment and the achievement of goals are relevant factors when deciding on changes in the remuneration status of the employees, including senior managers, through merit-based promotions and the revision of other fixed or variable salary components.

Performance Assessment is one of the most important processes for CGD's human capital management, involving cross-cutting responsibilities shared by appraisers and appraisees; each stage of the process is associated with specific methodologies and deadlines.

All employees are assessed and interviews are mandatorily conducted once the final rating is disclosed, being an opportunity for hierarchies and teams to share strengths, success factors and areas for improvement, contributing to the development of the employees and recognising the importance of this assessment model for the management and/or development of professional careers as unequivocal.

CGD continues to pursue its ambition to create more and better conditions for talent management, sound professional careers and a management strategy based on meritocracy and equity.

## PRINCIPLE OF GENDER EQUALITY

Within the framework of the National Strategy for Equality and Non-Discrimination and the voluntary endorsement of the Portuguese Diversity Charter, an initiative of the European Commission, CGD fulfils the gender equity ratio when we consider the general universe of its permanent employees, valuing the complementarity and profitability arising from this greater balance.

CGD ensures the principles of non-discrimination and inclusive practices, based on fundamental pillars, namely on social responsibility and ethical standards and values of trust.

CGD's Code of Conduct states in Article 11(3) that "(...) internally, CGD promotes equal treatment and opportunities for men and women, as well as the reconciliation of the personal, family and professional life of its Employees (...)".

Clause 25 of the Company Agreement guarantees that "no right or benefit may be conditioned or limited by virtue of the exercise of trade union activity, the exercise of rights arising from maternity and paternity, situations arising from the working student status, the performance of public or municipal duties and the exercise of other rights provided for by law and/or the Company Agreement.

The diagnoses show that CGD ensures equal treatment and opportunities between men and women, and that there is no discrimination. Accordingly, CGD complies with the principles of equality in hiring, career advancement and the remuneration of its employees.

CGD operates under the principles of respect for human rights and the ones established in its Code of Conduct, rejecting employment discrimination based on disability, ensuring technical assistance and the accessibility necessary for the full integration and development employees with special needs. During the selection process, applicants are selected based on their curriculum, qualifications, experience and skill profile.

Professional progression is based on criteria of merit, experience and competence, while wage parity is protected in the base salary, as there are no distinctions based on gender or other factors of a discriminatory nature, along equal access to training and mobility opportunities.

CGD values the complementarity and profitability stemming from the balance ensured by equality policies, meeting the gender equity ratio in the general universe of its permanent employees, which is broken down as follows:

#### Employees <sup>2</sup>

CGD has a fairly equitable gender distribution - 60% female and 40% male - in a universe of 7,401 permanent employees, thus valuing the contribution of women to the day-to-day management of the Institution's activities.

#### **Female representativeness by functional family (%)**

Functional family	Male	Female	%
Administration	139	62	32.4
Background	602	663	52.4
Technical Staff	1028	1598	60.8
Administrative (2)	1205	2104	63.5

In the absence of a formalised policy for gender equality, the plans that integrate employee management are based on the application of principles of equality. In this regard, we should note that, in the term which began in 2017, the Board of Directors included three female directors, meaning that 20% of the members of this governing body were women; on 31 December 2018 it had four female directors, *i.e.*, female representativeness increased to 27%.

CGD's policies on the reconciliation of personal, family and professional life are underpinned by a culture of solidarity as a family-responsible institution. Specifically, in terms of parenting support, CGD promotes the balance of the social roles between genders by providing information and observing the rights of both parents.

CGD promotes breastfeeding support and offers family planning and preparation for childbirth appointments, as well as appointments for newborns, giving all employees, since 2016, a "birth support allowance" for each child born or adopted, as well as a "child allowance" and a "study allowance". All these benefits are part of the Company Agreement.

With regard to the issue of equality and non-discrimination, in 2018 we prepared the project for a Code of Good Conduct for the Prevention and Fight Against Harassment at Work, establishing the operating principles and rules of professional conduct to be complied with for an appropriate prevention and effective fight against harassment at work. In 2018, we also started to develop a Human Rights Policy in the CGD Group, aimed at asserting CGD's commitment to respect for internationally recognised human rights among its stakeholders, local communities, related markets and the society in general.

<sup>2</sup> Employees in a labour relationship with CGD, assigned to CGD and employees of the economic interest group.

Given the context of socio-economic crisis experienced in recent years, with a cross-cutting impact on many families, we continued to search for sustainable solutions focused on risk prevention and solvency support. In this context, we implemented short-term measures aimed at providing financial support and stimulating savings, with psychosocial support and budgetary advice.

## WORK-LIFE BALANCE MEASURES

CGD's principles of social and family responsibility reflect an approach to management centred on human capital, involving all hierarchical levels in the creation of an inclusive environment, supporting personal integration and development, and preventing a wide variety of challenges.

The restructuring of the CGD Group required close attention to the psychosocial issues that affected its employees and their families, with the aim of preventing situations of stress and burnout related to labour issues. CGD retains the measures that make it stand out, from the organisational point of view, with regard to the balance between the personal, family and professional life of its employees:

### a) Psychosocial support

Employee Follow-Up Programme (PAE), which consists of psychosocial assistance and/or advice provided in coordination with the areas of social action, psychology and health services of the institution, with the support and mobilisation of forms of internal supportiveness and guarantee of confidentiality.

### b) Socio-economic support

- Possibility of taking out housing loans and personal loans with term conditions and subsidised rates, but with significant changes in term of risk analysis, which promoted the referral to a wide range of complementary solutions;
- Monitoring and assessment of the financial supports in place, which allow understanding the impact of previous measures and, simultaneously, finding alternatives for situations of obvious fragility, preventing instances of disruption and/or deprivation;
- Solidarity collections that allowed employees to give food and personal care products, bringing together CGD partners and the beneficiaries of this aid. These initiatives supported employees and families in times of greater difficulty, whose cases were flagged and/or followed by the Social Action of the DPE and CGD's Social Services.

### c) Health support

Within the scope of the PAE, occurrences are assessed on a case-by-case basis and referred to specialised support in the area of health:

- CGD clinical and nursing centres in the main urban centres and network of providers operating in different areas with a wide nationwide coverage;
- Vaccination and free screening campaigns, focused on the prevention of seasonal influenza, smoking cessation, prevention of cardiovascular diseases, diabetes, female health, skin cancer, aortic aneurysm, among others;
- Ageing Support Appointment (interdisciplinary);
- Conclusion of protocols for long-term and integrated care for employees and their families;
- Maintenance of specific treatment protocols in the area of mental health and addiction diseases for employees and their families;
- Subsidies and supports for specific treatments for children with special needs;
- Special co-payment scheme for cases of major illness (major illness status).

### d) Flexibility and socio-professional support principles

- Adjustment of the position, place and workstation to the employee's physical and psychological conditions;

- Geographical and functional mobility is, where possible, adjusted to the employees' personal and/or family needs, trying to satisfy the interests of both parties;
- Possibility of extending absences for Family Assistance in extreme social situations such as, for example, major illness;
- Award of subsidies to working students;
- Greater focus on the continuous training model, aiming at a culture of excellence geared towards quality and results, based on values such as change, customer orientation, contribution to the employees' personal and professional fulfilment, enabling the promotion of social well-being;
- Counselling and support in situations of early retirement, retirement and mutually-agreed termination.

e) Social and family support

- Protocols under preferential conditions for the acquisition of products and services, insurance, transport, tourism, nursery and daycare centres, acquisition of books and educational material, residential units for the elderly and/or home support, among others;
- Holiday camps, language courses and others aimed at the playful and educational occupation of children, in particular during school holidays;
- Used schoolbook and material sharing scheme;
- Family planning and parenting support appointments, including preparation for birth, appointments for newborns and breastfeeding corner;
- Awareness-raising and training sessions on responsible parenting;
- Childbirth allowance;
- Award of "Disability Supplement" and/or "Attendance Allowance" to employees with children demonstrably suffering from serious illnesses;
- Award of subsidies to employees' children (primary, secondary and higher education scholarships according to social and meritocracy criteria);
- Award of funeral allowance when the deceased relative was not covered by any compulsory social protection scheme, granting the right to payment of the death allowance;
- Prevention and security initiatives promoted by the Prevention and Security Office (GPS) and extended to the employees' children and families.

f) Cultural and sporting initiatives

- Easy access to shows for CGD employees, through Social Services;
- Favourable conditions of access to the offer of the Culturgest Foundation for employees and their families and organisation of cultural initiatives at lunch time;
- Reading Club, with cross-booking and the possibility of ordering books with free shipping costs, in the case of residents in the Autonomous Regions, combating insularity, and also partnerships with publishers and booksellers;
- In the sports area, CGD offers several support infrastructures, in particular in the Cultural and Sports Centre of the Head Office building and in the Ajuda Pavilion, and employees and their families can also benefit from preferential protocols for practising a wide variety of sports across the country.

g) Social Solidarity

- CGD's Social Services Blood Donor Group - with more than five thousand permanent donors and a wide nationwide coverage based on regional centres, it is the largest group of its kind associated with a financial institution and one of the largest in the country;
- Corporate volunteering continues to bring together employees and families around social and environmental causes, reinforcing an internal culture that privileges citizenship and solidarity.

- Contributing to CGD's volunteer work, the "Seniamor" Volunteer Group, with branches in Lisbon, Porto and Guarda, deals with employees in a situation of greater psychosocial and economic fragility, aiming at preventing social isolation and promoting a culture of solidarity and a sense of belonging. This group donated 3,200 hours of volunteer work.
- The "Tempo Extra" (Extra Time) platform allows employees in early retirement situations and/or retirees to play an active role in supporting charities, choosing from the different areas of activity that are available to benefit from their skills, experience and knowledge.
- Support to retiree associations - ANAC and former BNU -, particularly the ANAC which ensures the presidency of the European Savings Banks Group among representatives of eight countries, reflecting the recognition of its prestige in the area of senior associativism.

CGD's conduct with regard to work-life balance reflects a culture of social leadership and active participation, responsible and supportive towards people as agents of change, promoting their capacity to manage a wide variety of challenges.

### **CGD's Social Services (SSCGD)**

The primary mission of CGD's Social Services, or its responsibility as set out in its By-Laws, is to improve the economic and health conditions and the quality of life of CGD employees and retirees (members) and their relatives (beneficiaries), carrying out its activity "in the areas of health, social security, housing, culture, recreation and related activities (Article 7 of the By-Laws).

Its Vision is expressed in the aim of "being recognised by all its members and beneficiaries as an ethical, transparent, rigorous, supportive entity that is open to participation". It is guided by the following values:

- Transparency - Relationships with members are based on a clear, simple, efficient and regular communication, so that everyone can participate and be aware of the SSCGD's management and activities.
- Rigour - Free and conscious assumption of behavioural rules, focused on justice and impartiality, by all the stakeholders involved in the subsystem, in any situation, time or place.
- Solidarity - The financial contributions of the members are proportional to their income. The balance of the system is fostered by contributions from younger members to older ones, from members with higher incomes to those who earn less, and from members in good health to those in poor health. The support provided to households (beneficiaries) is a way to show solidarity with the members.
- Equity - The SSCGD provide support to members and their families in various areas of activity, always in an equitable manner. Each member, regardless of their financial contribution, social or professional status, enjoys all the rights and obligations set forth in the SSCGD By-Laws.
- Responsibility - Protecting the assets and the support provided by CGD's Social Services is a responsibility shared by all its governing bodies, delegates and members. In the performance of their duties, the governing bodies must use their proposals and competences to manage what is entrusted to them; the delegates must represent the will and keep up with the needs of those who elected them, and the members must be aware of and play an active role in the decisions and routes that are followed.
- Sustainability - The future of CGD's Social Services depends on their ability to finance the costs of the health services provided to its members, based on efficient management, mechanisms for controlling expenses and generating own revenues in other areas of activity.

### **Health Prevention and Screening Initiatives**

The promotion of the health of members and beneficiaries is becoming increasingly relevant, keeping up with the country's demographic development and context. In 2018, the Clinical Projects Office (GPC) developed several prevention and awareness-raising initiatives for members with the aim of promoting healthy lifestyles that result in a better quality of life and allow maintaining good health indicators for longer.

In these initiatives, thanks to their proximity to members and beneficiaries, the clinical centres have been playing a key role in the implementation of screenings and awareness-raising campaigns. In 2018, we highlight:

- Skin Cancer Screening - conducted for the third consecutive year in the Lisbon, Porto and Coimbra Clinical Centres. This national initiative relied on the collaboration of dermatologists and nurses from the various Clinical Centres.
- A programme for the prevention and early detection of colorectal cancer was implemented in all clinical centres, following the Directorate-General for Health standard regarding this procedure. To this end, the programme relies on the collaboration of specialists in Internal Medicine and General Practice/Family Medicine. This is not merely a screening, but a long-term programme that will continue in the coming years.
- Oral health programme aimed at the paediatric population, available at the Lisbon, Coimbra and Porto Clinical Centres, in coordination with the Dental Medicine Unit.
- A paediatric ophthalmologic surveillance programme was implemented that allowed referring children for ophthalmology appointments according to the guidelines of the American Association for Paediatric Ophthalmology.
- A hearing loss screening was carried out with the support of Widex, and the results were presented by the company to the GPC on 11 October. These were processed and sent for publishing.
- There was also a visual disorder and glaucoma screening carried out with the support of Essilor, whose results were subsequently disclosed.
- The request submitted to the relevant authorities of the National Health Service to assess and authorise the Lisbon Clinical Centre to offer the vaccines included in the National Vaccination Plan is at an advanced stage for its implementation. In addition to the vaccination plan, the introduction of new anti-meningococcal vaccines was approved.
- Training in Basic Life Support and Automated External Defibrillation was provided to 30 employees of the Lisbon Clinical Centre, and training courses are scheduled to take place in the Coimbra and Porto clinical centres in the first quarter of 2019 (February).
- World Diabetes Day was celebrated on 14 November, with the support of the diabetes centre of the Nursing Unit and specialists in Nutrition; this initiative attracted a large number of participants and its results were published on the portal of the CGD's Social Services.

The SSCGD carried out a total of 22 screening and awareness-raising initiatives during the term of the Board of Directors, which ended on 31 December 2018, four years after its election by the members in 2015.

### **Health Area**

The Health Area is the area most valued by the Members and Beneficiaries of CGD's Social Services, the one which has a greater weight and also the one that is given more attention and priority by the Board of Directors, namely by equipping the clinical centres with new services and resources, in order to expand its offer and improve its capacity of response to its users, by renegotiating contracts with services providers across the country and by selecting new providers for regions that have greater gaps in the access to healthcare. These developments aim to improve and broaden the external provider network, make it more accessible, effective and at more attractive prices for members and beneficiaries.

### **Social Area**

The primary purpose of the Social Support Unit (UAS) is to promote well-being and improve the quality of life of its members and beneficiaries. Its activity encompasses several areas and relies on a sound scientific underpinning within the framework of social and human sciences and ethics in matters such as human rights, human dignity, social justice and self-determination of the individual as a person and/or citizen.

With regard to the number of active allowance processes, the Social Support Unit is currently monitoring 96 cases, 60 of which are related to the Disability Allowance, 31 to Retirement Home Allowance and 5 to the Allowance for Disabled Children and Youths. On the other hand, 33 children and teenagers with developmental disorders are being followed.

With regard to Long-Term Care, the UAS referred 34 members and/or beneficiaries to recovery units. New protocols with advantageous conditions were also signed, with a special emphasis on the support provided to senior citizens.

### **Study Allowance**

The Study Allowance is meant to support students who attend undergraduate and integrated master's courses in higher education institutions. In 2018, a total of 80 subsidies referring to the 2017/2018 academic year were granted.

### **Summer Holiday Camps**

Every year, Caixa Geral de Depósitos' Social Services support and organise summer holiday camps for beneficiaries aged between 6 and 17. In this area, the UAS selects the entities and programmes that will be responsible for organising the holiday camps, formalises collaboration protocols, ensures the follow-up and visits to the camps throughout their duration, and gives advice to members about the most appropriate programmes for their children. The SSCGD also gives employees of CGD Group companies the possibility of enrolling their children in these activities at the price agreed with the service providers for CGD employees.

In 2018, protocols were signed for 32 programmes in Mainland Portugal, Madeira and Abroad; 1,832 applications for holiday camps were accepted, 84 of which came from Group companies.

## **SOCIAL ENVIRONMENT SURVEY**

Since 2017, CGD has been annually assessing the evolution of the level of motivation and commitment of its employees by means of a social climate study covering five types of indicators: (i) involvement and commitment of the employees to the organisation, (ii) their relationship with CGD's brand and reputation, (iii) their values, assets, (iv) responsibilities and (v) their activities.

The Social Climate Survey took place between June 19 and July 20 and obtained a Global Satisfaction Index of 69%, with 78% of employees asserting a strong commitment to the CGD Group.

The implementation of the study was supported by a communication plan that promoted the employees' involvement and participation; the overall results were subsequently disclosed and specific reports were shared with the relevant internal organisational structures and their managers.

Following the analysis of the results, we identified initiatives that will be implemented in the short and medium term, with a view to improving employee satisfaction.

## **OCCUPATIONAL MEDICINE**

Occupational Medicine aims at:

- Ensuring working conditions that safeguard the employees' safety and health.
- Conducting a careful analysis of the environmental and organisational factors and of the human and individual characteristics that influence behaviours at work.
- Adapting workstations to employees, especially with regard to design, ergonomics, equipment and working methods.
- Monitoring the rehabilitation and recovery from occupational diseases and work accidents and developing preventive measures.
- Assessing professional risks (biological, chemical, physical and psychosocial) and putting into practice preventive measures aimed at eliminating and/or reducing damages.
- Providing information on occupational safety and health to the employees.

It relies on a multidisciplinary team (physician, nurse, psychologist and administrative assistant) that provides a personalised and proximity-based service, promoting a comprehensive characterisation of the situations, their referral and, where necessary, the rehabilitation and professional reintegration of the employees in question.

In addition to complying with legal obligations and operating from a global health perspective, CGD's Occupational Medicine develops its activity in close collaboration with the Occupational Safety and Health Area, the Social Action Centre and business traveller support.

In 2018, 6,003 medical examinations were conducted (CGD and CGD Group Companies in Portugal).

Regular Examinations	Initial/Admission Examinations	Occasional Examinations	Interviews
5,544	70	278	111

Within the scope of health prevention, and going beyond compliance with the law, CGD:

- Provided 33 Business Traveller Support appointments.
- Ensured the monitoring of a confirmed occupational disease by the National Centre for Protection Against Occupational Risks.

Within the scope of the healthy and productive exercise of professional activities, the Psychology Area identifies, assesses and monitors the following situations: presenteeism, crisis situations, interpersonal conflicts, dissatisfaction, lack of motivation, crisis (attacks, grief and other traumatic events) and prolonged absenteeism due to illness (absence longer than 60 consecutive days).

In 2018, this area conducted 1,089 interviews:

- All the situations of prolonged absenteeism due to illness, with a total of 510 interviews;
- All the problematic situations that were identified, with a total of 574 interviews;
- Psychosocial intervention in all crisis situations, with a total of 5 interviews.

## HYGIENE AND SAFETY AT WORK

CGD continued to develop several activities in the area of occupational safety, continuing to pursue the model that is already in place, in line with the best practices and giving priority to the facilities targeted for layout renovations with a direct impact on the existing workstations:

- Integration of two central divisions involving the installation of approximately 510 workstations, accompanied by risk assessments leading to proposals for preventive/corrective measures, where applicable;
- Technical occupational health and safety audits: there were 2 technical audits covering 33 workstations located in the commercial network and group companies;

Occupational accident analysis and management: 106 work accidents that occurred in 2018 (99 CGD employees and 7 Group company employees) were analysed and 24 reports were prepared (all cases in which those affected were granted leaves longer than 3 days) with proposals for preventive/corrective measures where applicable. These were all the incidents that occurred and only 63 resulted in sick leave.

- Incident analysis and management: the circumstances in which the 123 incidents that were reported occurred were analysed and the necessary measures were taken to reduce the impact of the events and prevent future incidents;
- Assessment and ergonomic correction of workstations: 25 workstations were studied from the ergonomic point of view, leading to postural correction and/or the rearrangement of the work equipment, as well as to the implementation of measures to eliminate/reduce risks at source.



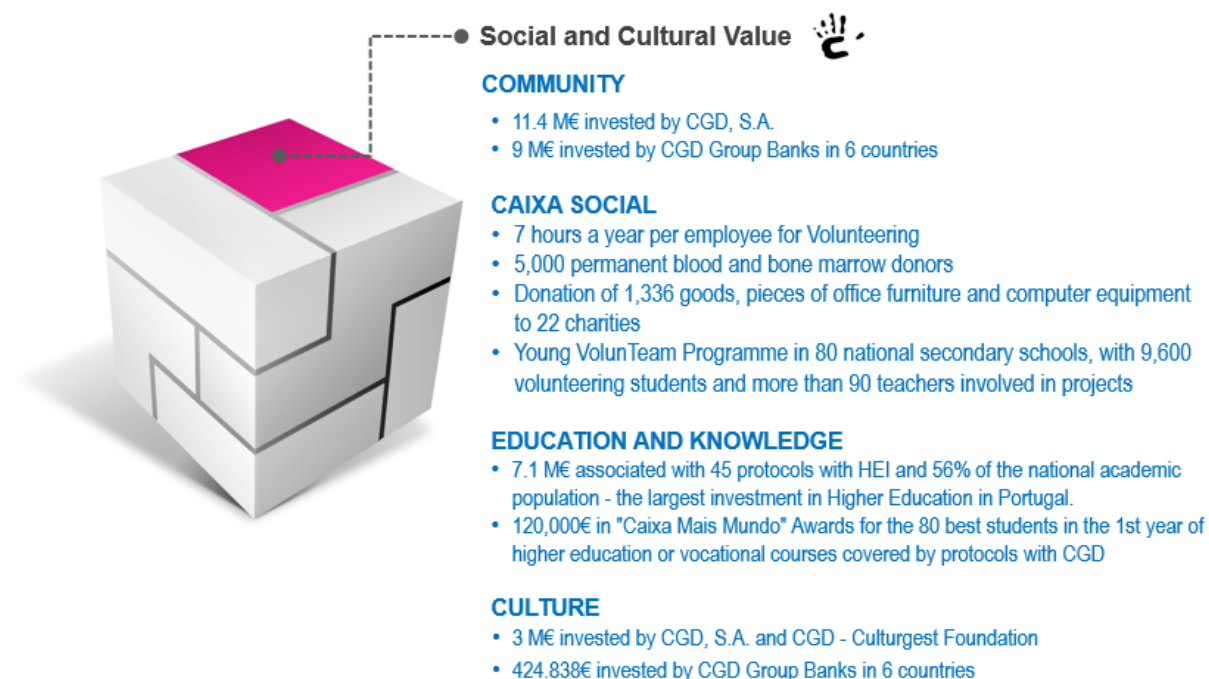
- High-risk activity analysis: 117 high-risk activities were assessed, for which individual protection equipment was outlined and necessary prevention measures were proposed;
- Training sessions: there were also on-the-job training sessions aimed at the employees of the units covered by technical audits, ergonomic studies, workstation assessments and/or where necessary.

Within the scope of Prevention and Security, CGD has implemented the following initiatives:

- 1) **Incident analysis and management**- Following the reporting of incidents, the Protection and Security Office (GPS) promoted the analysis of the circumstances in which each incident occurred and implemented the necessary improvement measures to reduce the impact of the event and, subsequently, prevent future incidents of a similar nature.
- 2) **As part of the Caixa Segura Programme** - , GPS continues to promote training courses for First-Aid Groups (GPI) with the goal of providing trainees with theoretical and practical knowledge that allows them to intervene in the most efficient way in case of emergency: ensuring that all occupants leave the premises safely, providing first-aid to accident victims and intervening in the most efficient way with fire extinguishers in the event of a fire (325 training sessions in 2018).
- 3) **Emergency drills at central buildings** - Complete evacuation drills at central buildings, in order to assess the activation of the Emergency Management Office, test the Internal Emergency Plan in its various aspects and promote coordination, at the operational level, with the Operational Command Station as part of SIOPS (Integrated System for Relief and Protection Operations), which comprises civil defence agents.
- 4) **Emergency drills at facilities with risk category 2, as part of the MAP**- Continuation of emergency and evacuation training and drills as part of the implementation of self-protection measures at facilities with risk category 2, 3 and 4, in accordance with legislation in force;.
- 5) **Visita Segura (Safe Visit)** - Mandatory fact-finding visit to the head office and to the building located on Avenida dos Aliados with the goal of raising the new residents' awareness and providing information on basic emergency procedures.
- 6) **Férias Seguras (Safe Holidays) and Crescer em Segurança (Growing up in Safety) project** - Consolidation of the protocol signed with the Lisbon Municipal Civil Defence Services, focused on collaboration and training on the protection of people and property, participation in emergency drills organised by CGD and in the training provided to the children of employees as part of Férias Seguras and the Crescer em Segurança project.
- 7) **Programa Proximidade (Proximity Programme) (Security)** - - Programme for the branch network, consisting of the presence of a security officer at each branch (along the coastline, from Setúbal to Minho) in order to prevent/deter any situations of theft, fraud, threats, etc., that may threaten customers and staff at the branch network;
- 8) **Programa Prevenção de Furto de Portáteis (Laptop Theft Prevention Programme)** - Programme based on daily preventive rounds to detect laptops in vulnerable situations or risking theft, which are preventively collected and returned on the following business day by the Secretariat of the Division to which they belong..
- 9) **Programa Balcão Seguro (Safe Branch Programme)** - The Security Centre detects and monitors situations involving increased risk at branches, namely the counting or packaging of cash outside the areas provided for in the internal regulations.

## 7. Our Social and Cultural Value

CGD has been promoting best practices in responding to the problems and challenges of the Portuguese society in different times and situations, always seeking to be present in the direct support of social solidarity initiatives and institutions. This is a commitment undertaken at the highest level of management, renewed throughout the Institution's history, as it is aware that sustainable development contributes to a fairer society.

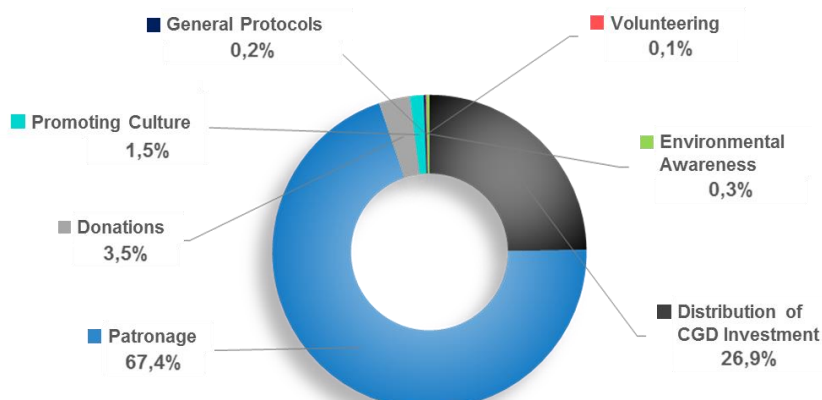


The Caixa Social Programme was created within the framework of the 2018/2020 Sustainability Programme and the Community Involvement Policy; this programme allows CGD and CGD Group companies in Portugal to promote socio-economic projects and models in line with their strategic goals and together with third-sector entities. The social economy, in its multiple areas of intervention, of socio-cultural and economic progress, plays a major role in combining the objectives of combating social exclusion, enabling access to goods and services and encouraging employability. The potential for innovation and entrepreneurship is crucial and decisive in addressing social cohesion challenges through job creation in the broader context of the national territory.

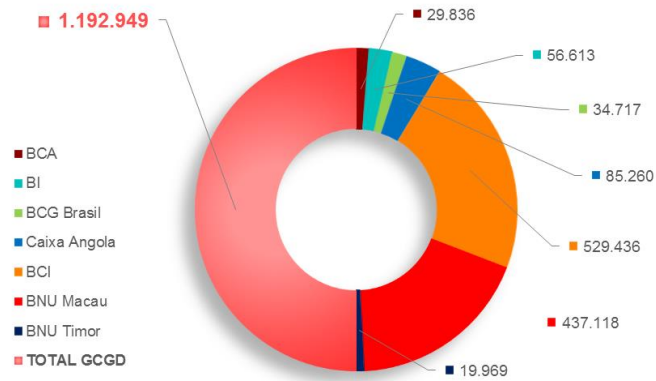
### INVESTMENT IN THE COMMUNITY

In 2018, CGD invested around € 10.4 million in the Community, covering various areas and initiatives, monitoring their impact and contributing to the efficiency of the support that was provided.

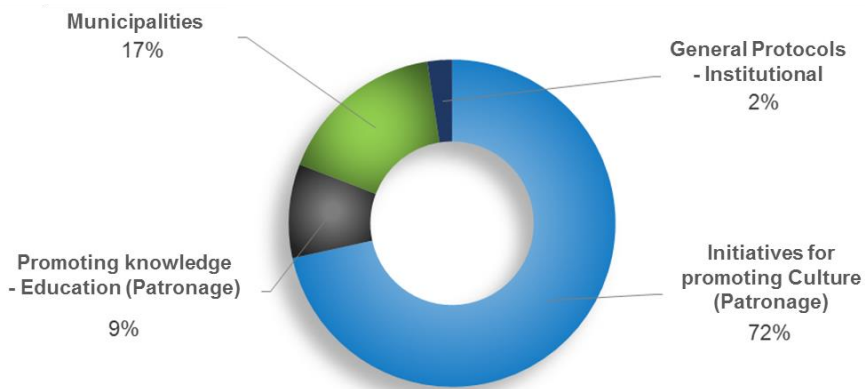
**Distribution of CGD, S.A. Investment**



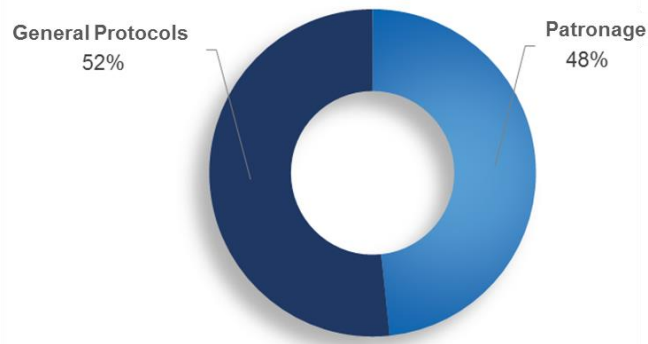
**CGD GROUP** - Aggregated distribution of investment in the Community (in Euros)



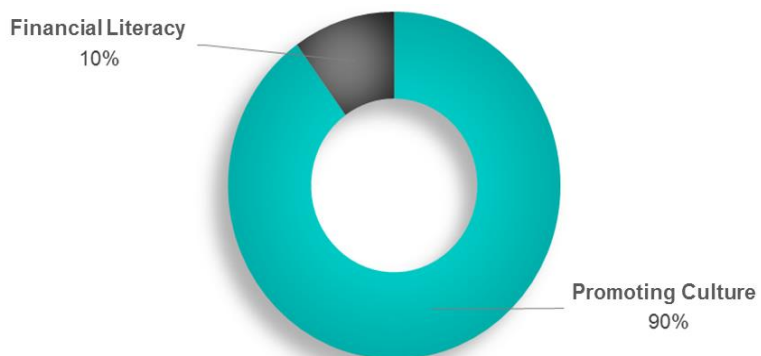
**Banco Comercial do Atlântico, Cape Verde**



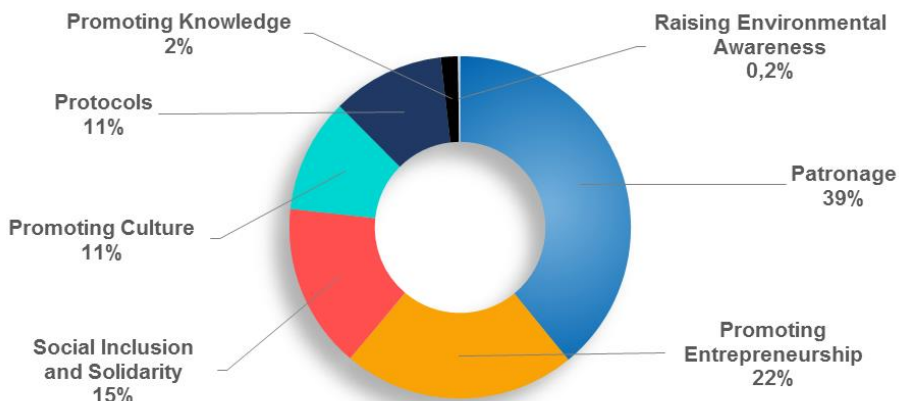
**Banco Intertlântico, Cape Verde**



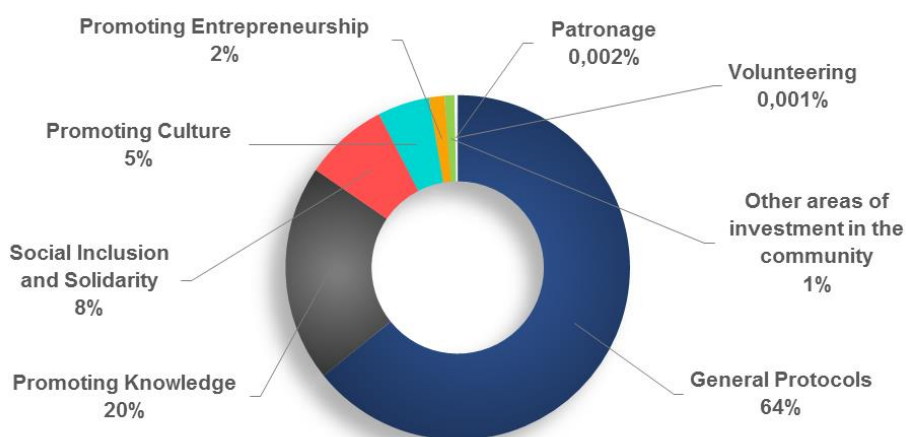
**Banco Caixa Geral, Angola**



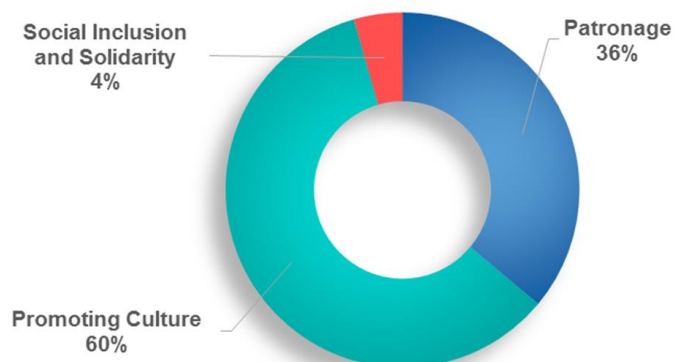
**Banco Comercial e de Investimentos, Mozambique**



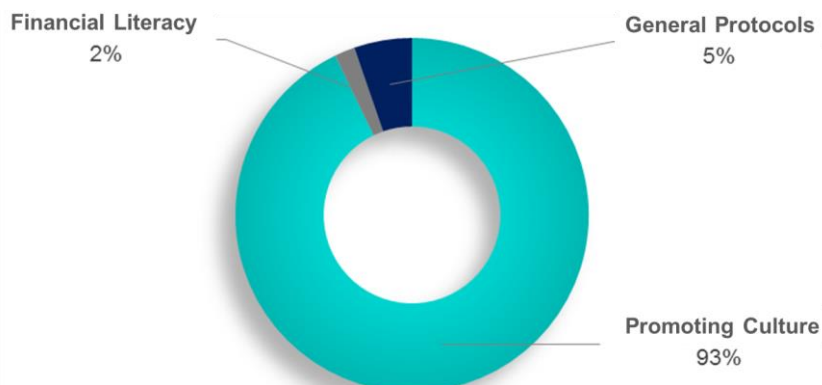
**Banco Nacional Ultramarino, Macao**



**Banco Caixa Geral, Brazil**



**BNU Timor Branch**



## CAIXA SOCIAL PROGRAMME

The Caixa Social Programme is geared towards the social and economic development of people in need and the strengthening of social economy entities, offering financial products and services and other complementary forms of support (sponsorship and donations), while promoting the most varied aspects of Education and Culture.

It is also aimed at supporting and financing social activities with a strong impact and an innovative character, focused on the digital and socio-financial inclusion of citizens, the empowerment of micro-entrepreneurship projects and the sustainability of third-sector companies.

Five lines of intervention were defined for this Programme:

- i. Job and Wealth Creation
- ii. Social Integration and Solidarity
- iii. Digital and Financial Inclusion
- iv. Education
- v. Culture

### "Sou Cidadão" (I'm a Citizen) Programme

Among a wide variety of initiatives developed under the aforementioned lines of intervention, we highlight CGD's integration into the Group for Strategy Implementation, Monitoring and Assessment (GIMAE) within the scope of the National Strategy for the Integration of Homeless People (ENIPSSA); it is the only bank represented in the group, a fact that reflects its role and performance among the Portuguese communities, families and generations.

In accordance with CGD's Sustainability strategy for the 2018-2020 Triennium, with an emphasis on socio-economic inclusion and the fight against poverty, the Institution considers its integration into this group to be extremely relevant, as it will allow finding answers to facilitate the social integration of citizens; strengthen the role played by CGD among this vulnerable population, establishing partnerships and sharing knowledge and synergies in order to learn about the phenomenon of homeless people and/or people living on the verge of poverty, without forgetting the reflection, sharing of information and most appropriate procedures among the entities involved.

With the "Sou Cidadão" Programme, CGD supports and/or implements programmes aimed at reducing the number of homeless people, ensuring that they are granted access to the basic rights that every citizen enjoys, namely triggering the process for the issue of Citizen Cards to be delivered to homeless people who meet the conditions to hold said document. This document gives them an identity as citizens and allows them access to specific benefits.

## CITIZENSHIP AND VOLUNTEER WORK

Corporate volunteering is a commitment of the CGD Group to the Community, reflected in a supportive relationship with others, participating in a free and organised manner in the solution of problems that affect society in general and citizens and communities in need in particular.

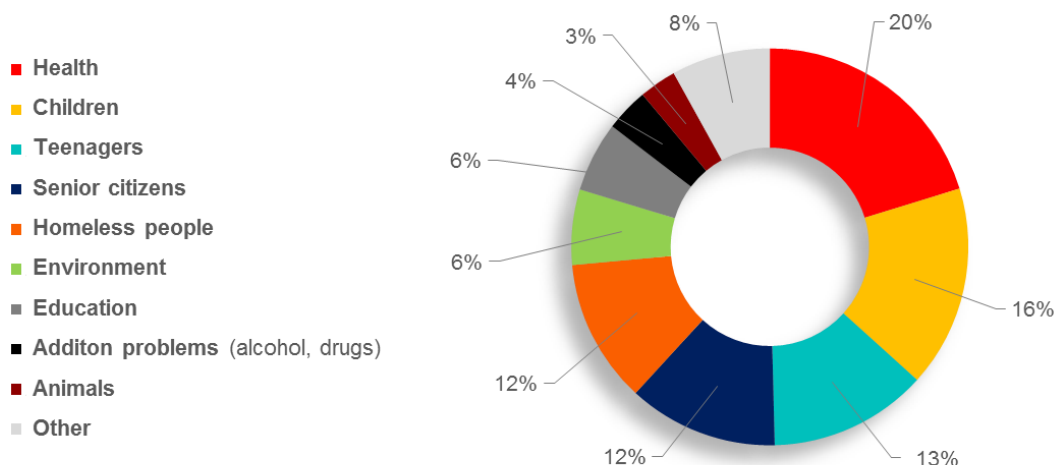
The CGD Volunteering Program, which covers the Group's companies in Portugal, aims to encourage a spirit of solidarity, based on two lines of action focused on serving the communities: (i) the employees' skills and (ii) time. It is a lever that promotes a corporate culture anchored in the exercise of active citizenship, capable of contributing to the social and economic development of the communities in which CGD and its companies operate and to promote cohesion and internal self-help.

The CGD Volunteering Programme was strategically defined and oriented in a consistent and flexible way to accommodate the spontaneous and individual willingness of employees who wish to volunteer. In this context, the internal regulations were reformulated with the definition of the guiding principles for Corporate Volunteering, such as its scope and competencies, the rights and duties of volunteers, and details regarding participation in the various initiatives. We should note that said regulations enable each employee to use seven hours per year to participate in volunteering initiatives during the business hours of the corresponding unit, without prejudice to their responsibilities and duties.

In order to encourage employees to participate in corporate volunteering initiatives and contribute to a greater involvement, in August 2018 there was an online questionnaire aimed at a total universe of 8,322 employees (CGD and CGD Group companies in Portugal) to assess their experience, interests, preferences and motivations associated with volunteering. The response rate was 17% with 1,416 fully completed questionnaires, which allowed identifying the areas of intervention preferred by the employees: Health, Children and Teenagers, Senior Citizens and Homeless People.

### Results of the *online* survey on CGD Corporate Volunteering

- Preferred areas of intervention -



Launched in November 2018, with the contributions of employees and under the fundamental values of the Code of Conduct, the Corporate Volunteering Programme - "CGD Voluntários" - multiplies the solidarity commitment of 8,000 employees to those who need them, side by side with those who are helping. In December, the first initiative involved more than 30 CGD Volunteers and reached nearly 1,300 homeless people in Lisbon, in a partnership with Comunidade Vida e Paz, which organised a Christmas Dinner at the Rectory of the University of Lisbon.



The exercise of active citizenship intends to include different types of volunteering initiatives in CGD's annual action plan, in order to give all employees the opportunity to participate, taking into account their availability and skills.

## "TEMPO EXTRA" (EXTRA TIME) PROGRAMME

In pursuit of social responsibility and the promotion of a full exercise of Citizenship, CGD is a founding partner of Entrajuda in the Tempo Extra programme, which promotes volunteering, especially among employees in early retirement situations and/or retirees.

This programme encourages employees of the member companies who are going through a professional transition - namely early retirement or retirement - to participate in Volunteering projects, giving them easier access to "Extra Time" in their active lives to support social, cultural or environmental organisations of their choosing as volunteers.

Tempo Extra is an innovative programme focused on sharing time and experience, which enables:

- Companies to offer Employees who are going through a professional transition - retirement or termination of employment contract - an experience as volunteers in the social sector.
- Employees to address changes in their lives with an appropriate follow-up and keeping their emotional balance and self-esteem.
- Employees to continue playing an active role by using their skills for a useful and solidarity-based purpose with added value.
- Developing a relationship of partnership and support between the Companies and Entrajuda.

CGD's group of retired volunteers - Séniamor - also continued to carry out its day-to-day activity of helping people and families in need. In this way, the emotional bond to the CGD brand and community persists in the relationship with other audiences and causes, through ambassadors who continue to strengthen this Institution's values and reputation.

But perhaps the biggest gift is the one offered by the volunteers of the CGD Blood Donor Group, the country's largest private group, which has helped save more than 80,000 lives by donating blood and bone marrow. The one that is growing, year after year, in its capacity to give and allow "life" to go on.

## PROMOTING KNOWLEDGE - HIGHER EDUCATION INSTITUTIONS (HEI)

Our relationship with the Academy has evolved via the cooperation with Higher Education Institutions (HEIs), the technological and digital innovation applied to CGD's offer and to the relationship between university students and the bank, but also thanks to our presence in important events for the academic community, namely national and international conferences and seminars, merit awards, research awards and scholarships and through the recognition of innovative projects.

In 2018, CGD made the largest investment in higher education in Portugal, with 4.2 million euros assigned to 45 protocols with HEIs and covering 56% of the Portuguese academic population. Within this scope, we've established successful partnerships with HEIs, such as University of Aveiro, Minho, IST and FCT - to set up project teams at CGD with the aim of meeting development needs and/or finding innovative approaches to ordinary activities and/or to activities related to bank support and maintenance.

## "MAIS MUNDO" (MORE WORLD) AWARDS

Caixa Mais Mundo Merit Prizes awarded to the best students: (i) placed in undergraduate or integrated master's courses via the CNA - National Contest for Admission to Higher Education, and (ii) enrolled in Vocational Technical Higher Education Courses (CTeSP).

The prize awarded by CGD consisted of a single instalment of 1,500 € paid by bank transfer to the student's Caixa IU account. Forty prizes will be awarded to students enrolled in undergraduate or integrated master's courses and another 40 to students enrolled in CTeSP courses, a total of 80 prizes for the 2018/2019 academic year.

The institutions and schools choose the students and courses that will be eligible for the prizes, awarded in equal percentages among the selected courses, seeking to cover the widest possible variety of areas of academic training. The prizes will cover HEIs, Universities and Polytechnic Institutes that have signed a protocol with CGD and initial training courses offered by public higher education institutions, structured as vocational technical higher education courses (CTeSP), undergraduate and integrated master's study cycles.

Those eligible for the awards are: students with Portuguese nationality who reside in the country; students enrolled in vocational technical higher education courses, undergraduate courses or integrated master's courses in the 2018-2019 academic year. The ranking criteria are as follows: descending order of the grade for application to the CNA - National Contest for Admission (after the three application phases), for students enrolled in undergraduate or integrated master's courses, descending order of the final grade of secondary education used for application purposes, for students enrolled in CEEsP courses.

Students who are awarded a prize will also receive a CGD diploma of merit via their higher education institution. CGD hopes that these awards contribute to encourage the enrolment in higher education, particularly in regions with less demand and demographic pressure. Furthermore, these awards aim to contribute to territorial cohesion, helping young people to establish themselves, and to the achievement of the Portugal 2020 goals for the number of graduations.

## 2018/2019 YOUNG VOLUNTEAM PROGRAMME



This is a CGD Educational Programme that encourages youth volunteering in national secondary schools. Through the values and practices of Volunteering, this initiative shapes and challenges the young people of Portugal to assimilate and exercise active citizenship to benefit their schools, surrounding communities and ecosystems, so that, as a team, they can implement a set of actions and projects with social and environmental impact, highlighting, unequivocally and on the ground, the relevance of each individual's role and the strength of the team as a whole in the construction of a future with greater justice and respect for Human Rights and the Environment.

With the re-launch of the CGD Young VolunTeam (YVT) educational programme, young volunteering returns to secondary schools across the entire country, raising the students' and the teachers' awareness of the importance of turning schools into hubs for social and environmental solidarity, intergenerational equity and engagement with local communities. In partnership with Sair da Casca, Entrajuda and the Directorate-General for Education (DGE), this programme, distinguished by the Civil Office of the Presidency of the Republic, is unique and innovative in the context of national pre-university education and reinforces the academic qualifications of the participating students by integrating their participation into their curricula.

Over the course of five editions, Young VolunTeam has been in more than 400 schools, with 10,000 participating students, more than 450 teachers and 100,000 students and citizens involved. In the 2018/2019 academic year, YVT challenges students to design and implement projects aimed at social inclusion, entrepreneurship and digital and technological inclusion.

At the end of the programme, the teams with the best volunteering projects will be recognised, considering their quality, originality and impact, prospects for future development, capacity of engaging both the school and the local community and the effort required for their pursuit.



## DONATION OF GOODS

Through its Goods Donation Programme, CGD regularly responds to requests for donations of goods, namely furniture and computer equipment, thus promoting the reuse of various discontinued pieces of equipment and materials in favour of communities, institutions and entities. Thus, we are promoting the reuse of materials and, therefore, contributing toward reducing waste and environmental damage. In 2018, CGD donated 1,336 items, such as office furniture and computer equipment, to 22 charitable institutions.

The programme for the donation of goods to third-sector institutions of recognised merit and capacity for social intervention, developed in collaboration with Entrajuda (EA), allows CGD to meet the needs of various entities, promoting the reuse of discontinued pieces of equipment and materials in favour of local communities, educational institutions and citizens in need that will give them a new use and value. EA donated 101 pieces of computer equipment and 44 pieces of office furniture (desks, chairs) to 6 institutions.

Thus, we privilege the reuse of material, contributing to reduce waste, the generation of refuse and the environmental footprint, making it easier to reorganise fixed assets amortised or written down for accounting purposes and without future utility. Quarterly reports on initiatives and donations, volume and type of equipment donated, as well as beneficiary institutions. The donation of goods also covers the offer of urban furniture from CGD's bank card recycling program, which transformed 15 tonnes of PVC and plastic into durable and weather-resistant pieces of furniture, while ensuring the total destruction of the personal data of the card holders who returned their cards.

In addition, CGD continued to be associated with major causes in the area of solidarity and philanthropy, through fundraising and collection of assets, disseminating these initiatives via its means of contact with the public and/or official entities.

We highlight the donation of furniture and equipment to various Charities and Student Associations, the support provided to Casa do Gaiato through the financing of the construction of a residence for young people, the donation of a tractor to the Merged Parishes of Penalva de Alva and São Sebastião da Feira and the contribution to the acquisition of a fire-fighting vehicle by the Ferreira do Zêzere Fire Brigade, the latter two related to the large fires that occurred in the districts of Leiria and Santarém, respectively.

## BLOOD DONOR GROUP - CAIXA GERAL DE DEPÓSITOS

Created in 1983, the Blood Donor Group (GDS) has been raising awareness and promoting the donation of blood for 36 years. Through its centres and coordinated by Lisbon, the GDS organises collections across the entire national territory, as well as awareness-raising initiatives in partnership with the Portuguese Blood Institute (IPS).

In 2018, GDS made 56 collections which resulted in 1,509 blood donations - 7,162 in four years. However, this number of donations is still insufficient to meet the country's needs, which has led the GDS to continue strengthening its communication, focusing on the younger age groups.

In this context, we launched "Projeto Jovem" (Youth Project) in 2017, which allowed organising various awareness-raising sessions in 90 Universities with which CGD has protocols, implementing a communication project aimed at young people in collaboration with the IPS.

Since the GDS is a group with a social nature and, therefore, open to all those who wish to contribute to the cause, over the last four years the group's coordination has been heavily promoting its activity via its Facebook page, which has about 4,000 followers.

Thanks to the committed way in which it develops its work, the group has earned the recognition of the regulatory entities of the sector, as well as of other groups and associations.

In 2018, the medical appointments provided by the Clinical Centres of CGD's Social Services were free of charge for blood and bone marrow donors.

## PORTUGUESE DIVERSITY CHARTER

In 2019, CGD made the first contacts to learn about and endorse the Portuguese Diversity Charter. The Diversity Charter was launched and signed on 31 March 2016 by the following partner entities: ACM,IP; CIG; CITE; INR,IP, ISCTE-IUL; GRACE; AGA KHAN Foundation, and a number of signatory

organisations. This is an initiative of the European Commission which is one of the voluntary instruments created with the aim of encouraging employers to implement and develop internal policies and practices to promote diversity.

The Diversity Charter outlines concrete measures that can be taken to promote diversity and equal opportunities at work. We adopt the concept of diversity, which is understood as the recognition, respect and appreciation of the difference(s) between people, including in particular those related to gender; gender identity; sexual orientation; ethnicity; religion; creed; region of origin; culture; language; nationality; place of birth; ancestry; age; political, ideological or social orientation; marital status; family situation; economic situation; health status; disability; personal style and education, according to international documents.

## PACT FOR RECONCILIATION

In 2018, CGD was invited by the Secretary of State for Citizenship and Equality to take part in the pilot of implementation of the Portuguese Standard 4552.

NP 4552 was developed by the Sectoral Standardisation Body of the Portuguese Association for Business Ethics and published by the Portuguese Institute for Quality in late 2016. This is a lifestyle standard aimed at increasing the quality of life of people by balancing their professional, family and personal spheres. It is a standard with requirements and, therefore, certifiable by a third party (market certifying entities).

The standard sets out the requirements for an organisation that intends to implement, maintain and manage a reconciliation management system based on principles and values that aim to raise the levels of well-being, quality of life and general satisfaction of the stakeholders with regard to reconciliation. It allows the organisation to define consistent policies, measures and actions that result in a better balance for its employees, which will later result in higher levels of satisfaction, adhesion and productivity.

The implementation of the standard requires analysing the context and needs of the stakeholders, endorsing a set of principles, a Reconciliation Policy that can be part of a broader human resources policy, setting objectives in terms of reconciliation, measures and indicators, as well as other aspects related to the implementation of a management system.

It is the Pact for Reconciliation, a pilot project of the initiative "3 in Line - Programme for the Reconciliation of Professional Life" proposed by the Government. Public and private organisations undertake to adopt measures to promote work-life balance. The measures envisaged in this pilot project include the possibility of working from home, where possible and necessary, free afternoon on the children's first day of school (which will already be in force for public administration in September, at the beginning of the next school year) or the change of shifts in case of need, among others. In addition to the employees' children, they also anticipate the needs of those who care for dependent elderly relatives.

According to data from the National Institute of Statistics, 40% of Portuguese workers say they do not have flexible working conditions and only 30% of men share parental leave, a situation that is responsible for gender inequality in traditional roles and differentiated overloads. The idea of flexibility advocated in this pact will allow adapting the needs of people and organisations. This issue is considered as a priority in the activity plan of the Sustainability Strategy which will be implemented in 2019.

## SOCIAL AND FINANCIAL INCLUSION

Assessing the quality of services and customer satisfaction is crucial for managing the most relevant opportunities and needs associated with an effective generation of value and the preservation of long-lasting, trustworthy relationships. The knowledge that CGD obtains from its customers is an important contribution to develop the bank, by integrating suggestions and expectations which are upstream of its business.

Proximity to customers and the market in general is a great asset for CGD's day-to-day performance. By ensuring that customers have full access to their financial assets, regardless of their means, location and needs, CGD brings together the availability of its service portfolio with technological multichannel innovation - branch network, mobile branch, digital passbook, Caixadirecta, APPs, call centre, etc. - and the socio-financial inclusion of people with special needs and/or levels of disability who depend on the availability of exclusive means of contact, relationship and mobility.

A pioneering initiative in Portugal, the "Mobile Branch" took the services and the relationship with CGD to populations penalised for living in inland areas of the country and/or areas affected by demographic ageing, providing banking operations and ensuring inclusive financial and digital literacy to complement other banking operations, namely by offering a digital passbook and the possibility of opening an account remotely by video call.

CGD has the largest share of subscription to Minimum Banking Services (SMB) in Portugal, reinforcing them in line with Social Security and increasing the associated benefits, contributing to a simplified banking offer and to the financial inclusion of low-income customers or customers with demographic specificities. On the other hand, it has waived fees for customers over 65 that earn less than 1.5 of the National Minimum Wage (SMN).

At CGD "There is a Place for Difference", an OECD initiative aimed at promoting the employability of people with disabilities or special needs. More than 2% of CGD's employees have functional diversity, with disabilities rated 60% or higher, being integral and active members of the working community.

## FINANCIAL LITERACY

As part of financial education and literacy, CGD has been developing and supporting initiatives geared to society as a whole, from children to companies, aimed at encouraging savings, more responsible consumption and investments, while fostering the involvement in volunteering programmes.

CGD is part of the Financial Education working group of the Portuguese Banking Association (APB), contributing to familiarise young people with concepts related to financial education, the responsible management of financial assets and entrepreneurship.

### Financial literacy initiatives

#### European Money Week

European Money Week 2018 is an initiative of the European Banking Federation to promote financial education, with the participation of more than 30 countries. In Portugal, it is organised by the Portuguese Banking Association (APB), within the scope of the Financial Education project in which Caixa is involved.

The European Money Quiz is a game that, for the first time, brought together thousands of students from various European countries in a unique competition that promoted and tested the financial literacy of 13- to 15-year-olds. In Portugal, the national final was held on March 20 at the Padre António Vieira School in Lisbon, and had 50 participants, all students from the 7th to the 9th grade. The two students with the best score represented Portugal in the European final, which took place in Brussels on May 8.

The students were welcomed by the Chairman of the Executive Committee of CGD, who accompanied them in a welcome breakfast and in a visit to the Head Office Building facilities, which were followed by a presentation on CGD's Internship and Financial Literacy programmes.

One of the objectives of this project was to highlight the importance of a broader and more comprehensive financial education in Portugal, raising the community's awareness of the relevance of adopting more adjusted and informed behaviours in the context of current and future financial choices.

### Saldo Positivo

"Saldo Positivo" (Positive Balance) remained online in 2018 - with the same contents it included in 2017. At the end of 2018, it was updated with new contents associated with a new phase of the project. On the other hand, also in 2018, we launched a public tender to select a content provider to become responsible for definitely stabilising its updating and ensure the sustainability of a project in which CGD is, and wishes to continue, investing, within the scope of its sustainability strategy.

"Saldo Positivo" (Positive Balance) continues to be an important tool in supporting financial inclusion. CGD is thus aiming to contribute to promote financial education among the Portuguese, so they can plan and manage consumption and financial resources in a responsible and forward-looking manner.

## CULTURE AND HISTORICAL HERITAGE

The main purpose of the Historical Heritage Management Area is to ensure the management of CGD's historical heritage, cataloguing and preserving in good technical and environmental conditions its documentary, museological and collector's items, as well as to pursue a strategy of dissemination of the entire collection for which it is responsible, while supervising and providing technical support to the Network of Media Libraries in Portuguese-speaking Countries.

The collection includes paper archives, photographs, bibliographies, economic studies, various reports, maps, plans and various collections that allow us to know what CGD was, how it evolved and the role it played in the Portuguese economy. This heritage, which allows reconstructing its culture and its evolution, is rich in elements that add value to the knowledge that the people in general have of the banking activity and its evolution. One hundred years later, the processes used in that era are considered pre-historical. That is why they should be cared for, so they can be disseminated and contribute not only to future memory, but to enrich the knowledge of the younger generations.

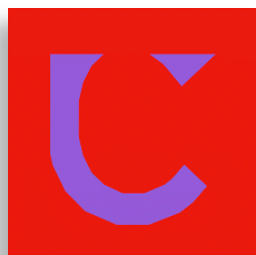
With regard to the Museum and Collector's Items, we highlight the cataloguing of nearly 3,000 pieces of CGD's collection and the loan of a few banknotes from the former colonies to the Atlântico Press company, which is publishing "History of the Former Portuguese Colonies in Stamps and Banknotes.

The Network of Media Libraries in Portuguese-speaking Countries has now 10 dedicated spaces and facilities, as we inaugurated new facilities in the Island of Mozambique, contributing to value the Portuguese-speaking Countries and to social and human development of the populations of the countries where it is present, giving its users access to information and knowledge. The objective that guided this Network interacts with the opening of the market to business units via social responsibility.

In cooperation with the National Tile Museum, CGD organised an exhibition on the "25 Years of the Head Office Building", which was on display at the central hall in Lisbon. Several texts on different subjects were prepared in 2018: synopsis of the Exhibition "25 Years of the Head Office Building", as well as all the content available on CGD's website. We highlight the following activities:

- Historical Archive - Centralising, cataloguing, describing in accordance with archival standards and preserving in good technical and environmental conditions all the items regarded as historically relevant, as well as disseminating them by different means.
- Museum and Collector's Items - The decorative collection of the Head Office building and the furniture kept in the Administration area were catalogued, 3 Administration rooms were redecorated and 2,919 items of CGD's collection were processed, identified and registered in the MUSARQ database.
- Media Library Network - We started scanning the covers of the books registered in the database to subsequently update the corresponding records. Nearly 40 books were purchased for each Media Library, as well as the furniture necessary to open the Island of Mozambique Media Library.
- Exhibition "25 Years of the Head Office Building", on display from July to November.
- Publications and articles:
  - Synopsis of the Exhibition "25 Years of the Head Office Building".
  - History of the Head Office Building in *Somos Caixa* and on the CGD's website.
  - First exhibition at Espaço Arte.
  - Article for the EABH's *Bulletin Architecture & Finance*, entitled "Caixa Geral de Depósitos in Brazil – Agência Financeira in Rio de Janeiro".
  - Article "Caixa Geral de Depósitos, a Arquitetura das Filiais" (Caixa Geral de Depósitos, the Architecture of the Branches) for the half-yearly journal "O Ideário Patrimonial" of the Documentation, Archive and Library Centre (CDAB).
  - Article "A Evolução da Caderneta CGD" (The Evolution of the CGD Passbook) for the launch of the Digital Passbook, at the 2nd "Caixa Fora da Caixa" Meeting.
  - Article "Sede CGD, um Marco Arquitetónico de Lisboa" (CGD Head Office, an Architectural Landmark of Lisbon") for the *Marketeer* magazine.
- Support to blind people within the scope of the protocol between CGD and FLUL, recording 36 audiobooks, with a total of 18,135 pages.

## Caixa Geral de Depósitos - Culturgest Foundation



The Caixa Geral de Depósitos Foundation - Culturgest is a private institution whose purpose is to develop cultural, artistic and scientific activities. The Foundation may develop its activities both in Portugal and abroad, privileging, in the latter case, the Portuguese-speaking countries.

Social responsibility is a key element of Culturgest's identity, and played a decisive role when it was set up by CGD. In its contributions to CGD's reports on this matter, and in response to the typification they comply with, Culturgest has highlighted a number of programmes through which it carries out its social responsibility activities. The objectives of these programmes include, in particular, the promotion of access to Art and Culture, social inclusion in the artistic and cultural spheres, artistic and cultural training and participation in general, and more specifically in the school context.

The initiatives and actions developed in pursuit of these objectives support an ongoing policy of affordable prices, the development of artistic activities aimed at, or with specific functionalities, for people with intellectual, sensory or communication disabilities, the development of activities aimed at artistic and cultural training and the participation of community members in artistic and cultural life and the development of activities aimed at the artistic and cultural education of students and the provision of specific tools for teachers. These initiatives and actions are included in the annual programme for 2018, being developed on a regular basis as one-off activities, continuing programs, or permanent policies and guidelines.

In pursuit of these aims, the CGD - Culturgest Foundation develops, among others, the following activities: a) production and presentation of plastic and visual arts or architecture exhibitions, by Portuguese and foreign artists; b) production and presentation of dance, theatre, multidisciplinary or transdisciplinary shows; c) production and presentation of operas, concerts and music performances; d) production and presentation of film screenings, video screenings and other digital media; (e) production and presentation of conferences, seminars, workshops, round tables, symposia, seminars and other similar events in all fields of knowledge and in all artistic disciplines; f) production and presentation of activities aimed at specific audiences, especially the school community, in order to develop their practice, taste for and knowledge of the arts and culture in general; g) production, publishing or co-publishing of bibliographical or phonographic works, films, videos, CD-ROMs and other consumer goods related directly or indirectly to the activities referred to in the preceding paragraphs; h) promotion and support of initiatives aimed at the dissemination of Portuguese culture and language.

Culturgest has an Educational Service responsible for organising summer workshops, school visits, meetings, etc., aimed at the educational community. Within the scope of this mission, it offers an extensive programme of performing arts shows (dance, theatre, music, contemporary circus, and multidisciplinary shows), film festivals, conferences, workshops and debates, exhibitions and a wide variety of events. These events are usually held at Culturgest's facilities, at CGD's Head Office building in Lisbon, namely in the auditoriums and galleries, and at the CGD building at Av. dos Aliados, in Porto. Culturgest also organises events outside its facilities, namely exhibitions of works from the CGD Collection it manages, which are exhibited in various cities across the country.

The diversity of the CGD - Culturgest Foundation's cultural agenda reiterates its symbolism and its ability to intervene and shape audiences and perceptions regarding the most innovative creations in Portugal and abroad, with a significant collection of events, with multifaceted essences, dimensions and temporalities. In 2018, Culturgest organised 61 shows and conferences corresponding to 281 sessions (28 dance shows, 26 music shows, 29 theatre shows, 160 film screenings, 38 conferences, among others), in addition to 508 session of specific events of the Educational Service, and organised 9 exhibitions (5 in Lisbon, 3 in Porto and one in Ponte de Sor).

Fundação CGD Culturgest – Eventos da Agenda 2018: Orquestra Geração, INDIE, Oficinas de Verão e DocLisboa.



The audience - including all those who attended the full range of shows available, visitors to the exhibitions and those who took part in the various events of the Educational Service - which participated in Culturgest's activities in 2018 reached about 76,000 people. Performing arts attracted a total of 15,124 people (5,366 in dance shows, 3,090 in theatre shows and 6,668 in music shows), conferences attracted 2,069 people, film screenings attracted 25,944 people, the events of the Educational Service attracted 10,154 participants and exhibitions attracted 22,494 visitors (17,022 in Lisbon, 4,035 in Porto and 1,437 in Ponte de Sor).

In terms of environmental management, the CGD - Culturgest Foundation continued its responsible and ambitious management, in view of the specific characteristics of the cultural sphere and the associated means, integrated into the CGD Head Office's Environmental Management System, contributing to compliance with the ISO 14001:2015 standard, in coordination with CGD's various Divisions and Units, seeking to reduce the consumption of energy, water and other consumables, waste management, while adopting and implementing the environmental policies defined by CGD.

The consumptions and the waste generated in Culturgest's offices and public spaces are managed under the direct coordination of CGD Divisions and Units. The waste generated by activities carried out in the auditoriums, exhibition galleries and the Education Service is managed by Culturgest. Culturgest systematically sorts these wastes and sends those which are commonly used in the building's day-to-day activity (paper, plastics and undifferentiated) to the internal waste management system, although due to the specificity of some consumables used in accordance with the EMS waste management, the Foundation has a system complementary to the one in place at CGD, filling two Integrated Waste Registration Maps (MIRR), one for the Lisbon facilities and another for the Porto facilities.

### Social Responsibility of CGD's International Structures

The CGD Group's international structures in six countries developed social responsibility initiatives that had an impact on the markets and communities where they operate, from which we highlight:

#### Banco Caixa Geral Angola

In 2018, continuing its efforts to strengthen the relationship between the bank, its customers and partners, Banco Caixa Angola Geral organised the following events:

- Collective Exhibition "**A Arte que fica na História**" (Art that Goes Down in History), alluding to its 25th Anniversary and under the Caixa Artes brand, on display at Palácio de Ferro from 11 to 28 July 2018. An exhibition of 17 works from the Bank's collection, representative of its 25 years of existence and of a wide variety of artistic styles and concepts, associated with Project 25 and entitled "Em 7 Tons" (In 7 Shades) (different artistic expressions), with the participation of the following artists: Thó Simões | Nelo Teixeira | Osmar Edgar | Tucunaré Lopez | Yoleni Perez | Gretel Marin.
- **Caixa Angola Walk** - Awareness-raising activity aimed at promoting a healthier and less sedentary life addressed to the bank's employees but open to civil society, especially the employees' families and friends, which took place on 23 September 2018.
- **Caixa Fado'18 Festival** - The fourth edition of the Caixa Fado Festival strengthened Caixa Artes' commitment to contribute to Angola's cultural agenda. With an outstanding line-up, the Caixa Fado'18 Festival brought together Portuguese and Angolan artists from different genres on stage,

offering a unique, innovative and captivating show. The line-up included the internationally renowned "fado" singers Carminho, Marco Rodrigues, Paulo Bragança and Paulo de Carvalho and the Angolan musicians C4 Pedro, Anabela Aya and Afrikkaniitha.

#### **Banco Comercial e de Investimentos** - Mozambique (BCI)

In the area of Culture, we highlight the following projects: Promotion of the 8th Edition of the BCI Literature Award, Promotion of 25 Fine Arts exhibitions at Espaço Joaquim Chissano, at BCI's head office, Partnership with Companhia Nacional de Canto e Dança; Sponsorship and launch of 14 literary works, and the Financial Literacy initiative during the Celebrations of World Savings Day.

With regard to activities aimed at promoting entrepreneurship, in 2018 BCI was involved in the Sponsorship of the 7th edition of the "100 Best SMEs" Award, promoted by the Ministry of Industry and Trade and by Sociedade Independente de Comunicação – SOICO, Super Mentors - Proposal for Participation and Sponsorship of the Support Platform for Entrepreneurs and Micro Enterprises, Mozambique Women Leaders Summit 2018 and BCI Negócios Entrepreneurial Woman - Sponsorship and Participation in events to promote female entrepreneurship.

In the context of initiatives aimed at Promoting Knowledge, we highlight the Maputo, Beira, Nampula and Island of Mozambique Media Libraries, which provided Library and Internet services to 43,936 users and the Sponsorship of the Symposium on Biodiversity and Development (UEM/BIOFUND).

#### **Banco Comercial do Atlântico** - Cape Verde (BCA)

In the area of culture, we highlight the 2018 Corsino Fortes Award/BCA Literature Award, promoted by BCA in partnership with the Cape-Verdean Academy of Letters. We should also mention the association of the Presidency of the Republic with the Campaign to Prevent Abusive Consumption of Alcoholic Beverages.

#### **Banco Interatlântico, S.A.** - Cape Verde (BI)

With the aim of promoting access to financial literacy, BI sponsored the Exhibition "Coins & Notes: The History and Culture of Cape Verde" exhibition, of the National Archive of Cape Verde. This project, which lasted for two years (2017-2018), aimed at disseminating the journey of the archipelago's notes and coins, from the age of Discoveries to the present day, both in Cape Verde and abroad.

In Education, BI partnered up with Fundação Cabo-verdiana de Acção Social Escolar (FICASE) and distributed school kits for the 2018/2019 school year, while supporting the local community via the Aldeias Infantis SOS Social Project.

#### **Banco Nacional Ultramarino** - Macao (BNU)

We highlight the following activities aimed at promoting culture: *Consulate General of Portugal in Macao and Hong Kong - Day of Portugal* and Instituto Português do Oriente - *Promotion of Portuguese Language and Culture in the East*. In terms of promotion of entrepreneurship, we highlight the support provided to *The Industry and Commerce Association of Macao* and *SME Campus Workshop - Young Entrepreneur Activity*.

#### **Banco Caixa Geral Brazil** (BCG)

A clear investment in cultural promotion and inclusion Culture Incentive Law - FUMCAD, Portuguese Chamber of Commerce in Brazil - SP - Mantenedor Bronze Sponsorship.

## 8. Our Environmental Value

The third key line of the Sustainability Strategy is the commitment to reduce the impact of the Bank's activities on the environment and surrounding communities, through the Environment Policy and the Low Carbon Programme; the mitigation of waste and the optimisation of the material, natural and energetic resources used in daily activities, through the Environmental Management System (EMS); eco-efficient means and structures; the preservation of the Portuguese natural heritage and ecosystems and the establishment of partnerships for Sustainability.



### Environmental Value

#### MANAGEMENT AND PERFORMANCE

- Environmental Management System kept its ISO 14001:2015 Certification
- Rated A- in the Carbon Disclosure Project's 2018 Climate Change

#### ENVIRONMENTAL FOOTPRINT

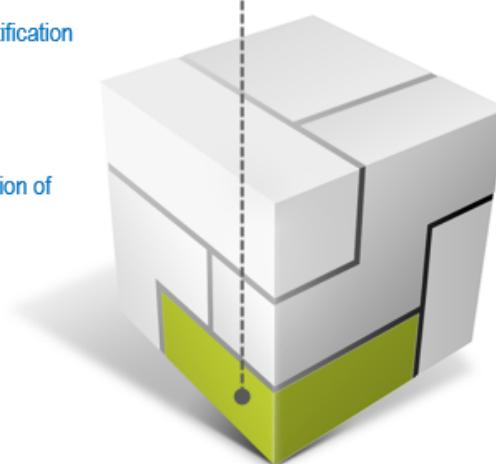
- "Água da Torneira" (Tap Water) Project - Eliminating the consumption of bottled water and reducing plastic use
- 2.1 tonnes of recycled bank cards

#### CGD reductions compared to 2017

- 43% in greenhouse gas emissions
- 11% in energy consumption
- 12% in water consumption
- 24% photocopy paper consumption

#### SUPPLY CHAIN

- Inclusion of environmental clauses in all new agreements with suppliers and renewals



### LOW-CARBON PROGRAMME

The Low Carbon Programme materialises CGD's strategy for adaptation to climate change, aimed at reducing the environmental impact of its activities, promoting sustainable development and disseminating good practices among its stakeholders.

In 2018, the objectives and lines of action of the Low Carbon Programme were reviewed with the aim of ensuring a better adaptation to international trends and recommendations, as well as a better alignment with its peers and the expectations of both stakeholders and investors.

This is a cross-cutting programme, structured around 4 lines of action:

1. **Low-Carbon Economy Financing:** Offering financial solutions that contribute to a Low Carbon Economy;
2. **Reduction of Greenhouse Gas Emissions:** Implementing measures to reduce energy consumption, and the respective emissions;
3. **Environmental Risk Mitigation:** Implementing measures to reduce environmental risks that may affect CGD's activities;
4. **Transparency and Awareness-Raising:** Reporting information in a transparent manner and raising the stakeholders' awareness of the importance of adopting good environmental practices.

The review of the Low Carbon Programme also aimed to establish more demanding environmental targets, namely the definition of a new target for reducing Greenhouse Gas (GHG) Emissions, replacing the one that is currently in force. In the process of setting a new goal for reducing GHG emissions, we analysed one of the main international trends in this area, the *Science Based Targets initiative (SBTi)*. Accordingly, we generated a simulation based on the SBTi methodology of sectoral decarbonisation for "Service Buildings", regarded as the most suitable among the available methodologies given the nature of the activities in question.



According to the simulation of the SBTi tool, CGD S.A. would have to reduce 38% of its total GHG emissions (scope 1 and 2) by 2021, compared to 2015. The Institution is striving to achieve a leading position in climate action in the financial system by defining a more ambitious objective than the one suggested by the aforementioned tool, in order to boost the development of projects aimed at reducing GHG emissions. Therefore, the goal was set five percentage points above the figure simulated by the SBTi tool, corresponding to a target to reduce CGD, S.A.'s total GHG emission by 43% (scope 1 and 2) by 2021, compared to 2015.

With regard to financing the Low Carbon Economy, we highlight the Efficient House Programme, which is a financing solution aimed at promoting the improvement of the environmental performance of residential buildings, with an emphasis on energy and water efficiency, as well as on the management of municipal waste. CGD also followed the guidelines of the *Task-force on Climate-related Financial Disclosure* (TCFD) to identify environmental Risks and Opportunities and the corresponding mitigation measures.

### TCFD Table adapted to CGD

CLIMATE-RELATED RISKS (non-exhaustive)	MITIGATION MEASURES (non-exhaustive)
<p><b>POLITICAL AND LEGAL</b> (Transition Risk)</p> <p>National and International Transition Policies and Trends for a Low-Carbon Economy (e.g., SDG; TFCD Recommendations; EC Action Plan for Financing Sustainable Growth; National Low Carbon Road Map 2050, among others).</p>	<ul style="list-style-type: none"> <li>- Definition of the Sustainability Strategy for the 2018-2020 triennium, with objectives for Eco-Efficiency and Adaptation to Climate Change.</li> <li>- Review of the Low Carbon Programme, which includes the Financing of the Low Carbon Economy as a line of activity.</li> <li>- Presence in various working groups that facilitate the integration of international trends and policies (e.g., <i>Sustainable Finance</i> Group of the European Banking Federation; Carbon Neutrality Group of BCSD Portugal; Sustainable Finance Working Group of the Portuguese Banking Association (ABP).</li> </ul>
<p><b>MARKET</b> (Transition Risk)</p> <ul style="list-style-type: none"> <li>- Change in the consumers' behaviour (Millennials);</li> <li>- Increase in the average price of energy (Fuels and Electricity).</li> </ul>	<ul style="list-style-type: none"> <li>- Launch of Products and Services adapted to a new market context ("Casa Eficiente" [Efficient Home] Programme; Hybrid and Electric Vehicle Credit Line; Caixa Easy App; Caderneta App; New Caixadirecta App; Remote Account Opening, among others).</li> <li>- Implementation of energy efficiency measures (e.g., replacing fluorescent lights with LED lights, installing more efficient air conditioning equipment and reducing operating hours and lux levels).</li> <li>- Restructuring of the car fleet, with lower environmental impact, and use of internal channels to raise the employees' awareness of the importance of using public transportation.</li> </ul>
<p><b>REPUTATIONAL</b> (Transition Risk)</p> <ul style="list-style-type: none"> <li>- Stakeholder satisfaction level - likely to be influenced by the way CGD manages the direct and indirect environmental impacts resulting from its activity.</li> </ul>	<ul style="list-style-type: none"> <li>- Promotion of Sustainability principles in the Supplier chain, through the implementation of environmental and social clauses (ethical principles and good corporate practices).</li> <li>- Periodic assessment of CGD's communication and brand image, including an assessment of environmental responsibility attributes.</li> <li>- Response to reference environmental indexes, such as the <i>Carbon Disclosure Project</i>.</li> <li>- Sustainability Report audited by an external entity.</li> </ul>
CLIMATE-RELATED RISKS (non-exhaustive)	MITIGATION MEASURES (non-exhaustive)
<p><b>ACUTE</b> (Physical Risks)</p> <ul style="list-style-type: none"> <li>- Extreme weather events (natural disasters: floods, tsunamis, fires, hurricanes, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>- Implementation of an Environmental Management System, certified according to the ISO 14001:2015 standard.</li> <li>- Annual drills to test the ability to adapt to catastrophic scenarios such as earthquakes or <i>tsunamis</i>.</li> <li>- Business Continuity Management System, aimed at ensuring business continuity if there are anomalous events that might compromise the normal operation of CGD.</li> </ul>
<p><b>CHRONIC</b> (Physical Risks)</p> <ul style="list-style-type: none"> <li>- Climate variations (changes in precipitation, heat waves, among others.)</li> </ul>	<ul style="list-style-type: none"> <li>- CGD's Sectoral Exclusion and Limitation Principles underlying activities and projects that are excluded, or restricted under certain conditions, from its credit policy, taking into account their potential socio-environmental risks.</li> </ul>

CLIMATE-RELATED OPPORTUNITIES (non-exhaustive)	MITIGATION MEASURES (non-exhaustive)
<p><b>RESOURCE EFFICIENCY</b></p> <ul style="list-style-type: none"> <li>- Promotion of a more eco-efficient management model, minimising the environmental impact associated with CGD's activities.</li> </ul>	<ul style="list-style-type: none"> <li>- Optimisation of CGD's facilities, centralising various structures in the Head Office building, which is a Class-A energy-efficient building.</li> <li>- Development of a partnership with EPAL, promoting the consumption of tap water and thus avoiding the use of plastic bottles in CGD's facilities.</li> <li>- Implementation of a more efficient management of the waste that is generated, disseminating recycling practices by placing shared recycling bins in CGD's Head office Building and internal communication campaigns.</li> <li>- CGD Digital Transformation Programme, encouraging the development of digital projects that use less paper.</li> </ul>
<p><b>ENERGY SOURCES</b></p> <ul style="list-style-type: none"> <li>- Consumption of Renewable Energy, thus promoting a less polluting energy consumption;</li> <li>- Less dependence on fossil fuels, reducing environmental impact.</li> </ul>	<ul style="list-style-type: none"> <li>- Water heating and air conditioning ensured by the Solar Thermal Power Plant (installed in the Head Office building).</li> <li>- Production of electricity using photovoltaic panels (Micro Generation Commercial Network).</li> </ul>
<p><b>PRODUCTS AND SERVICES</b></p> <ul style="list-style-type: none"> <li>- New consumer profile, increasingly interested in the sustainability of the companies and products they choose;</li> <li>- Development of financial solutions that contribute to the decarbonisation of the economy.</li> </ul>	<ul style="list-style-type: none"> <li>- Launch of Products and Services adapted to a new market context ("Casa Eficiente" (Efficient Home) Programme; Hybrid and Electric Vehicle Credit Line; Caixa Easy App; Caderneta App; New Caixadirecta App; Remote Account Opening, among others).</li> </ul>
<p><b>MARKETS</b></p> <ul style="list-style-type: none"> <li>- Potential economic and job creation opportunities associated with green growth, materialised in several documents of the Portuguese State (e.g., Commitment to Green Growth).</li> </ul>	<ul style="list-style-type: none"> <li>- Launch of lines of credit under protocols that effectively contribute to the transition to a Low Carbon Economy (e.g., energy efficiency).</li> <li>- Presence in various working groups that facilitate the identification of market trends for the financial sector (e.g., <i>Sustainable Finance</i> Group of the European Banking Federation).</li> </ul>
CLIMATE-RELATED OPPORTUNITIES (non-exhaustive)	MITIGATION MEASURES (non-exhaustive)
<p><b>RESILIENCE</b></p> <ul style="list-style-type: none"> <li>- Using more efficient technologies in CGD's infrastructures, promoting greater operational resilience.</li> </ul>	<ul style="list-style-type: none"> <li>- Implementing energy efficiency measures (e.g., replacing fluorescent lights with LED lights, installing more efficient air conditioning equipment, among others).</li> </ul>

Over the next few years, CGD intends to gradually increase the level of precision of the risks and opportunities that are identified.

CGD regularly participates in a number of external sustainability indices in order to assess its performance in adapting to climate change; we highlight the voluntary participation in the Carbon Disclosure Project (CDP) Climate Change questionnaire since 2009. In 2018, CDP recognised its performance in reducing greenhouse gas emissions, mitigating climate risks and efforts within the scope of the transition to a low carbon economy, being named an A- leader.

## ENVIRONMENTAL MANAGEMENT SYSTEM

In 2018, CGD retained the certification of the Environmental Management System (EMS) of the Head Office building, in accordance with the international ISO 14001:2015 standard. The existence of an EMS contributes to the achievement of the Institution's strategic objective of improving its operational efficiency within the scope of its domestic activity by reducing operational costs associated with energy and materials and adapting to its stakeholders' demands and expectations.

The involvement and participation of the employees, who promote and integrate an ethical and responsible management of the resources provided by CGD in their daily routines, is crucial for the success of this system.



In 2018, we launched an internal communication campaign called "Environmental Saving Solutions" to stress the importance of good environmental practices, in which CGD's employees participated as protagonists. The campaign highlighted the importance of recycling by separating waste correctly.

Also within the scope of the Environmental Management System, the internal management matrix to identify the significance of environmental aspects associated with activities, products and services was updated. The Environmental Assessment Matrix allows for a concerted approach to the identification and development of initiatives aimed at reducing environmental impacts in areas such as the consumption of energy/electricity, paper, water, plastic, waste, among other goods and/or raw materials.

### "Água da Torneira" (Tap Water) Project

Within the scope of the objectives set for the EMS, and in order to reduce plastic consumption, CGD has replaced bottled water dispensers with water dispensers connected to the public supply network, seeking to significantly reduce plastic consumption.

This initiative was developed in partnership with Empresa Portuguesa de Águas Livres (EPAL) and ensured:

- The interruption of the bottled water supply, depleting the existing stock, and
- Gradual replacement of plastic bottles by glass bottles in meeting rooms and other areas of the Head Office building and other central buildings across the country. This initiative covers the Caixa Empresas Branch and Office network.

In December 2018, the distribution of glass bottles and the consumption of tap water allowed:

- Reducing direct and indirect environmental impact;
- Reducing energy consumption;
- Reduce CO<sub>2</sub> emissions associated with the transportation, refrigeration and distribution of bottled water;
- Significantly reducing plastic waste (containers, bottles and cups), and
- Increasing the volume of plastic waste sent for recycling.

### Recycling of bank cards

With regard to the management of the life cycle of its products and services, namely bank cards, CGD continued to implement the Bank Card Recycling Programme, thus enabling bank cards and other PVC cards delivered by its customers and the public in general in the Branch network - to be reused via the recycling of plastic, which is transformed into a reusable raw material with various applications.

In 2018, 2.2 tonnes of bank cards were sent for recycling, an increase of 18% compared to 2017.

## ECO-EFFICIENCY

CGD monitors various indicators and environmental information in order to assess the effectiveness of the measures in place, as well as the environmental impact associated with its activities.

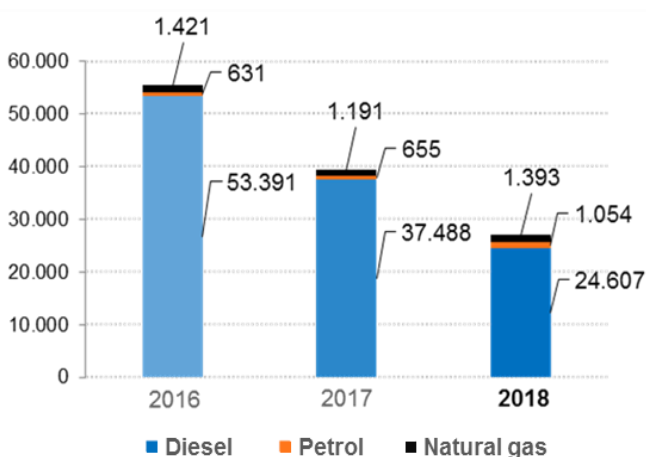
### Energy consumption

CGD's energy consumption is divided into direct energy - fuel consumption by its vehicle fleet (diesel and gasoline) and its buildings (diesel and natural gas in Portugal) - and indirect energy - electricity consumption by its central buildings and its branch network.

In 2018, the total energy consumption was 255,545 GJ, a reduction of 11% compared to 2017. The result that was achieved is mainly a consequence of the reduction in the number of CGD branches and central buildings in Portugal, deriving from the implementation of the 2017-2020 Strategic Plan, as well as of the implementation of various energy efficiency measures in the institution's facilities; in 2018, we highlight the replacement of the lights installed in circulation areas and sanitary facilities with LED lights, the modernisation of fans and the installation of more efficient air conditioning equipment. As a whole, the energy efficiency measures that were implemented allowed saving 1.61 GWh/year.

### TOTAL DIRECT ENERGY CONSUMPTION BY TYPE OF FUEL BY THE BUILDINGS AND FLEET (in GJ)

Scope: CGD S.A., BCA, BI, BCG Brasil

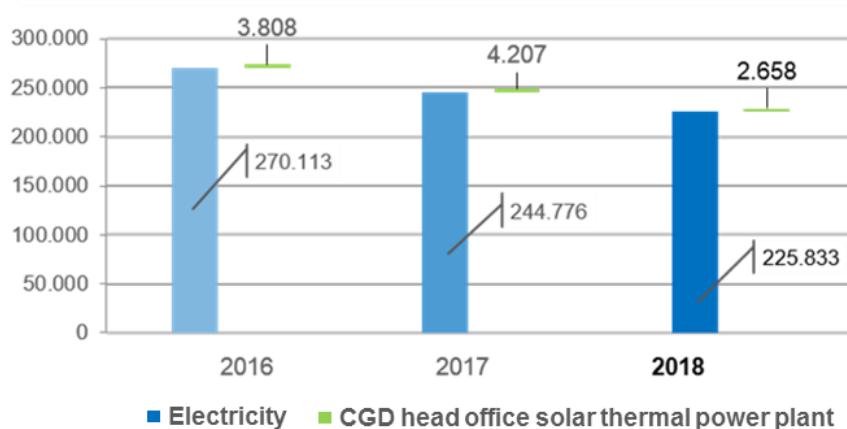


### TOTAL DIRECT ENERGY CONSUMPTION BY THE BUILDINGS AND FLEET BY BANK (in GJ)

Bank	2018
CGD, S.A.	24,269
BCA	2,176
BI	541
BCG Brasil	67

### TOTAL INDIRECT ENERGY CONSUMPTION BY TYPE (in GJ)

Scope: CGD S.A., BCA, BI, BCG Brasil



### TOTAL INDIRECT ENERGY CONSUMPTION BY BANK (in GJ)

Bank	2018
CGD, S.A.	216,522
BCA	7,111
BI	1,638
BCG Brasil	562

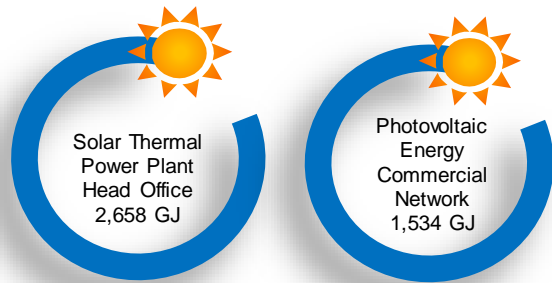
### Energy intensity



## RENEWABLE ENERGY

The use of renewable energies plays a key role in reducing the national energy dependence, and in reducing carbon emissions. Among the various measures that were implemented, we highlight the CGD Head Office building's solar power plant, the largest solar power plant in a service building in the country and the most visible measure aimed at reducing CO<sub>2</sub> emissions..

In 2018, the Head Office building's solar power plant continued to produce renewable energy and the commercial network continued to produce photovoltaic electricity. However, in both cases, there was a decrease in energy production compared to 2017;



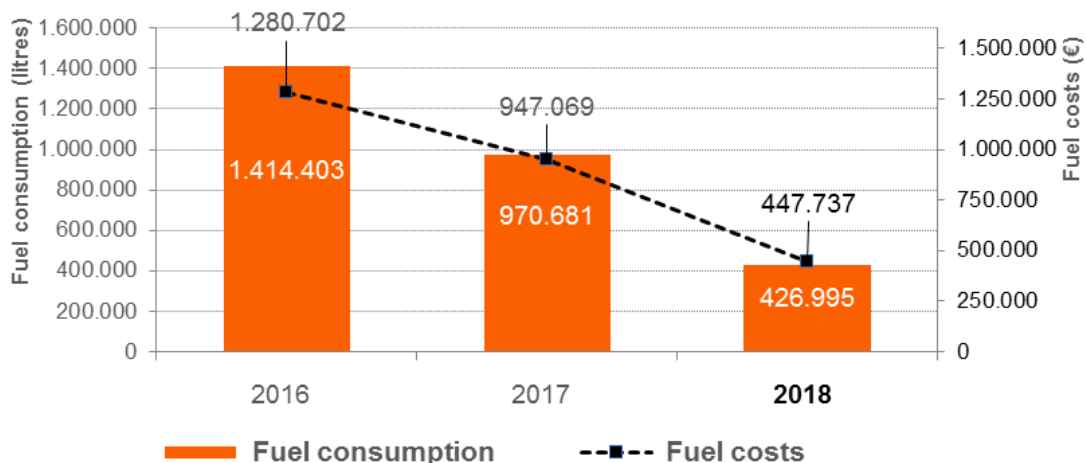
in the case of the solar power plant, the 37% decrease was due to a failure in the general meter, but it is estimated an additional 324 GJ were produced during that period and not accounted for.

With regard to the production of photovoltaic energy in the commercial network, there was a reduction of 7%. All the photovoltaic energy produced in the commercial network is sold to the national electricity network.

## WORK-RELATED MOBILITY

In terms of work-related mobility, CGD has been gradually restructuring its car fleet in order to pursue the objectives of the 2017-2020 Strategic Plan, as well as to reduce its environmental impact. The car fleet dropped from 755 to 720 vehicles in 2018, contributing to a significant reduction in fuel consumption and costs of - 35% and 23%, respectively. On the other hand, direct emissions resulting from the consumption of fuels by the CGD, S.A. fleet (t CO<sub>2</sub>e) dropped 35%, compared to 2017.

FLEET CONSUMPTION AND FUEL COSTS - CGD, S.A.



Raising employees' awareness of the use of public transport and the means of distance communication are incentives for the adoption of less polluting practices.

Within the scope of initiatives that contribute to innovation focused on the Institution's efficiency and effectiveness, we highlight the INOVE Programme, aimed exclusively at employees, challenging them to take part and contribute to build CGD's future, encouraging them to come up with and present original and innovative ideas in areas of strategic interest. Some of the ideas that were presented focused on commuting, namely the inclusion of electric vehicles in CGD's fleet and the promotion of internal Carpooling platforms.

The first edition, in 2018, focused on "cost reduction", with associated prizes representing up to 4% of the amount of the cost reduction achieved.

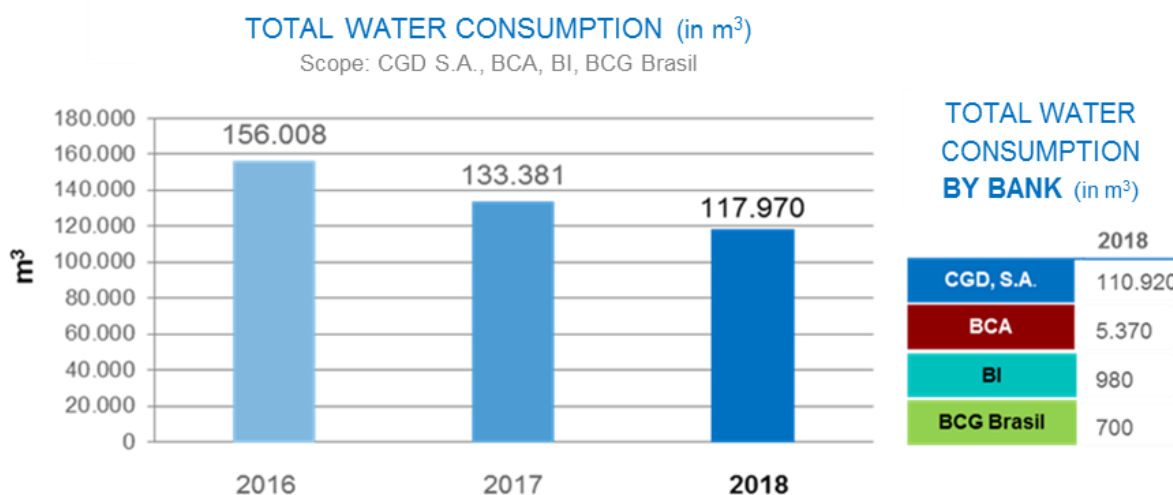
## WATER CONSUMPTION

In 2018, the CGD Group's water consumption (considering CGD, S.A., BCA, BI and BCG Brazil) was 117,970 m<sup>3</sup>, corresponding to a 12% reduction compared to 2017.

Over the years, CGD has been promoting a more efficient water consumption in its facilities, through internal awareness-raising campaigns and the implementation of several measures aimed at reducing water consumption (e.g., installation of flow restrictors in washbasins).

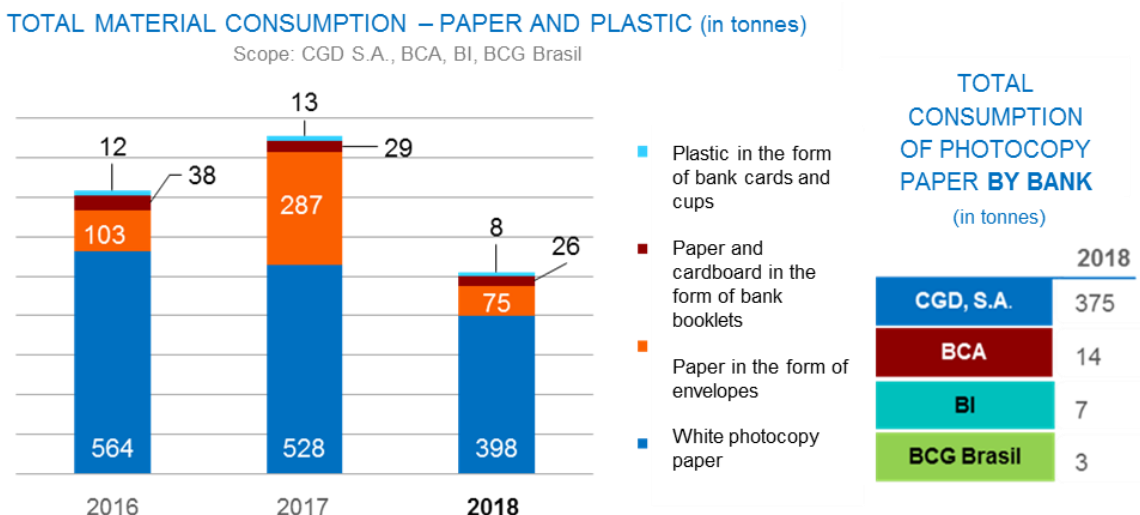
With a view to continuous improvement and to the identification of new projects, we established a partnership with the Higher Technical Institute (IST) to prepare a plan for the sustainability of the Head Office building, which includes measures related to water resources.

In order to increase efficiency in the use of natural resources, CGD has replaced plastic containers (in water dispensers) with water purifiers connected to the public supply network, extending this initiative to the commercial network, as previously mentioned with regard to the "Água da Torneira" (Tap Water) Project, carried out in partnership with EPAL.



## MATERIAL CONSUMPTION

At the CGD, the most significant material consumptions are the consumption of photocopy paper, paper used in envelopes and paper and cardboard used in bank passbooks. CGD does not use recycled paper, because the paper that is being consumed has the Ecolabel ecological certification, thus guaranteeing the application of strict environmental performance criteria (e.g., the use of certified and controlled wood and the inhibition of the use of substances harmful to the environment and to human health).

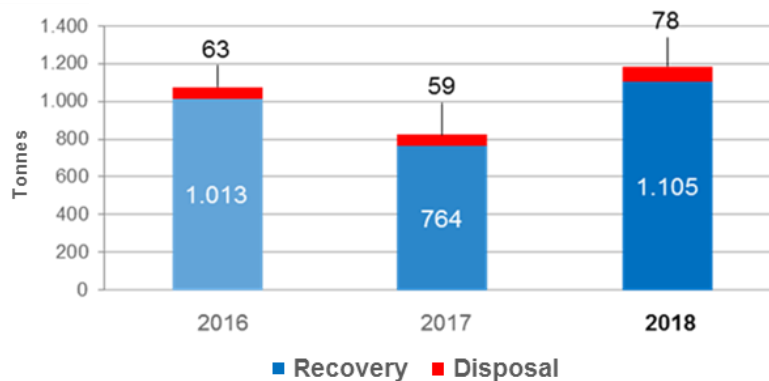


## WASTE PRODUCTION

In 2018, CGD S.A. produced approximately 1,184 tonnes of waste, of which 99.4% was non-hazardous. CGD's total waste production increased by 44% compared to the preceding year due to an increase in the amount of waste wood, metals and electrical and discarded electric and electronic equipment. In order to increase the amount of waste sent for recovery, CGD has internally disseminated various awareness-raising contents aimed at increasing the efficiency of the internal recycling process. The waste recovery rate was 93%.

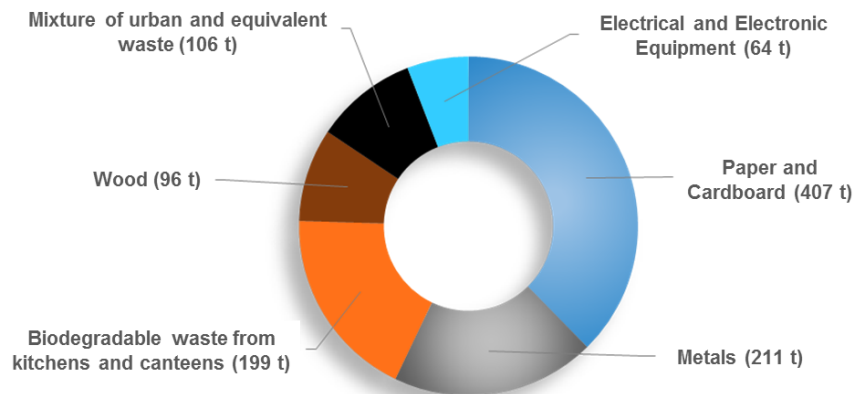
### WASTE GENERATED BY DESTINATION (in tonnes)

Scope: CGD S.A.



### MAIN TYPES OF WASTE PRODUCED (in tonnes)

Scope: CGD, S.A.



## GREENHOUSE GAS EMISSIONS

As part of its Low-Carbon Programme, CGD presents its inventory of greenhouse gas (GHG) emissions associated with its activity, calculated according to the guidelines of the Greenhouse Gas Protocol (GHG Protocol). (It considers gases like carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>) and nitrous oxide (N<sub>2</sub>O).

CGD's GHG emissions are subdivided into three scopes:

- **Scope 1:** Direct emissions resulting from the consumption of fuels in facilities; Direct emissions resulting from the consumption of fuels by the CGD fleet; Direct emissions resulting from f-gas leaks in CGD facility equipment.
- **Scope 2:** Indirect emissions from electricity production.
- **Scope 3:** Work-related trips (aeroplane, train, boat); Private transportation; Treatment of waste produced at the facilities.

In 2018, CGD broadened Scope 3, related to waste treatment, to include emissions associated with energy recycling/recovery. The preparation of the inventory allows characterising and monitoring the evolution of consumptions and, subsequently, of GHG emissions throughout the years reported. This allows CGD to assess the effectiveness of the reduction measures in place, as well as to outline new measures/projects aimed at reducing its environmental impact. CGD's GHG emissions, including those of the Group's affiliated banks, decreased by 56% over 2017.

CGD S.A. recorded a 45% reduction in total GHG emissions compared to 2017, with a 63% reduction in scope 1 emissions, a 44% reduction in scope 2 emissions, estimated by the market method, due to a change in the electricity supplier, and a 11% increase in scope 3 emissions, which is associated with increased air travel and also with the amount of waste produced.

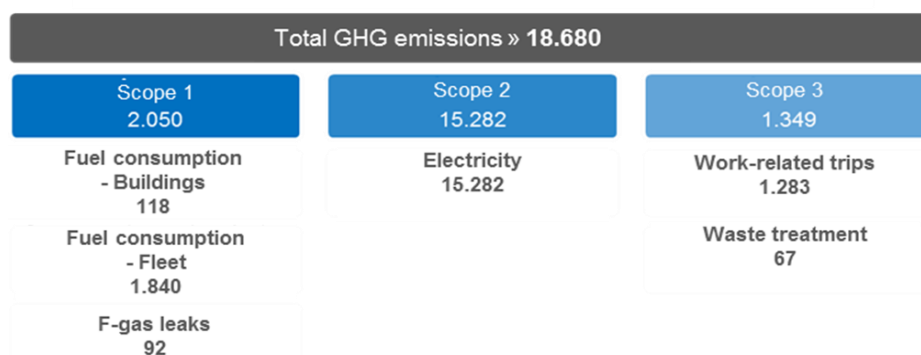
With regard to scope 1 emissions, the reduction that occurred resulted from a change in the calculation of f-gas leak emissions. On the other hand, the reductions in scope 2 are mostly associated with a change in the electricity supplier, using the market method to estimate emissions, the energy efficiency measures that CGD has been implementing in its buildings, as well as the restructuring of its network of branches and central buildings.

The fact that BCG Brazil operates in a LEED-certified building contributed to a significant reduction of 41% in emissions compared to 2017. BCA recorded an 8% decrease and BI recorded a 7% decrease over 2017.

In 2018, CGD, S.A. set a target for its GHG emissions - to reduce by 43% its total GHG emissions (scope 1 and 2) by 2021, compared to 2015. In 2018, there was a 61% reduction in GHG emissions of scope 1 and 2 compared to 2015, which proves the effectiveness of the environmental policies and measures implemented by CGD.

### GREENHOUSE GAS EMISSION BY SCOPE AND SOURCE

(in tonnes CO<sub>2</sub>e) Scope: CGD S.A., BCA, BI, BCG Brasil



### FLORESTA CAIXA

Following the fires of Pedrogão Grande in June 2017, CGD and Caixagest launched a campaign associating the marketing of the Caixagest Investimento Socialmente Responsável Fund to support the recovery of the forest in burnt area in Pedrogão Grande. The donation includes the planting of 30,000 native trees in a burnt area and the launching event of the "Reforestation Pedrogão" project, which is part of the Floresta Caixa Programme, took place on 23 November 2018, Native Forest Day.



Associated with this initiative, there was a seminar on the importance of preserving the forest as main topic, held at the Auditorium of the Municipal House of Culture of Pedrogão Grande, as well as an environmental awareness initiative aimed at children enrolled in the local Primary Education schools.

Caixa Floresta Programme celebrated its 10th anniversary promoting the preservation of the Portuguese forest heritage by fostering the planting, reforestation and recovery of burnt areas with native species, along with environmental awareness initiatives.



## 9. Annexes

Annex A - Sustainability Indicators

### Sustainability Indicators

102-8 TOTAL NUMBER OF EMPLOYEES BY PROFESSIONAL CATEGORY AND GENDER - BY REGION (2018)

(in number)

CGD,S.A. BY REGION AND GENDER	Male	Female	Total
Portugal	2945	4416	7361
Germany	1	3	4
Angola	3	0	3
Belgium	1	0	1
Cape Verde	5	0	5
Canada	0	1	1
Spain	2	1	3
France	3	0	3
England	2	0	2
Luxembourg	1	2	3
Macao	1	0	1
Mozambique	2	0	2
São Tomé and Príncipe	2	0	2
Switzerland	0	2	2
Timor	5	2	7
Venezuela	1	0	1

#### 401-1 - HIRES AND LEAVES BY GENDER AND AGE GROUP (2018)

(in percentage)

	< 30 years old		30 - 50 years old		> 50 years old		TOTAL		TOTAL		
	M	F	M	F	M	F	M	F	2016	2017	2018

##### CGD, S.A.

Rate of new hirings	14%	20%	0%	0%	0%	0%	1%	1%	3%	2%	1%
Turnover rate	14%	9%	3%	2%	22%	20%	11%	6%	11%	8%	8%

##### BCA

Rate of new hirings	0%	17%	0%	2%	2%	0%	1%	3%	5%	6%	2%
Turnover rate	0%	7%	3%	2%	13%	4%	4%	6%	2%	5%	5%

##### BI

Rate of new hirings	0%	22%	2%	0%	0%	0%	2%	2%	8%	11%	2%
Turnover rate	0%	1%	5%	10%	0%	0%	5%	11%	5%	5%	7%

##### Banco Caixa Geral Brazil (BCG)

Rate of new hirings	30%	83%	10%	7%	0%	0%	14%	23%	27%	26%	17%
Turnover rate	30%	50%	19%	29%	0%	0%	19%	27%	26%	52%	22%

##### BNU Timor Branch

Rate of new hirings	33%	11%	2%	3%	0%	0%	4%	5%	-	8%	4%
Turnover rate	1%	0%	1%	0%	1%	0%	4%	0%	-	8%	2%

##### BNU Macao

Rate of new hirings	3.9%	6.0%	1.7%	3.7%	0.6%	0.4%	6.2%	10.1%	-	-	16.3%
Turnover rate	3.5%	6%	2.9%	4.6%	0.8%	1.2%	7.2%	11.8%	-	-	19%

##### Caixa Angola

Rate of new hirings	6%	1%	4%	3%	0%	0%	4%	2%	-	-	0%
Turnover rate	7%	0%	6%	5%	0%	4%	6%	4%	-	-	5%

##### BCI Mozambique

Rate of new hirings	8%	5%	1%	1%	0%	0%	3%	2%	-	-	2.5%
Turnover rate	8%	4%	4%	1%	11%	7%	6%	2%	-	-	4%

404-1 - AVERAGE NUMBER OF TRAINING HOURS BY PROFESSIONAL CATEGORY AND GENDER (2018)  
(in hours/employee)

<b>CGD S.A.</b>	2016	2017	2018
Board of Directors	-	74.00	-
Senior Managers	29.05	36.54	33.21
Intermediate Managers	26.30	73.97	31.53
Highly-qualified and qualified professionals	15.80	68.38	34.93
Semi-qualified professionals	1.64	1.82	3.00
Non-qualified professionals	0.02	0.39	0.05
<b>TOTAL</b>	21.49	67.25	<b>32.98</b>

<b>CGD S.A.</b>	2016	2017	2018
Female	21.12	46.90	21.36
Male	22.02	96.24	50.28
<b>Total</b>	21.49	67.25	<b>32.98</b>

<b>BCA</b>	2016	2017	2018
Board of Directors	2.00	-	0
Administration	12.44	12.30	9.5
Leadership/Management	21.92	11.99	19.06
Technical Staff	14.68	20.57	22.99
Multi-role	17.00	10.02	10.76
Administrative	16.69	0.85	0.07
Auxiliary Staff	1.38	0.34	1.31
<b>Total</b>	14.29	13.47	<b>16.19</b>

<b>BCA</b>	2016	2017	2018
Female	16.76	12.57	16.6
Male	9.97	15.06	15.17
<b>Total</b>	14.29	13.47	<b>16.09</b>

<b>BI</b>	2016	2017	2018
Board of Directors	-	-	-
Technical staff	19.17	31.01	10.7
Bank clerks	4.64	10.41	9.6
General Service Assistants	-	-	1
<b>Total</b>	<b>6.57</b>	<b>13.16</b>	<b>21.3</b>

<b>BI</b>	2016	2017	2018
Female	5.96	12.53	9.17
Male	7.69	14.52	13.77
<b>Total</b>	<b>6.57</b>	<b>13.16</b>	<b>10.69</b>

<b>BCG BRAZIL</b>	2016	2017	2018
Administration	14.00	30.25	41.5
Executive Staff	6.60	14.42	17.73
Management	40.24	5.36	28.00
Administrative Staff	27.71	28.83	18.87
<b>Total</b>	<b>29.94</b>	<b>19.96</b>	<b>21.94</b>

<b>BCG BRAZIL</b>	2016	2017	2018
Female	37.69	25.13	16.97
Male	24.88	16.29	25.43
<b>Total</b>	<b>29.94</b>	<b>19.96</b>	<b>21.94</b>

<b>BNU Timor Branch</b>	2018
Administration	-
Leadership/Management	9.41
Technical Staff	40.76
Administrative	8.83
Auxiliary Staff	1.5
<b>Total</b>	<b>12.18</b>

	2018
Female	10.29
Male	21.70
<b>Total</b>	<b>11.73</b>

<b>BNU Macao</b>	2018		2018
Executive Committee	4.6	Female	11.73
Administration	11.02	Male	10.72
Management	15.53	<b>Total</b>	<b>11.16</b>
Technical Staff	17.96		
Supervisor	13.83		
Administrative	5.69		
Auxiliary Staff	1.12		
<b>Total</b>	<b>11.16</b>		

<b>BCI Mozambique</b>	2018		2018
Board of Directors	0.33	Female	18.07
Administration	9.57	Male	16.04
Leadership/Management	4.85	<b>Total</b>	<b>17.00</b>
Technical Staff	12.00		
Administrative	12.00		
<b>Total</b>	<b>17.00</b>		

<b>Caixa Angola</b>	2018		2018
Board of Directors	11.5	Female	19.9
Administration	26.4	Male	27.6
Leadership/Management	28.8	<b>Total</b>	<b>23.5</b>
Technical Staff	29.0		
Multi-role	-		
Administrative	16.0		
Auxiliary Staff	0.04		
<b>Total</b>	<b>23.5</b>		

## 405-1 - STAFF MEMBERS BY PROFESSIONAL CATEGORY, GENDER AND AGE GROUP (2018)

(in percentage and number)

CGD, SA	< 30 years old	30 to 50 years old	> 50 years old	Gender		Total Number
				M	F	
Board of Directors	0%	0%	100%	100%	0%	1
Senior Managers	0%	49%	51%	55%	45%	682
Intermediate Managers	2%	77%	21%	42%	58%	3,400
Highly-qualified and qualified professionals	3%	62%	35%	36%	64%	3,270
Semi-qualified professionals	0%	30%	70%	90%	10%	10
Non-qualified professionals	0%	0%	100%	0%	100%	38

BCA	< 30 years old	30 to 50 years old	> 50 years old	Gender		Total Number
				M	F	
Board of Directors	0%	0%	100%	100%	0%	2
Administration	0%	40%	60%	50%	50%	10
Leadership/Management	0%	74%	26%	34%	66%	95
Technical Staff	18%	59%	23%	33%	67%	211
Multi-role	9%	83%	9%	67%	74%	46
Administrative	0%	38%	62%	58%	42%	26
Auxiliary Staff	2%	44%	54%	54%	46%	63

BI	< 30 years old	30 to 50 years old	> 50 years old	Gender		Total Number
				M	F	
Board of Directors	0%	0%	0%	0%	0%	0
Technical staff	0%	89%	11%	26%	74%	19
Bank Clerks	8%	88%	11%	32%	68%	110
General Service Assistants	0%	75%	25%	100%	0%	4

BCG BRAZIL	< 30 years old	30 to 50 years old	> 50 years old	Gender		Total Number
				M	F	
Administration	0%	50%	50%	100%	0%	2
Executive Staff	0%	57%	43%	100%	0%	7
Management	6%	82%	12%	59%	41%	17
Administrative Staff	43%	41%	16%	49%	51%	37

BNU Timor Branch	< 30 years old	30 to 50 years old	> 50 years old	Gender		Total Number
				M	F	
Administration	0%	50%	50%	100%	0%	2
Leadership/Management	9%	61%	30%	63%	37%	27
Technical Staff	16%	63%	21%	53%	47%	19
Administrative	28%	69%	3%	44%	56%	75
Auxiliary Staff	0%	33%	67%	100%	0%	6

<b>BNU Macao</b>	Gender		Total Number
	M	F	
Executive Committee	100%	0%	5
Administration	46.2%	53.8%	26
Management	34.5%	65.5%	119
Technical Staff	75%	25%	28
Supervisor	29.4%	70.6%	136
Administrative	34.5%	65.6%	189
Auxiliary Staff	25%	75%	4

<b>BCI Mozambique</b>	Total %		Total (No.)	
	M	F	M	F
< 30 years old	31%	34%	421	518
30 to 50 years old	66%	65%	903	989
> 50 years old	3%	1%	45	14

<b>Caixa Angola</b>	Gender		Total Number
	M	F	
Administration	50%	50%	36
Leadership/Management	45.2%	54.8%	115
Technical Staff	42.7%	57.3%	192
Administrative	46.6%	53.4%	176
Auxiliary Staff	66.7%	33.3%	21

405-2 - AVERAGE BASE SALARY RATIO AND AVERAGE REMUNERATION BY PROFESSIONAL CATEGORY AND GENDER (2018) (in percentage)

<b>CGD, SA</b>	AVERAGE BASE SALARY RATIO (F/M)	AVERAGE REMUNERATION RATIO (F/M)
Board of Directors	-	-
Senior Managers	89%	86%
Intermediate Managers	93%	92%
Highly-qualified and qualified professionals	96%	95%
Semi-qualified professionals	93%	82%
Non-qualified professionals	-	-
<b>Total</b>	<b>88%</b>	<b>85%</b>

<b>BI</b>	AVERAGE BASE SALARY RATIO (F/M)	AVERAGE REMUNERATION RATIO (F/M)
Board of Directors	-	-
Technical staff	124%	134%
Bank clerks	96%	98%
General Service Assistants	-	-
<b>Total</b>	<b>112%</b>	<b>111%</b>

<b>BCG BRAZIL</b>	AVERAGE BASE SALARY RATIO (F/M)	AVERAGE REMUNERATION RATIO (F/M)
Administration	-	-
Executive Staff	-	-
Management	82.9%	82.9%
Administrative Staff	103.8%	103.8%
<b>Total</b>	<b>51.1%</b>	<b>51.1%</b>

<b>BNU Timor Branch</b>	AVERAGE BASE SALARY RATIO (F/M)	AVERAGE REMUNERATION RATIO (F/M)
Board of Directors	95%	95%
Administration	-	-
Leadership/Management	54%	54%
Technical Staff	123%	133%
Administrative	100%	102%
Auxiliary Staff	-	-
<b>Total</b>	<b>54%</b>	<b>136%</b>



## ENERGY CONSUMPTION BY SOURCE AND COUNTRY (in GJ)

	CGD, SA			BCA			BI			BCG Brazil		
	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018
<b>Energy consumption</b>												
<b>Fuels for buildings</b>	1,660	1,529	<b>1,649</b>	324	215	<b>214</b>	57	65	<b>63</b>	1	1	<b>1</b>
Diesel (GJ)	240	338	<b>256</b>	324	215	<b>214</b>	57	65	<b>63</b>	1	1	<b>1</b>
Natural gas (GJ)	1,421	1,191	<b>1,393</b>	-	-	-	-	-	-	-	-	-
<b>Fuels used by own fleet</b>												
<b>Fuels used by own fleet</b>	50,715	34,424	<b>22,661</b>	2,050	2,458	<b>1,963</b>	529	537	<b>477</b>	106	116	<b>66</b>
Gasoline (GJ)	0	2.8	<b>414</b>	461	483	<b>516</b>	65	63	<b>72</b>	106	116	<b>66</b>
Diesel (GJ)	50,715	34,422	<b>22,206</b>	1,589	1,975	<b>1,447</b>	464	473	<b>421</b>	-	-	-
<b>Electricity</b>												
<b>Electricity</b>	259,833	234,272	<b>216,522</b>	7,640	7,671	<b>7,111</b>	1,553	1,762	<b>1,638</b>	1,087	1,070	<b>562</b>
Central Buildings (GJ)	108,968	97,643	<b>80,324</b>	7,640	7,671	<b>7,111</b>	1,553	1,762	<b>1,638</b>	1,087	1,070	<b>562</b>
Commercial Network (GJ)	150,866	136,629	<b>136,198</b>									
<b>Direct primary energy generated</b>												
Solar Thermal Power Plant at CGD's Head Offices (GJ)	3,808	4,207	<b>2,658</b>									
Photovoltaic Electricity, Commercial Network (GJ)	1,544	1,645	<b>1,534</b>									
<b>Direct primary energy sold</b>												
Photovoltaic Electricity, Commercial Network (GJ)	1,544	1,645	<b>1,534</b>									
<b>Total energy consumption (GJ)</b>	<b>316,017</b>	<b>274,432</b>	<b>243,450</b>	<b>10,014</b>	<b>10,344</b>	<b>9,287</b>	<b>2,140</b>	<b>2,373</b>	<b>2,179</b>	<b>1,578</b>	<b>1,194</b>	<b>629</b>

## GHG EMISSIONS BY SCOPE, SOURCE AND STRUCTURE

(in t CO<sub>2</sub>e)

	CGD, S.A.			BCA			BI			BCG Brazil		
	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018
<b>GHG Emissions</b>												
<b>Scope 1</b>	4,199	4,838	<b>1,813</b>	307	214	<b>181</b>	43	45	<b>40</b>	18	18	<b>15</b>
Direct emissions resulting from fuel consumption at facilities (t CO <sub>2</sub> e)	98	92	<b>97</b>	24	16	<b>16</b>	4	5	<b>5</b>	0	0	<b>0</b>
Direct emissions resulting from fuel consumption by CGD's vehicle fleet (t CO <sub>2</sub> e)	3,758	2,551	<b>1,656</b>	151	181	<b>144</b>	39	40	<b>35</b>	7	7	<b>4.6</b>
Direct emissions resulting from f-gas leaks from equipment at facilities (t CO <sub>2</sub> e)	343	2,195	<b>59</b>	132	17	<b>22</b>	-	-	-	10	10	<b>10</b>
<b>Scope 2</b>	27,541	25,289	<b>14,133</b>	1,118	997	924			<b>213</b>	25	28	<b>12</b>
Indirect emissions resulting from electricity generation (t CO <sub>2</sub> e)	27,541	25,289	<b>14,133</b>	1,118	997	924	227	229	<b>213</b>	25	28	<b>12</b>
<b>Scope 3</b>	1,271	1,121	<b>1,256</b>	24	20	<b>30</b>	45	39	<b>39</b>	77	40	<b>25</b>
Work-related trips (t CO <sub>2</sub> e)												
Aeroplane	1,107	985	<b>1,094</b>	24	20	<b>30</b>	45	39	<b>39</b>	73	38	<b>24</b>
Train	28	20	<b>8</b>	-	-	-	-	-	-	-	-	-
Boat	-	-	-	0	0	<b>0</b>	-	-	-	-	-	-
Private Transportation	112	83	<b>87</b>	-	-	-	-	-	-	4	2	<b>1</b>
Treatment of waste produced at the facilities	46	48	<b>67</b>	-	-	-	-	-	-	-	-	-
<b>Total (t CO<sub>2</sub>e)</b>	<b>33,032</b>	<b>31,263</b>	<b>17,202</b>	<b>1,450</b>	<b>1,231</b>	<b>1,136</b>	<b>316</b>	<b>312</b>	<b>292</b>	<b>109</b>	<b>86</b>	<b>50</b>

**Note:** Regarding the scope of reporting of direct emissions resulting from the leakage of f-gases in equipment at CGD, S.A.'s commercial network level, only up to 50% of the installations (about 346 installations) could be verified by 2016. As of 2017, the scope was extended to about 773 installations. In 2018, actual leakage was obtained via service providers' maintenance reports issued to the entire universe of CGD, S.A.'s facilities in Portugal. Also at CGD, S.A., emissions related to the year 2016, associated to trips by train, were corrected. The scope of emissions associated with the processing of waste produced at CGD, S.A.'s facilities was extended to waste sent to recycling/recovery.

## DISTANCE TRAVELLED BY MEANS OF TRANSPORTATION AND STRUCTURE

(in km)

	CGD, S.A.			BCA			BI			BCG Brazil		
	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018
<b>Work-related trips (km)</b>												
Aeroplane	7,398,144	5,383,977	<b>5,756,352</b>	214,481	202,322	<b>340,794</b>	485,224	432,553	<b>436,270</b>	733,869	362,786	<b>222,049</b>
Train	1,033,276	745,240	<b>244,444</b>	-	-	-	-	-	-	-	-	-
Boat	-	-	-	1,082	1,230	<b>430</b>	-	-	-	-	-	-
Private transportation	656,709	471,527	<b>700,932</b>	-	-	-	-	-	-	21,569	13,221	<b>4,299</b>

## WATER CONSUMPTION BY SOURCE AND COUNTRY

(in m<sup>3</sup>)

	CGD, S.A.			BCA			BI			BCG Brazil		
	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018
Municipal water supply or others	149,577	125,261	<b>110,920</b>	4,240	5,389	<b>5,370</b>	1,216	1,179	<b>980</b>	267	435	<b>500</b>
Total volume used from rainwater										708	1,117	<b>200</b>

## MATERIAL CONSUMPTION BY TYPE AND COUNTRY

(in t)

	CGD, S.A.			BCA			BI			BCG Brazil		
	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018
White photocopy paper	537	502	<b>375</b>	12	9	<b>14</b>	11	13	<b>10</b>	4	4	<b>3</b>
Paper in the form of envelopes	102	286	<b>74</b>	1	0	<b>0.7</b>	0	0	<b>0</b>	0	0	<b>0</b>
Paper and cardboard in the form of passbooks	38	29	<b>26</b>	-	0	-	-	-	-	-	-	-
Plastic in the form of bank cards	8	9	<b>8</b>	-	-	-	0	-	<b>0</b>	-	-	-
Plastic cups	4	4	<b>0</b>	-	-	<b>0</b>	0	-	-	0	0	<b>0</b>
Advertising material: - Posters and flyers	0	0	<b>7</b>	0	0	<b>0.2</b>	0	-	-	-	-	-
Brochures and others	12	21	<b>0</b>	3	0	<b>0</b>	-	-	-	-	-	-
Pre-printed Paper	28	16	<b>29</b>	12	-	-	-	-	-	-	-	-

**Note:** From 2016 onward, consumption figures for white photocopy paper used for BI's activities include consumption figures for branches located on the islands.

TABLE GLOBAL REPORTING INITIATIVE <sup>3</sup> (GRI)

GRI INDICATOR		LOCATION	SDG
<b>STRATEGY AND ANALYSIS</b>			
102-14	Chairman's Statement on the relevance of sustainability for the organisation and its sustainability strategy	Management Report and Accounts 2018 – pp. 6, 756  The message regarding this Report is from the Chairman of the Executive Committee.	-
102-15	Main impacts, risks and opportunities	Management Report and Accounts 2018 – pp. 93-111, 829-831	-
<b>ORGANISATIONAL PROFILE</b>			
102-1	Name of the organisation	Management Report and Accounts 2018 – pp. 13, 757	-
102-2	Main products and services	Management Report and Accounts 2018 – pp. 67-71, 776-785 ▪ Scope: CGD, S.A.	-
102-3	Location of the organisation's head office	Avenida João XXI, 63, 1000-300 Lisbon. Portugal	-
102-4	Number and name of the countries where the organisation operates, where their main operations are located or which are relevant for the sustainability topics addressed in the report	Management Report and Accounts 2018 – pp. 20-21	-
102-5	Type and legal nature of ownership	CGD is a Public Limited Company (S.A.) held by a single shareholder: the Portuguese Government. The Minister of Finance appoints the shareholder's representative at a General Meeting.	-
102-6	Markets served	Management Report and Accounts 2018 – pp. 20-21	-
102-7	Size of the organisation	Management Report and Accounts 2018 – pp. 20-21	-
102-8	Number of employees, broken down by labour contract, gender and region.	Management Report and Accounts 2018 – pp. 655, 797-798 Annex A - Sustainability Indicators 2018  In 2018, there were no subcontracted employees at <b>CGD S.A.</b> and at the international structures of Cape Verde (BI and BCA), BCG Brazil and BNU Timor Branch Office. At CGD, 41 employees worked on a part-time basis. Of the total of 7,401 employees, 40 are on fixed-term contracts. A total of 251 internships were granted, 102 of which were curricular and 149 were vocational.  At <b>BCA</b> 18 internships were granted.  At <b>BI</b> , there were no part-time employees, as 10 internships were granted.  At <b>Caixa Angola</b> , one employee was subcontracted.  ▪ Scope: CGD, S.A. + Affiliate Banks (BCA, BI, BCG Brazil)	8

<sup>3</sup> CGD's GRI Table includes correspondence with the Global Compact (UN GC) Principles and the Sustainable Development Goals (SDG), with every Omission described in the reply to the corresponding indicator.

102-41	Percentage of employees covered by collective bargaining agreements	<p>All of <b>CGD, SA's</b> employees are under collective bargaining agreements, directly, by virtue of Company Contracts, or via an internal regulation that determines their enforcement on the remaining workers.</p> <p>There were no collective bargaining agreements at <b>BCA or BI</b>. There is a Personnel Statute that sets out the rights, guarantees and duties of BCA staff employees and regulates labour relations, except as otherwise laid down in an agreement or specific provision.</p> <p>At <b>BCG Brazil</b>, 100% of employees fall under collective bargaining agreements.</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A. + Affiliate Banks (BCA, BI, BCG Brazil)</li> </ul>	8
102-9	The organisation's supplier chain *	<p><a href="#">Management Report and Accounts 2018 – pp. 168, 676, 794</a></p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A.</li> </ul>	-
102-10	Significant changes occurred during the period covered by the report with regard to the organisation's size, structure, shareholding or supplier chain	<p><a href="#">Management Report and Accounts 2018 – pp. 8-9</a></p>	-
102-11	Addressing the precautionary principle	<p><a href="#">Management Report and Accounts 2018 – pp. 93-97, 663-664</a></p> <p>By signing on to the United Nations Environment Programme's Financial Initiative (UNEP-FI), in April 2009, CGD took on the commitment to observe the Precautionary Principle. Through the Climate Change adaptation strategy, CGD considers environmental variables in risk management, operation planning, development and introduction of products and services.</p>	-
102-12	Charters, principles or other externally developed initiatives of an economic, environmental and social nature that the organisation subscribes to or endorses	<p><a href="#">Management Report and Accounts 2018 – pp. 698-699</a></p>	-
102-13	Participation in national or international defence associations and organisations	<p><a href="https://www.cgd.pt/Institucional/Sustentabilidade-CGD/Programas-parcerias/Pages/Programas-Parcerias.aspx">https://www.cgd.pt/Institucional/Sustentabilidade-CGD/Programas-parcerias/Pages/Programas-Parcerias.aspx</a></p>	-
102-45	All of the organisations included in the consolidated financial statements	<p><a href="#">Management Report and Accounts 2018 – pp. 23-40, 757</a></p>	-
102-46	Procedure adopted for outlining the report contents and the Aspect limits	<p><a href="#">Management Report and Accounts 2018 – pp. 8-19, 773-774</a></p> <p><a href="#">Annex C - 2018 Methodological Notes</a></p>	-
102-47	Material aspects identified in the process of outlining the report content	<p><a href="#">Management Report and Accounts 2018 – p. 774</a></p> <p><a href="#">Annex C - 2018 Methodological Notes</a></p>	-
103-1	Limit of each material aspect within and outside the organisation	<p><a href="#">Annex C - 2018 Methodological Notes</a></p>	-

102-48	Reworking of information provided in previous reports and the reasons for such reworking	There were no significant reformulations to the Report's structure relative to previous years, except for the integration of the CGD Group's Sustainability Report in the 2018 Management Report and Accounts.	-
102-49	Significant changes relative to periods covered by previous reports with regard to the scope and the Aspect limit	There were changes to the geographical scope of the reported operations in matters of sustainability, namely with integrating the BNU Macao, BCI Mozambique and Caixa Angola banks, as well as the BNU Timor branch.	-
<b>INVOLVEMENT WITH STAKEHOLDERS*</b>			
102-40	List of groups of stakeholders in the organisation	<a href="#">Management Report and Accounts 2018 – p.775</a>	-
102-42	Identifying and selecting stakeholders	<a href="#">Management Report and Accounts 2018 – p. 657</a>	-
102-43	Approach adopted regarding involvement with stakeholders, including the frequency of involvement by type and by group	<a href="#">Management Report and Accounts 2018 – p. 775</a> At <b>BCA, BI and BCG Brazil</b> customer satisfaction is gauged using the claims management procedure. ▪ Scope: CGD, S.A. + Affiliate Banks (BI, BCA and BCG Brazil)	-
102-44	Main issues and concerns stated by the stakeholders as a result of the engagement process and measures adopted by the organisation in how they are processed	<a href="#">Management Report and Accounts 2018 – pp. 765, 773, 787-789</a> At BCA and BI, <b>customer satisfaction is gauged using the complaints management procedure.</b> <b>BCG Brazil</b> implemented a customer satisfaction channel, in 2018 (Ombudsman's service assessment), starting by sending a message and at the end of the Ombudsman's reply by stating the <i>e-mail</i> (satisfacao@bcgbrasil.com.br) to which the customer assessment and/or service user can be sent– this procedure abides by Circular Letter 3.880/2018 and Circular 3.881, both from the Central Bank of Brazil. Also available on the BCG Brazil website are the consumer and/or customer assistance resources (talk to us, ombudsman and reporting channel). ▪ Scope; CGD, S.A. + Affiliate Banks (BI, BCA and BCG Brazil)	-
<b>REPORT PROFILE</b>			
102-50	Period covered by the report	1 January to 31 December 2018	-
102-51	Date of the latest previous report	2017	-
102-52	Report issuance cycle	Annual	-
102-53	Contacts for questions regarding the report and contents	<a href="#">Management Report and Accounts 2018 – p. 757</a>	-
102-54	"As per" option and corresponding GRI table of contents	<a href="#">Management Report and Accounts 2018 – p. 757</a>	-
102-56	The organisation's current policy and practices for externally verifying the report	<a href="#">Management Report and Accounts 2018 – p. 757</a>	-
<b>GOVERNANCE*</b>			
102-18	The organisation's governance structure, including commissions under the highest hierarchical governing body	<a href="#">Management Report and Accounts 2018 – pp. 15-18, 769-770</a>	-

102-19	Process used for delegating authority regarding economic, environmental and social topics by the highest governing body on senior executives and other employees	<a href="#">Management Report and Accounts 2018 – pp. 769-770</a>	-
102-20	Appointment of one or more executive-level roles and positions as head in charge of economic, environmental and social topics and whether those in charge report directly to the Board of Directors	<a href="#">Management Report and Accounts 2018 – pp. 656-671</a>	-
102-21	Consultation processes used between stakeholders and the Board of Directors with regard to social, economic and environmental topics	<a href="#">Management Report and Accounts 2018 – p. 769</a>	16
102-22	Composition of the Board of Directors and its Committees	<a href="#">Management Report and Accounts 2018 – p. 803</a>	5, 16
102-23	Whether the Chairman of the Board of Directors is also an executive director (and, in that case, his/her role in the management of the organisation and the reasons for the accumulation)	<a href="#">Management Report and Accounts 2018 – pp. 15-18</a>	16
102-24	Procedures for selecting and appointing the Board of Directors and its Committees, as well as the criteria adopted for selecting and appointing the members of the Board of Directors	<a href="#">Management Report and Accounts 2018 – pp. 18, 653-655</a>	5, 16
102-25	Procedures used by the Board of Directors to make sure conflicts of interest are avoided	<a href="#">Management Report and Accounts 2018 – pp. 653-655</a>	16
102-26	Roles played by the Board of Directors and senior executives in developing, approving and updating the goals, the mission, vision and values, and outlining strategies, policies and targets related to economic, environmental and social impacts	<a href="#">Management Report and Accounts 2018 – p. 769</a>	-
102-27	Measures taken to develop and improve the Board of Directors' knowledge regarding economic, environmental and social topics	<a href="#">Management Report and Accounts 2018 – p. 770</a>	4
102-28	Processes for assessing the Board of Directors' performance with regard to managing economic, environmental and social topics	<a href="#">Management Report and Accounts 2018 – pp. 656-671, 769-770</a>	-

102-29	The role played by the Board of Directors in identifying, managing impacts, risks and opportunities related to economic, environmental and social issues, as well as in implementing <i>due diligence</i> procedures	<a href="#">Management Report and Accounts 2018 – pp. 767-770</a>	16
102-30	The role played by the Board of Directors in analysing the efficiency of the organisation's risk management processes regarding economic, environmental and social topics	<a href="#">Management Report and Accounts 2018 – pp. 656-671, 769-770</a>	-
102-31	The frequency with which the Board of Directors analyses impacts, risks and opportunities related to economic, environmental and social issues	<a href="#">Management Report and Accounts 2018 – pp. 656-671, 769-770</a>	-
102-32	Body or role that analyses and formally approves the organisation's Sustainability Report and ensures that every material aspect is addressed	The Executive Commission is the body in charge of analysing and approving the Sustainability Report. The Team Coordinating the Corporate Sustainability Programme is in charge of preparing the report and corresponding contents included in the Report and Accounts.	-
102-33	Process adopted to notify the Board of Directors of any critical concerns	<a href="#">Management Report and Accounts 2018 – pp. 656-671, 769-770</a>	-
102-34	Nature and total number of critical concerns of which the Board of Directors was notified, as well as the mechanism(s) adopted for addressing and solving them	<a href="#">Management Report and Accounts 2018 – pp. 656-671, 769-770</a>	-
102-35	Remuneration policies applicable to the Board of Directors and to senior executives	<a href="#">Management Report and Accounts 2018 – pp. 656-671, 769-770</a>	-
102-36	Procedure adopted for determining remuneration	<a href="#">Management Report and Accounts 2018 – pp. 656-671, 769-770</a>	-
102-37	Stakeholder opinions are requested and taken into account with regard to the issue of remuneration, including results of votes on policies and remuneration proposals, where applicable	<a href="#">Management Report and Accounts 2018 – pp. 656-671, 769-770</a>	16
102-38	Proportion of total annual remuneration of the highest paid individual in each country where the organisation has significant operations in relation to the total annual average remuneration of all employees (excluding the highest paid employee) in the same country	<a href="#">Annex C - 2018 Methodological Notes</a> The total annual remuneration of the highest paid individual comes to 5.56 of the average annual remuneration (excluding the highest paid employee). Scope: CGD, S.A. in Portugal	-



102-39	Proportion of the percentage increase of the total annual remuneration of the highest paid individual in each country where the organisation has significant operations to the average percentage increase of the total annual remuneration of all employees (excluding the highest paid employee) in the same country	<a href="#">Annex C - 2018 Methodological Notes</a> The percentage increase in the total annual remuneration of the highest paid individual corresponds to 1.97 of the average percentage increase in the total annual remuneration of all employees. Scope: CGD, S.A.	-
<b>ETHICS AND INTEGRITY *</b>			
102-16	Values, principles and regulations linked to the organisation's behaviour	<a href="#">Management Report and Accounts 2018 – pp. 763-761</a>	16
102-17	Internal and external mechanisms adopted by the organisation for requesting guidelines regarding ethical behaviours and in compliance with legislation	<a href="#">Management Report and Accounts 2018 – pp. 791-794, 633-635</a>	16

INDICATOR	LOCATION	UNGC	SDG
<b>ECONOMIC INDICATORS</b>			

**ASPECT: ECONOMIC PERFORMANCE\* Forms of Management (103)**

103-1 – CGD's materiality matrix comprises vectors deemed to be most important for its continuous contribution toward sustainable development, by monitoring the challenges put forth to its sector of operation by the various stakeholders, namely with the greatest influence and transformation power. "Financial Balance" was one of the environmental topics identified. Materiality Matrix – Management Report and Accounts 2018 – P. 774.

103-2 and 103-3 – CGD has in place a set of initiatives related to this topic, monitors the indicators related thereto and reports them to the public in the Management Report and Accounts 2018 - p. 765-766.

201-1	Direct economic value generated and distributed	<a href="#">Management Report and Accounts 2018 – pp. 765-766</a> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. and affiliated banks (BI, BCA, BCG Brazil, BNU Timor, BNU Macao, BCI Mozambique, Caixa Angola)</li> </ul>	-	2, 5, 8, 9
201-2	Financial implications and other risks and opportunities for the organisation due to Climate Change	<a href="#">Management Report and Accounts 2018 – pp. 829-831</a> Every year, CGD voluntarily takes part in the Carbon Disclosure Project (CDP) questionnaire, reporting on risks and opportunities associated with its Climate Change adaptation strategy in line with its operations. See CGD and CDP websites, where annual answers are published. CGD used the Task-force on Climate-related Financial Disclosure (TCFD) approach to identify some of the environmental risks and opportunities, while pointing out corresponding mitigation actions. <ul style="list-style-type: none"> <li>Scope: CGD, S.A.</li> </ul>	-	13

201-3	Benefit plans offered by the organisation	<p><a href="#">Management Report and Accounts 2018 - Item 2.1 Notes to the Individual Financial Statements – Note 33 – Retirement Pensions and Other Employee Benefits</a>. From 2010, the (organisation) began providing the benefit of a private pension plan to its employees, by contributing monthly to an open private pension entity, with a percentage on the employee's gross wage, provided said employee contributes with the same percentage.</p> <p><b>Banco Interatlântico (BI)</b> does not have a benefit/pension plan. At BI, employees are all registered under the national social security system, and pensions are all under the full responsibility of this body.</p> <p>At <b>BCA</b>, there is an established Benefit Plan. The value of the bonds was 2,882,699.88 euros.</p> <p>At <b>BCG Brazil</b>, as a supplement to the Social Security benefits, there is a private pension plan for employees, with an estimated 5,705.59 euros per month in bonds under the retirement plan covered by the Bank's general resources.</p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. + Affiliate Banks (BCA, BI and BCG Brazil)</li> </ul>	-	-
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#### ASPECT: ECONOMIC PERFORMANCE\*

201-4	Significant financial benefits received by the government	<p>In accordance with applicable legislation, the article that provided for deducting expenses with the net creation of new jobs was repealed. The Tax Benefits Statute (EBF) under Law No. 43/2018, of 9 August, which went into force on 1 July 2018, with the benefit remaining in force up to that date - for 2013 a 2018; and the IRC Corporate Tax Code (CIRC) allows deducting increased donations and contributions. In FY 2018, these realities translated into the amount of 3,051,650.71 euros, which, by applying a corporate income tax rate of 21%, would generate an amount of recoverable income tax of 640,846.65 euros. However, <b>CGD</b> will not enjoy these benefits, as it did not generate a qualifying tax base.</p> <p><b>BCA, BI and BCG Brazil did not receive</b> any financial aid from the Government.</p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. + Affiliate Banks (BCA, BI and BCG Brazil)</li> </ul>	-	-
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#### ASPECT: MARKET PRESENCE

202-1	Range of variation in the proportion of the lowest salary to the local minimum wage, by gender	<p>Annex C - 2018 Methodological Notes</p> <p><b>CGD, S.A</b> – Gender: female 190%; male: N.A (Absent in the lowest professional category representing unskilled professionals).</p> <p><b>BCA</b> - Gender: female 246%; male 246%. Lowest professional category: Auxiliary staff.</p> <p><b>BI</b> - Gender: female 243%; male 243%. Lowest professional category: General Services Assistant.</p> <p><b>BCG Brazil</b> - Gender: female 561%; male 874%. Lowest professional category: Administrative staff.</p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. + Affiliate Banks (BCA, BI and BCG Brazil)</li> </ul>	6	1, 5, 8
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202-2	Proportion of hires to upper-management positions in the local community	<p><a href="#">CGD, S.A. Management Report and Accounts 2018 – pp. 15-18</a>  <a href="#">Annex C - 2018 Methodological Notes</a></p> <p><b>BI's</b> upper management (Board of Directors) is appointed by the General Meeting of shareholders. Up to 2015, most of its members were not recruited in the Cape Verde market. From 2015, with BI's expanded Board of Directors, most of its members started being recruited on the Cape Verdean market. First-line functions are hired locally.</p> <p>The make-up of <b>BCA's</b> Executive Committee (CE)/Board of Directors is named and, later, approved by the General Assembly of shareholders. Directorate functions are appointed by the CE.</p> <p>At <b>BCG Brazil</b>, upper management positions are set by CGD's Executive Committee.</p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. + Affiliate Banks (BCA, BI, BCG Brazil)</li> </ul>	6	8
203-1	Development and impact of investments on infrastructures and supported services	<p><a href="#">Management Report and Accounts 2018 – pp. 812-815</a>  <a href="#">Annex C - 2018 Methodological Notes</a></p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. and affiliated banks (BCA, BI, BCG Brazil, BNU Timor, BNU Macao, BCI Mozambique, Caixa Angola)</li> </ul>	-	2, 5, 7, 9, 11
203-2	Indirect economic impacts, including their extent	<p><a href="#">Management Report and Accounts 2018 – pp. 20-21, 794-795</a></p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. + Affiliate Banks (BCA, BI, BCG Brazil)</li> </ul>	-	1, 2, 3, 8, 10, 17

**ASPECT: PROCUREMENT PRACTICES\* Forms of Management (103)**

103-1) – CGD's materiality matrix comprises vectors deemed to be most important for its continuous contribution toward sustainable development, by monitoring the challenges put forth to its sector of operation by the various stakeholders, namely with the greatest influence and transformation power. "Supply Chain (responsible procurement)" was one of the environmental topics identified. Materiality Matrix – Management Report and Accounts 2018 – P. 774.

103-2 and 103-3 – CGD has initiatives in place related to this topic, monitors the indicators related thereto and reports them to the public in the Management Report and Accounts 2018.

204-1	Proportion of expenses with local suppliers	<p><a href="#">Management Report and Accounts 2018 – pp. 20-21, 794-795;</a>  <a href="#">Annex C - 2018 Methodological Notes</a></p> <p>It is customary to hire local/domestic suppliers (CGD, SA). Proportion of expenses with local suppliers are as follows: CGD, S.A.: 90%; BCG Brazil: 100%, BI Cape Verde: 72%; BCA Cape Verde: 93%</p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. + Affiliate Banks (BCA, BI, BCG Brazil)</li> </ul>	-	12
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**ASPECT: CORRUPTION\* Forms of Management (103)**

103-1) – The identification of CGD's material topics consisted of assessing the importance of a set of topics based on the results of stakeholder consultations and on an internal impact classification of those topics. "Fighting fraud and tax evasion," which is linked to this aspect, was regarded as a top-priority topic (Materiality Matrix – Management Report and Accounts 2018 – P. 774).

103-2 and 103-3 – CGD has several initiatives in place related to this topic, monitors the indicators related thereto and reports them publicly in the Management Report and Accounts 2018 - p. 789-793

205-1	Operations subject to corruption risk analysis	<p>The Internal Audit Division conducted the following initiatives:</p> <p>A – Commercial Structures (face-to-face): Universal Model - 9 Retail Regions and 95 Branches; 3 Corporate Offices;</p> <p>B - Central Structures and Processes: 48 Regulatory initiatives; 11 Process actions; 7 EMS initiatives;</p> <p>C – Information Systems: 11 audit actions;</p> <p>D - Group Entities: Branches, Subsidiaries and Representative Offices - 14 audit actions; Provision of Services to the AI Function – 17 actions; Corporate Monitoring - 6 actions;</p> <p>E - Continuous Monitoring: 74 alerts and 4 reports;</p> <p>F – Recommendation Follow-up Audit: i) Commercial Structures: Universal Model - 49 Branches; Credit risk - Customers - 4; ii) Processes - 21 Audit Actions; iii) Branches, Subsidiaries and Representative Offices - 14 audit actions, and iv) Support to the AI Function (CLF and CGA) - 1 Audit action;</p> <p>H – Inspection Processes: 238 completed processes.</p> <p><b>At BCA</b>, there were no operations subject to corruption risk analysis.</p> <p><b>At BI</b> the Internal Audit Office conducted the following: 10 Audit actions, 6 Enquiry Procedures and 1 fraud procedure;</p> <p>Four operations with corruption risk assessment:</p> <ol style="list-style-type: none"> <li>1. Forged signatures: Cheques were paid without signature verification. This situation resulted in a loss for BI.</li> <li>2. Credit transaction – Conflict of interest: suspicion of employee involvement in the decision-making process regarding a transaction where said employee was a party concerned. It was concluded that there was no conflict of interest.</li> <li>3. An anonymous report on non-independence among the personal interests of the employee, of BI and of the customers. There was insufficient information for arriving at a conclusion.</li> <li>4. Fraudulent OPE - BI was addressed a payment order on an entity abroad, via the customer's e-mail, which was hacked. The customer was compensated, resulting in a loss for BI. The % of operations with corruption risk assessment totalled 24%.</li> </ol> <p><b>BCG Brazil</b> assesses all of its operations under the aspect of anti-corruption, using consultation tools and media information and legal proceedings, so that any customer or counterparty, for which a corruption risk is identified, is submitted to the Executive Board and, if approved, included on the Compliance watch list, with periodic monitoring. BCGB uses this tool to check for risk to customers (KYC), employees (KYE) and suppliers (KYS).</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A. + Affiliate Banks (BI, BCA, BCG Brazil)</li> </ul>	10	16
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205-2	Communication and training on anti-corruption policies and procedures	<p><b>CGD, S.A.</b>, through its website, provides information regarding its Code of Conduct, namely its mission and values, principles for action and standards of professional conduct. Some contracts with suppliers also include Ethical Principles and Corporate Best Practices for Suppliers with anti-corruption content. In 2018, 9% of the 7,401 employees received training on anti-corruption policies and procedures.</p> <p><b>BI</b> provides every hired employee with the Conduct Manual, whose Art. 31 - CORRUPTION states the following: "1- BI actively rejects all forms of corruption, and its employees must refrain from engaging in any situations conducive to acts likely to be associated with this phenomenon." In addition to the practice of communicating it to all new employees, BI's Conduct Manual is available at its website. Thus, all employees and other stakeholders have access to this information. All hired employees were provided with training on anti-corruption policies and procedures. Twelve training initiatives were given to 118 employees on the Code of Conduct, on failure to meet obligations, regulations and duties, as well as on reporting irregular practices.</p> <p>At <b>BCA</b>, all employees are notified on anti-corruption policies and procedures via the Service Order and on the intranet. In 2018, 61.4% of employees received training on anti-corruption policies and procedures.</p> <p>At <b>BCG Brazil</b>, all 63 employees received training on anti-corruption policies and procedures.</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A. + Affiliate Banks (BI, BCA and BCG Brazil)</li> </ul>	10	16
205-3	Confirmed occurrences of corruption and measures taken	<p>At <b>CGD, S.A.</b>, there were no procedures that could fall under the response to this indicator.</p> <p><b>BI</b> has no confirmed instances of corruption. The corporate regulation on the Policy for Preventing Corruption and Related Offences has been transposed and awaits verification from CGD's GFC for subsequent approval and enforcement at BI. Competencies have been enhanced in matters pertaining to PLC/CFT training initiatives, most notably:</p> <ul style="list-style-type: none"> <li>- 4 staff members in Corporate Vocational Training–International Banking Cycle, 3rd Edition: Compliance, Fraud, Money Laundering and Financing Terrorism;</li> <li>- 1 staff member – 5th Edition of the Workshop for Compliance Officers of CGD Entities</li> <li>- 2 staff members at the Seminar - Prevention of Money Laundering and Combating Terrorist Financing promoted by ATTF/BCV;</li> <li>- 91 staff members – In-house training on Prevention of Money Laundering and Combating Terrorist Financing given by the GFC</li> </ul> <p>At <b>BCA</b>, there were no procedures that could fall under the response to this indicator.</p> <p>At <b>BCG Brazil</b>, there is no record of any internal incidents related to corruption. With regard to operations, it should be noted that BCG Brazil's corporate customer portfolio includes companies involved in the 'Lava Jato' scandal (one of the largest investigations conducted by the Brazilian Federal Police to investigate financial crimes committed by politicians and by public and private companies, with highlight to Petrobras). In this context, BCG Brazil reports that it has taken the necessary measures in relation to the companies that were in its customer base, namely reducing its Credit exposure, when applicable, terminating relationships, and including the remaining companies in a Compliance watch list, also ensuring a close follow-up of residual operations.</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A. + Affiliate Banks (BI, BCA, BCG Brazil)</li> </ul>	10	16

ASPECT: UNFAIR COMPETITION				
206-1	Total number of legal proceedings due to unfair competition, anti-trust and monopoly, and their results	The misdemeanour proceedings filed by the Competition Authority in 2015, which CGD disputed calling for total acquittal, are still pending. <ul style="list-style-type: none"> <li>Scope: CGD, S.A.</li> </ul>	-	16

## ENVIRONMENTAL INDICATORS

**ASPECT: MATERIALS\* Forms of Management (103)**

103-1) – CGD's materiality matrix comprises vectors deemed to be most important for its continuous contribution toward sustainable development, by monitoring the challenges put forth to its sector of operation by the various stakeholders, namely with the greatest influence and transformation power. "Efficient Resource Management," which includes materials consumption, was one of the environmental topics identified. Materiality Matrix – Management Report and Accounts 2018 – P. 774.

103-2) – CGD has been undertaking materials aspect-related initiatives (Management Report and Accounts 2018 – P. 767, 833-837).

103-3) – CGD monitors various environmental indicators and reports them to the public (Management Report and Accounts 2018 – P. 767, 833-837).

301-1	Total consumption of materials by weight or volume	<a href="#">Management Report and Accounts 2018 – P. 836</a> <a href="#">Annex A - Sustainability Indicators 2018; Annex C - 2018 Methodological Notes</a> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. + Affiliate Banks (BCA, BI, BCG Brazil)</li> </ul>	7, 8	
301-2	Percentage of materials used that come from recycling	<a href="#">Management Report and Accounts 2018 – P. 836</a> <a href="#">Annex C - 2018 Methodological Notes</a> <ul style="list-style-type: none"> <li>Scope: CGD, S.A.</li> </ul>	8	8, 12
301-3	Recovered products and packaging	CGD's operations do not allow for the recovery of products and/or packages. However, CGD invests in waste recovery, such as recycling cancelled bank cards. See indicator 306-2. <ul style="list-style-type: none"> <li>Scope: CGD, S.A.</li> </ul>	8	

**ASPECT: ENERGY\* Forms of Management (103)**

103-1) – CGD's materiality matrix comprises vectors deemed to be most important for its continuous contribution toward sustainable development, by monitoring the challenged put forth to its sector of operation by the various stakeholders, namely with the greatest influence and transformation power. "Climate Change and Energy Transition," which includes the energy aspect, was one of the environmental topics identified. Materiality Matrix – Management Report and Accounts 2018 – P. 774.

103-2) – CGD has been undertaking energy aspect-related initiatives (Management Report and Accounts 2018 – pp. 831-832, 833-834).

103-3) – CGD monitors indicators associated with this area and reports them to the public (Management Report and Accounts 2018 – pp. 833-834)

302-1	Energy consumption within the organisation	<a href="#">Management Report and Accounts 2018 – pp. 831-832, 833-834</a> <a href="#">Annex A - Sustainability Indicators 2018</a> <a href="#">Annex C - 2018 Methodological Notes</a> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. + Affiliate Banks (BCA, BI, BCG Brazil)</li> </ul>	7, 8	7, 8, 12, 13
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302-2	Energy consumption outside the organisation	<a href="#">Management Report and Accounts 2018 – pp. 831-832, 833-834, 837-838</a> CGD monitors waste treatment and business trips. However, there are no conversion factors available in the literature that allow CGD to easily determine the associated energy consumption. <ul style="list-style-type: none"> <li>Scope: CGD, S.A.</li> </ul>	8	
302-3	Energy intensity	<a href="#">Management Report and Accounts 2018 – p. 834</a> <a href="#">Annex C - 2018 Methodological Notes</a> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. + Affiliate Banks (BCA, BI, BCG Brazil)</li> </ul>	8	
302-4	Lower energy consumption	<a href="#">Management Report and Accounts 2018 – pp. 831-832, 833-834</a> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. + Affiliate Banks (BCA, BI, BCG Brazil)</li> </ul>	8, 9	
302-5	Reduced energy needs for products and services	<a href="#">Management Report and Accounts 2018 – pp. 829, 831</a> <ul style="list-style-type: none"> <li>Scope: CGD, S.A.</li> </ul>	8, 9	

**ASPECT: WATER\* Forms of Management (103):**

103-1) – CGD's materiality matrix comprises vectors deemed to be most important for its continuous contribution toward sustainable development, by monitoring the challenged put forth to its sector of operation by the various stakeholders, namely with the greatest influence and transformation power. "Efficient Resource Management," which includes the water aspect, was one of the environmental topics identified. Materiality Matrix – Management Report and Accounts 2018 – P. 774.

103-2) – CGD has been undertaking water aspect-related initiatives (Management Report and Accounts 2018 – PP. 832, 835-836).

103-3) – CGD monitors indicators associated with this area and reports them to the public (Management Report and Accounts 2018 – PP. 832, 835-836).

303-1	Total water abstractions broken down by source	<a href="#">Management Report and Accounts 2018 – PP. 832, 835-836</a> <a href="#">Annex A - Sustainability Indicators 2018; Annex C - 2018 Methodological Notes</a> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. + Affiliate Banks (BCA, BI, BCG Brazil)</li> </ul>	7, 8	(6)
303-2	Water sources significantly affected by water abstraction	Not applicable to CGD, S.A. as most of its operations as supplied by the public water network, and so CGD has no control over water collection.	8	-
303-3	% and total volume of recycled and re-used water	The facilities of <b>CGD, S.A, BCA and BI</b> do not have a water recovery system.  In 2018, <b>BCG Brazil</b> consumed 200 m <sup>3</sup> obtained from rainwater, representing an 80% decrease against 2017. <ul style="list-style-type: none"> <li>Scope: CGD, S.A. + Affiliate Banks (BCA, BI, BCG Brazil)</li> </ul>		6, 8, 12

**ASPECT: BIODIVERSITY\* Forms of Management (103):**

103-1) – CGD's materiality matrix comprises vectors deemed to be most important for its continuous contribution toward sustainable development, by monitoring the challenged put forth to its sector of operation by the various stakeholders, namely with the greatest influence and transformation power. "Climate Change and energy transition," which includes the Biodiversity aspect, was one of the environmental topics identified. Materiality Matrix – Management Report and Accounts 2018 – P. 774.

103-2) – CGD has been undertaking biodiversity aspect-related initiatives (Management Report and Accounts 2018 – P. 838).

103-3) – CGD monitors indicators associated with this area and reports them to the public (Management Report and Accounts 2018 – P. 838).

304-1	Location in protected or adjacent areas	<p>This indicator is not relevant for CGD, as its operations are carried out in urban areas.</p> <p>There is zero risk of being located in areas that are protected or of interest for biodiversity, or in adjacent areas. It should be pointed out that CGD develops initiatives related to protecting biodiversity through the <i>Floresta Caixa</i> (Caixa Forest) Programme, and that it contributes toward minimising the environmental impact of its operations while fostering environmental best practices among its employees, customers and society, from a perspective of social responsibility and sustainable development.</p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A.</li> </ul>		
304-2	Description of the main impacts of the organisation's operations, products and services on biodiversity in protected areas and in biodiversity-rich areas	<p>This indicator is not relevant for CGD (see 304-1).</p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A.</li> </ul>	8	6, 14, 15
304-3	Protected and/or restored habitats	<p>This indicator is not relevant for CGD (see 304-1).</p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A.</li> </ul>		
304-4	Number of species on the IUCN's Red List and national conservation lists with habitats in areas affected by operations	<p>This indicator is not relevant for CGD (see 304-1).</p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A.</li> </ul>		
INDICATOR		LOCATION	UNGC	SDG
ENVIRONMENTAL INDICATORS				

**ASPECT: EMISSIONS\* Forms of Management (103):**

103-1) – CGD's materiality matrix comprises vectors deemed to be most important for its continuous contribution toward sustainable development, by monitoring the challenged put forth to its sector of operation by the various stakeholders, namely with the greatest influence and transformation power. "Managing Environmental Footprint and GHG reduction targets," which includes the Emissions aspect, was one of the environmental topics identified. Materiality Matrix – Management Report and Accounts 2018 – P. 774.

103-2) – CGD has been undertaking Emissions aspect-related initiatives (Management Report and Accounts 2018 – PP. 828-829, 831-832, 837-838).

103-3) – CGD monitors indicators associated with this area and reports them to the public (Management Report and Accounts 2018 – PP. 831-832, 837-838).

305-1	Direct GHG emissions (Scope 1)	<p><a href="#">Management Report and Accounts 2018 – PP. 837-838</a>  <a href="#">Annex A - Sustainability Indicators 2018; Annex C - 2018 Methodological Notes</a></p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. + Affiliate Banks (BCA, BI, BCG Brazil)</li> </ul>	7, 8	3, 12, 13, 14, 15
305-2	Indirect GHG emissions (Scope 2)	<p><a href="#">Management Report and Accounts 2018 – PP. 837-838</a>  <a href="#">Annex A - Sustainability Indicators 2018; Annex C - 2018 Methodological Notes</a></p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. + Affiliate Banks (BCA, BI, BCG Brazil)</li> </ul>		



305-3	Indirect GHG emissions (Scope 3)	<a href="#">Management Report and Accounts 2018 – PP. 837-838</a> <a href="#">Annex A - Sustainability Indicators 2018; Annex C - 2018 Methodological Notes</a> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. + Affiliate Banks (BCA, BI, BCG Brazil)</li> </ul>																				
305-4	Carbon intensity	<table border="1"> <thead> <tr> <th>2018</th> <th>tco<sub>2</sub>/thousand €</th> <th>tco<sub>2</sub>/FTE</th> </tr> </thead> <tbody> <tr> <td>CGD Global</td> <td>0.014</td> <td>2.32</td> </tr> <tr> <td>CGD S.A.</td> <td>0.013</td> <td>2.32</td> </tr> <tr> <td>BI</td> <td>0.030</td> <td>2.19</td> </tr> <tr> <td>BCA</td> <td>0.040</td> <td>2.51</td> </tr> <tr> <td>BCG</td> <td>0.007</td> <td>0.63</td> </tr> </tbody> </table> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. + Affiliate Banks (BCA, BI, BCG Brazil)</li> </ul>	2018	tco <sub>2</sub> /thousand €	tco <sub>2</sub> /FTE	CGD Global	0.014	2.32	CGD S.A.	0.013	2.32	BI	0.030	2.19	BCA	0.040	2.51	BCG	0.007	0.63	8	13, 14, 15
2018	tco <sub>2</sub> /thousand €	tco <sub>2</sub> /FTE																				
CGD Global	0.014	2.32																				
CGD S.A.	0.013	2.32																				
BI	0.030	2.19																				
BCA	0.040	2.51																				
BCG	0.007	0.63																				
305-5	Reduction of GHG emissions	<a href="#">Management Report and Accounts 2018 – PP. 837-838</a> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. + Affiliate Banks (BCA, BI, BCG Brazil)</li> </ul>	8, 9																			
305-6	Emissions of ozone-depleting substances, by weight	<p>According to GRI guidelines, ozone-depleting substances contained in products or equipment derived from use or disposal are not covered by this indicator.</p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A.</li> </ul>	7, 8	-3, 12																		
305-7	NOx, SOx and other atmospheric emissions	<a href="#">2018 Methodological Notes</a> Emissions of this type of substances can stem from the use of emergency generators and the vehicle fleet. In the case of CGD, these emissions are not very significant. Total NOx emissions: 18.2 t Total SO <sub>2</sub> emissions: 4.7 t <ul style="list-style-type: none"> <li>Scope: CGD, S.A.</li> </ul>		3, 12, 14, 15																		

**ASPECT: EFFLUENTS AND WASTE\* Forms of Management (103):**

103-1) – CGD's materiality matrix comprises vectors deemed to be most important for its continuous contribution toward sustainable development, by monitoring the challenged put forth to its sector of operation by the various stakeholders, namely with the greatest influence and transformation power. "Efficient Resource Management," which includes effluent and waste management, was one of the environmental topics identified. Materiality Matrix – Management Report and Accounts 2018 – P. 774.

103-2) – CGD has been undertaking Effluent and Waste aspect-related initiatives (Management Report and Accounts 2018 – PP. 831-832, 836-837).

103-3) – CGD monitors indicators associated with this area and reports them to the public (Management Report and Accounts 2018 – PP. 836-837).

306-1	Production of liquid effluents, by quality and destination	<p>CGD's facilities are located in urban areas, equipped with basic sanitation and rainwater harvesting infrastructures. Domestic wastewater is sent to the municipal collector, so this indicator is not considered applicable to CGD.</p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A.</li> </ul>	8	3, 6, 12, 14
306-2	Weight of waste produced, by type and by treatment method	<a href="#">Management Report and Accounts 2018 – P. 837</a> <a href="#">Annex C - 2018 Methodological Notes</a> BI, BCA, and BCG Brazil do not compile information regarding waste generation. <ul style="list-style-type: none"> <li>Scope: CGD, S.A.</li> </ul>		3, 6, 12

306-3	Occurrence of spills	<p>According to CGD's operations, this indicator is not considered to be material. However, since 2014, as part of the EMS, retention basins have been in place at strategic points of the Head Office Building, in order to prevent and contain any possible spills. Annually, drills are carried out in which emergency response procedures are tested, including those that may have a significant environmental impact. As part of audits to the Environmental Management System, which is certified under ISO 14001:2015, emergency response procedures, including the conducting of drills, are assessed.</p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A.</li> </ul>	8	3, 6, 12, 14, 15
306-4	Weight of hazardous waste hauled, imported, exported or processed, and the percentage of internationally shipped waste loads	<p>Non applicable to CGD, given the nature of its operations.</p>	-	3, 12
306-5	Water resources and their habitats affected by water discharges and drainage	<p>Because CGD's facilities are located in urban areas, no water resources are affected by water discharges.</p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A.</li> </ul>	8	6, 14, 15
<b>ASPECT: ENVIRONMENTAL COMPLIANCE</b>				
307-1	Monetary amount of fines and number of non-monetary penalties resulting from non-compliance with environmental laws and regulations	<p><a href="#">2018 Methodological Notes</a></p> <p>As part of the Environmental Management System, CGD annually performs the Legal Compliance Assessment, which aims to assess the organisation's environmental legal situation. There are 2 proceedings regarding deforestations attempted by Elvas and Alenquer City Halls, whose overall levied fines came to € 3,250.</p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A.</li> </ul>	8	16
<b>ASPECT: ENVIRONMENTAL ASSESSMENT OF SUPPLIERS* – Forms of Management (103) – p. 11 (Procurement Practices)</b>				
308-1	New suppliers assessed with environmental criteria	<p><a href="#">Management Report and Accounts 2018 – PP. 668, 795</a> <a href="#">Annex C - 2018 Methodological Notes</a></p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A.</li> </ul>	8	-
308-2	Negative environmental impacts on the supply chain and measures taken	<p>In 2018, 3 CGD suppliers were subject to environmental assessments as part of internal and external audit procedures concerning CGD's Environmental Management System and legal compliance. These suppliers were chosen based on their relevance to the activities carried out in CGD's Head Office Building.</p> <p>With regard to potential suppliers and service providers, CGD carries out an assessment that takes into account the various risks listed in the CGD Group's Subcontracting Policy, including compliance risk and reputational risk, which may include corrupt practices. No situations affecting the supply chain were identified.</p> <p><a href="#">Management Report and Accounts 2018 – PP. 668, 795</a></p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A.</li> </ul>	8	-
<b>SOCIAL INDICATORS</b>				

**ASPECT: EMPLOYMENT\* Forms of Management (103):**

CGD's materiality matrix comprises vectors deemed to be most important for its continuous contribution toward sustainable development, by monitoring the challenges put forth to its sector of operation by the various stakeholders, namely with the greatest influence and transformation power. "Equal pay, Gender equality and diversity" was one of the environmental topics identified. Materiality Matrix – Management Report and Accounts 2018 – P. 774.

103-2 and 103-3 – CGD has in place a set of initiatives related to this topic, monitors the indicators related thereto and reports them to the public (Management Report and Accounts 2018 - P). 664-666, 799, 802-803.

401-1	Number and rate of new hirings and turnover rate by age group, gender and region	<p><a href="#">Management Report and Accounts 2018 – P. 799</a>  <a href="#">Annex A - Sustainability Indicators 2018; Annex B - 2018 Methodological Notes</a></p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A + Affiliated Banks (BCA, BI, BCG Brazil, BNU Timor, BNU Macao, BCI Mozambique)</li> </ul>	-	5, 8
401-2	Benefits for full-time employees that are not granted to temporary or part-time workers*	<p><a href="#">Management Report and Accounts 2018 – PP. 663, 804-808</a></p> <p>At <b>CGD S.A</b>, there is no difference in the benefits granted to full-time and part-time employees.</p> <p>At <b>BI</b>, benefits not granted to temporary or part-time employees include Loans to Employees and Mortgage Loans to Employees, under applicable regulations; along with career advancements occur pursuant to the Personnel Statutes in force. There are no other benefits granted to full-time employees that are not granted to part-time employees.</p> <p>At <b>BCG Brazil</b>, benefits granted include medical and dental assistance for all staff members and their direct dependants (spouses or partners and children); a complementary social security programme 90 days after the date of hiring; life insurance; transportation, meal, food and culture vouchers; nursery and babysitter subsidies and subsidies for children with disabilities.</p> <p>At <b>BCA</b>, benefits are granted to employees, either full time or on a reduced workload.</p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. + Affiliate Banks (BCA, BI, BCG Brazil)</li> </ul>	-	8

<p>401-3</p>	<p>Rates of return to work and retention after maternity/paternity leave, by gender</p>	<p><a href="#">Annex C - 2018 Methodological Notes</a></p> <p><b>CGD, S.A.:</b> Employees entitled to paternity leave:  - Males: 2974; Females: 4427</p> <p>Employees who have enjoyed parental leave, by gender  - Males: 161; Females: 283</p> <p>Employees who returned to work after the end of parental leave, by gender: Males: 158; Females: 281</p> <p>Employees who returned to work after the end of parental leave and who are employed 12 months after their return, by gender: Males: 120 Females: 269</p> <p>Return to work: Males: 98% Females: 99%; Total: 99%</p> <p>Retention rate: Males: 97%; Females: 100%; Total: 99%</p> <p><b>BI:</b> Employees with paternity leave: Males: 44; Females: 89</p> <p>Employees who have enjoyed parental leave, by gender: Males: 3; Females: 6</p> <p>Employees who returned to work after the end of parental leave, by gender: Males: 3; Females: 5</p> <p>Employees who returned to work after the end of parental leave and who are employed 12 months after their return, by gender: Males: 2; Females: 5</p> <p>Return to work: Males: 100%; Females: 83%; Total: 89%</p> <p>Retention rate: Males: 100%; Females: 71%; Total: 78%</p> <p><b>BCG Brazil:</b> Employees with paternity leave:  - Males: 38; Females: 26</p> <p>Employees who have enjoyed parental leave, by gender:  - Males: 3; Females: 0</p> <p>Employees who returned to work after the end of parental leave, by gender: Males: 3; Females: 0</p> <p>Employees who returned to work after the end of parental leave and who are employed 12 months after their return, by gender: Males: 1; Females: 1</p> <p>Return to work: Males: 100%; Females: 0%; Total: 100%</p> <p>Rate of retention: Males: 100%; Females: 0%; Total: 50%</p> <p>▪ Scope: CGD, S.A. + Affiliate Banks (BI and BCG Brazil)</p>	<p>3</p>	<p>5, 8</p>
<p>402-1</p>	<p>Minimum notice periods in the event of operating changes  Minimum notice periods in the event of operating changes</p>	<p>As a rule, the minimum notice periods for what may be considered 'operating changes' shall be those set forth in the Labour Code, along with other specific situations provided for under Company Agreements. The situations below call for minimum prior notice periods:</p> <ul style="list-style-type: none"> <li>- Transfer of the worker to a different workplace, by initiative of the company: the employee must be notified of the transfer with at least 30 days' notice [clause 48(6) of CGD's Company Agreements]</li> <li>- Relevant changes in normal working hours: these shall be preceded by prior consultation with the affected, with at least 10 days' notice, or via worker agreement with at least 30 days' notice in the case of a work schedule that has</li> </ul>	<p>4</p>	<p>8</p>

		<p>been in place for over 10 years [clause 36(2)(3) of CGD's Company Agreement]. Differentiated and shift work schedules may be terminated at the company's initiative, subject to a notice to the affected employees at least 30 days in advance [clauses 37(4) and 39(4) of CGD's Company Agreement].</p> <ul style="list-style-type: none"> <li>– Expiration of fixed-term employment contract: the employer must notify the employee of its will to terminate the contract with at least 15 days' notice before the contract's expiry date [Article 344(1) of the Labour Code]</li> <li>– Expiration of open-ended employment contract: the employer must notify the employee of its will to terminate the contract with a minimum notice of 7, 30 or 60 days, respectively for contracts with durations of up to 6 months, 6 months to 2 years or more than 2 years [Article 345(1) of the Labour Code]</li> <li>– Collective dismissal or extinction of work position: variable prior notice, between 15 and 75 days, depending on the worker's seniority [Article 363(1) and Article 371(3) of the Labour Code]. However, in the event the establishment closes permanently, CGD is under obligation to place employees at another establishment or at companies that are legally or financially associated or economically interdependent. If the new placement is unfeasible, the company can then undertake legal proceedings leading to collective dismissal (see clause 30 of the Company Agreement).</li> </ul> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A.</li> </ul>		
403-1	Employees represented at occupational health and safety committees	<p>There is no specific occupational health and safety committee. The Delegated Council for CGD's Personnel, Resources and Systems addresses the topic of occupational safety and health, among others, covering all employees.</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A.</li> </ul>	-	8

<p>403-2</p>	<p>Ratios of accidents, occupational diseases, lost days, absenteeism and number of work-related deaths, by region and gender</p>	<p><a href="#">Annex C - 2018 Methodological Notes</a></p> <p>Rate of occurrence of work accidents:  CGD, SA: Males: 2.06; Females: 6.59; Portugal: 4.65  BCA: Males: 0; Females: 0; Cape Verde: 0  BI: Males: 0; Females: 0; Cape Verde: 0  BCG Brazil: Males: 0; Females: 0</p> <p>Degree of seriousness of work accidents:  CGD, SA: Males: 77.07 Females: 155.27; Portugal: 121.74  BCA: Males: 0; Females: 0; Cape Verde: 0  BI: Males: 0; Females: 0; Cape Verde: 0  BCG Brazil: Males: 0; Females: 0</p> <p>Rate of occurrence of occupational diseases:  CGD, S.A.: Males: 0; Females: 0.13; Portugal: 0.7  BCA: Males: 0; Females: 0; Cape Verde: 0  BI: Males: 0; Females: 0; Cape Verde: 0  BCG Brazil: Males: 0; Females: 0</p> <p>Absenteeism rate:  CGD,SA: Males: 2.35%; Females: 4.44% Portugal: 3.54%  BCG Brazil: ND</p> <p>Number of work-related deaths:  CGD, S.A.: Males: 0; Females: 0; Portugal: 0  BCA: Males: 0; Females: 0; Cape Verde: 0  BI: Males: 0; Females: 0; Cape Verde: 0  BCG Brazil: Males: 0; Females: 0</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A. + Affiliate Banks (BCA, BI and BCG Brazil)</li> </ul>	<p>-</p>	<p>3, 8</p>
<p>403-3</p>	<p>Employees with high incidence and high risk of serious illnesses</p>	<p><a href="#">Annex C - 2018 Methodological Notes</a></p> <p>At CGD, there are no employees involved in occupational activities with high incidence/risk of specific/serious illnesses.</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A.</li> </ul>		

403-4	Health and safety topics covered by formal agreements with labour unions	<p>CGD concluded Company Agreements with all the labour unions represented at the Institution (rate of 100%).</p> <p>As for health and safety, enshrined in clauses 95 and 96 of these Agreements is a set of obligations for CGD in terms of health (Occupational Health) and workplace hygiene and safety. With regard to health (clause 95), in addition to legally required regular exams, the Occupational Health service is under obligation to put into practice the measures required to prevent infectious/contagious diseases and to conduct annual ophthalmology screenings.</p> <p>In the event of a work accident or sudden illness at the workplace, the company is required to provide immediate medical and pharmaceutical attention, as well as to transport those affected to hospital centres.</p> <p>With regard to health and safety at the workplace (clause 96), the company undertook to endow the workplaces with the proper hygiene, health and safety conditions, so as to ensure a healthy working environment and prevent the risk of occupational diseases and work accidents, ensure proper sound levels, as recommended by official bodies, provide drinking water to all workers and at accessible locations and conduct cleaning operations outside business hours, except in cases of force majeure, as well as to ensure all repairs and conservation works, so as not to endanger the life or health of employees.</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A.</li> </ul>	-	8
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**ASPECT: TRAINING AND EDUCATION\* Forms of Management (103):**

CGD's materiality matrix comprises vectors deemed to be most important for its continuous contribution toward sustainable development, by monitoring the challenges put forth to its sector of operation by the various stakeholders, namely with the greatest influence and transformation power. "Talent attraction and retention" was one of the environmental topics identified. Materiality Matrix – Management Report and Accounts 2018 – P. 774.

103-2 and 103-3 – CGD has in place a set of initiatives related to this topic, monitors the indicators related thereto and reports them to the public (Management Report and Accounts 2018 - P. 663, 666, 699, 799-802.

404-1	Average annual number of hours of training per employee, gender and professional category	<p>Annex A - Sustainability Indicators 2018</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A. + Affiliate Banks (BCA, BI, BCG Brazil)</li> </ul>	-	4, 5, 8
404-2	Programmes for managing skills and continuous learning*	<p><a href="#">Management Report and Accounts 2018 – PP. 799-801</a></p> <p>In 2018, CGD provided a total of 244,100 hours of training to CGD and Group Company employees (domestic perimeter), reaching an average of 32.98 hours per employee.</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A.</li> </ul>	-	8

404-3	Percentage of employees regularly receiving performance assessment, by gender and professional category	<p><a href="#">Management Report and Accounts 2018 – P. 802</a>  <a href="#">Annex C - 2018 Methodological Notes</a></p> <p>In 2018, 100% of <b>CGD, S.A</b> actively employed workers underwent a performance assessment.</p> <p>At <b>BI</b>, the performance assessment programme is conducted annually, as the percentage of assessed employees stands at 94%.</p> <p>At <b>BCG Brazil</b>, the performance assessment process applies to all employees, excluding temporary workers and service providers.</p> <p>At <b>BCA</b>, the annual performance assessment applies to all employees (except the BD), regardless of the labour contract. It is the duty of BCA, in general, and of the assessor, in particular, to assess employees who have been active for at least 3 months during the year of the assessment. Employees meeting this requirement were assessed.</p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. + Affiliate Banks (BCA, BI, BCG Brazil)</li> </ul>	6	5, 8
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**ASPECTS: DIVERSITY AND EQUAL OPPORTUNITY – EQUAL PAY BETWEEN MALES AND FEMALES \* Forms of Management (103):**

103-1) – CGD's materiality matrix comprises vectors deemed to be most important for its continuous contribution toward sustainable development, by monitoring the challenges put forth to its sector of operation by the various stakeholders, namely with the greatest influence and transformation power. "Talent attraction and retention" was one of the environmental topics identified. Materiality Matrix – Management Report and Accounts 2018 – P. 774.

405-1	Manpower by professional category, gender, age group and minority, as well as other diversity indicators	<p><a href="#">Management Report and Accounts 2018 – P. 802</a>  <a href="#">Annex A - Sustainability Indicators 2018</a>  <a href="#">Annex C - 2018 Methodological Notes</a></p> <p>Number of physically handicapped employees at <b>CGD</b>: 42 male and 110 females employees.</p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. + Affiliated Banks (BCA, BI, BCG Brazil, BNU Timor, BNU Macao, BCI Mozambique and Caixa Angola)</li> </ul>	6	5, 8
405-2	Ratio of base salary to remuneration for females and males, by location of the significant operation*	<p><a href="#">Annex A - Sustainability Indicators 2018</a></p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. + Affiliate Banks (BI, BCG Brazil and BNU Timor)</li> </ul>		5, 8, 10

**ASPECT: HUMAN RIGHTS ASSESSMENT\***

**Forms of Management (103):**

CGD's materiality matrix comprises vectors deemed to be most important for its continuous contribution toward sustainable development, by monitoring the challenges put forth to its sector of operation by the various stakeholders, namely with the greatest influence and transformation power. "Human Rights" was one of the environmental topics identified. Materiality Matrix – Management Report and Accounts 2018 – P. 774.

103-2 and 103-3 – CGD has in place a set of initiatives related to this topic, monitors the indicators related thereto and reports them to the public (Management Report and Accounts 2018 - P. 803, 804



412-1	Operations subject to Human Rights assessments	<p>At <b>BI and BCA</b>, there was no record of any operations subject to Human Rights assessments. However, such assessments were taken into account in the credit analysis procedure.</p> <p>At <b>BCG Brazil</b>, there was no record of any operations subject to Human Rights assessments. However, with respect to our products/services, all customer operations are subject to Human Rights assessments during the Know Your Customer (KYC) process, which includes, among other information, media inquiries, proceedings or indications of non-compliance with human rights legislation, as well as regulations and best practices (particularly regarding labour aspects). If assessments point to that need, they are taken into account in the credit analysis procedure.</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A. + Affiliate Banks (BI, BCA and BCG Brazil)</li> </ul>	1	
412-2	Training of employees with regard to Human Rights	<p>In 2018, no training was provided to <b>CGD, S.A.</b> employees on Human Rights policies or procedures related to aspects of human rights with relevance for its operations.</p> <p>In 2018, no training was provided on Human Rights, at <b>BI, BCA and BCG Brazil</b>. In this latter Bank, however, we point out that employees are oriented by BCG Brazil's Code of Ethics, which addresses these aspects. In addition to the handing out of this Code to all new hires, periodic training (e-learning) is also provided to all active employees.</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A. + Affiliate Banks (BI, BCA and BCG Brazil)</li> </ul>		-
412-3	Investment agreements and contracts containing Human Rights clauses	<p><a href="#">Management Report and Accounts 2018 – PP. 803, 804</a> <a href="#">Annex C - 2018 Methodological Notes</a></p> <p>Safeguarding Human Rights is a premise enshrined in the laws of the countries where the CGD Group operates, as their corresponding economic agents are required to abide by said premise. In the geographic locations where the CGD Group operates, such as Brazil and Africa, funded Projects that directly or indirectly include Human Rights clauses namely concern operations in which multilateral institutions also take part.</p> <p>At <b>BI and BCA</b>, there were no contracts including Human Rights clauses.</p> <p>All operations contracts signed by BCG Brazil comprise clauses holding customers accountable regarding non-compliance with every aspect of legislation, including Human Rights.</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A. + Affiliate Banks (BI, BCA and BCG Brazil)</li> </ul>	2	

**ASPECT: NON-DISCRIMINATION\* Forms of Management (103):**

103-1) – CGD's materiality matrix comprises vectors deemed to be most important for its continuous contribution toward sustainable development, by monitoring the challenges put forth to its sector of operation by the various stakeholders, namely with the greatest influence and transformation power. "Employee Working Conditions and Well-being" was one of the environmental topics identified. Materiality Matrix – Management Report and Accounts 2018 – P. 774.

103-2 and 103-3 – CGD has in place a set of initiatives related to this topic, monitors the indicators related thereto and reports them to the public (Management Report and Accounts 2018 - P. 804-811).

406-1	Total number of cases of discrimination and corrective measures taken	<p>No instances of discrimination were recorded at affiliated banks.</p> <p>With regard to CGD, S.A., there were no instances of discrimination involving employees. A customer filed a discrimination-related complaint.</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A. + Affiliate Banks (BI, BCA and BCG Brazil)</li> </ul>	6	5, 8, 16
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ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING* - Forms of Management (103) - pp. 697-703 (Human Rights Assessment)				
407-1	Operations and suppliers identified as running the risk of violating the right of freedom of association and collective bargaining, as well as measures taken	<p>At <b>CGD S.A.</b>, there is no knowledge of situations of this nature in 2018. No specific procedures for identifying this type of occurrences are in place.</p> <p><b>BI</b> does not prevent anyone from freely exercising their freedom of association and from concluding collective bargaining agreements. Likewise, no supplier was identified as having such risk.</p> <p>At <b>BCA</b>, no operations were identified as entailing a risk of violation of the right to freedom of association and collective bargaining.</p> <p>At <b>BCG Brazil</b>, no operations were identified as entailing a risk of child labour or forced labour, and the bank does not prevent anyone from freely exercising their freedom of association and from concluding collective bargaining agreements. Likewise, no supplier was identified as having such risk.</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A. + Affiliate Banks (BI, BCA and BCG Brazil)</li> </ul>	3	8
ASPECT: CHILD LABOUR* - Forms of Management (103) - pp. 697-703 (Human Rights Assessment)				
408-1	Operations and suppliers identified as running the risk of child labour, and measures taken	<p>At <b>CGD S.A.</b>, there is no knowledge of situations of this nature in 2018.</p> <p>At <b>BI</b>, no operations were identified as entailing a risk of child labour.</p> <p>At <b>BCA</b>, no operations were identified as entailing a risk of child labour.</p> <p>At <b>BCG Brazil</b>, no operations were identified as entailing a risk of child labour or forced labour, and the bank does not prevent anyone from freely exercising their freedom of association and from concluding collective bargaining agreements. Likewise, no supplier was identified as having such risk.</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A. + Affiliate Banks (BI, BCA and BCG Brazil)</li> </ul>	5	8, 16
ASPECT: FORCED LABOUR OR TANTAMOUNT TO SLAVERY* - Forms of Management (103) - p. 697-703 (Human Rights Assessment)				
409-1	Operations and suppliers identified as running the risk of forced labour or tantamount to slavery, and measures taken*	<p>At <b>CGD S.A.</b>, there is no knowledge of situations of this nature in 2018. No specific procedures for identifying this type of occurrences are in place.</p> <p>At <b>BI</b> and <b>BCA</b>, no operations were identified as entailing a risk of forced labour.</p> <p>At <b>BCG Brazil</b>, no operations were identified as entailing a risk of child labour or forced labour, and the bank does not prevent anyone from freely exercising their freedom of association and from concluding collective bargaining agreements. Likewise, no supplier was identified as having such risk.</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A. + Affiliate Banks (BI, BCA and BCG Brazil)</li> </ul>	4	8
ASPECT: SECURITY PRACTICES* - Forms of Management (103) - pp. 697-703 (Human Rights Assessment)				

410-1	Training of security personnel regarding Human Rights	<p>CGD's Prevention and Security Office received no Human Rights training; however, it is a member of the Advisory Committee of UNICRI – Security Governance and Counter-Terrorism Laboratory, which, in this regard, undertook efforts to bring CGD under the Global Compact. This fact became possible as of 12 December 2013.</p> <p>Security companies providing services to CGD are duly qualified with the professional private security licence, as issued the PSP's National Private Security Administration. The issuance of the corresponding licence card is regulated under Ordinance No. 148/2014 of 18 July. Said ordinance also regulates the training required for obtaining the professional licence; Art. 9(2)(b) (Annex III – Basic training module), as concerns promoting rights, freedoms and guarantees. The issuance of replacement cards and/or forms dated prior to said ordinance was regulated under Section 3(a) of Ordinance No. 1325/2001, regarding training in rights, freedoms and guarantees.</p> <p>The training content on the topics in question basically hinges on the Universal Declaration of Human Rights. For CGD, verification of compliance with the Law involves confirming the authenticity and validity of each security guard's professional licence during the GPS accreditation procedure. In 2018, 5 CGD security staff underwent Human Rights training, toward renewing their security staff job card. Renewal takes place every 5 years.</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A.</li> </ul>	1	16
<b>ASPECT: INDIGENOUS PEOPLES' RIGHTS* - Forms of Management (103) - pp. 632-633, 703 (Human Rights Assessment)</b>				
411-1	Total number of instances of violated rights of indigenous peoples, as well as measures taken	<p>There were no instances of violation of the rights of indigenous peoples as part of CGD's operations.</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A.</li> </ul>	1	2
<b>ASPECT: CORPORATE ASSESSMENT OF SUPPLIERS* - Forms of Management (103) - pp. 651, 659, 660, 668 (Procurement Practices)</b>				
414-1	New suppliers assessed according to social criteria	<p><a href="#">Management Report and Accounts 2018 – p. 795</a>  <a href="#">Annex C - 2018 Methodological Notes</a></p> <p>At <b>BCA</b>, suppliers were not assessed with regard to Human Rights criteria.</p> <p>A systematic practice was not in place <b>at BI</b> for supplier assessment in terms of human and labour rights.</p> <p><b>BCG Brazil</b> evaluates its suppliers based on their observance of labour standards, any judicial or administrative cases/sentences and media consultation regarding the Bank.</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A. + Affiliate Banks (BI, BCA, BCG Brazil)</li> </ul>	2	-

414-2	Negative social impacts on the supply chain and measures taken	<p>CGD's Risk Management Division (DGR) does not have in place specific procedures for identifying this type of situations, which can be included under operational risk management only in unequivocal instances of legal non-compliance on the part of CGD. Impacts of this type of situations basically fall under reputational risk.</p> <p>The operational risk event database was queried in order to identify any situations that could impact the supply chain that have been validated in 2017 and no events were identified.</p> <p>No systematic practice was in place <b>at BI</b> for supplier assessment in terms of human and labour rights.</p> <p><b>BCA</b> did not assess negative impacts in terms of Human Rights on its supply chain.</p> <p><b>BCG Brazil</b> assesses its suppliers based on their observance of labour standards, any judicial or administrative cases/sentences and media consultations on behalf of the company.</p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. + Affiliate Banks (BI, BCA, BCG Brazil)</li> </ul>	2	-
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## SOCIETY INDICATORS

### ASPECT: LOCAL COMMUNITIES\* Forms of Management (103):

103-1) – CGD's materiality matrix comprises vectors deemed to be most important for its continuous contribution toward sustainable development, by monitoring the challenges put forth to its sector of operation by the various stakeholders, namely with the greatest influence and transformation power. "Investment in the Community and Philanthropy" was one of the environmental topics identified. Materiality Matrix – Management Report and Accounts 2018 – P. 774.

103-2 and 103-3 – CGD has in place a set of initiatives related to this topic, monitors the indicators related thereto and reports them to the public (Management Report and Accounts 2018 - PP. 812-815).

413-1	Operations with programmes involving local communities	<p><a href="#">Management Report and Accounts 2018 – pp. 812-827</a></p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A.</li> </ul>	1	-
413-2	Operations with negative impacts on local communities	<p>In 2018, there were no funding operations with negative impacts on local communities.</p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A.</li> </ul>		1, 2

## SOCIETY INDICATORS

### ASPECT: PUBLIC POLICIES\* Forms of Management (103):

103-1) – CGD's materiality matrix comprises vectors deemed to be most important for its continuous contribution toward sustainable development, by monitoring the challenges put forth to its sector of operation by the various stakeholders, namely with the greatest influence and transformation power. "Fighting fraud and tax evasion" was one of the environmental topics identified (Materiality Matrix – Management Report and Accounts 2018 – P. 774).

103-2) – CGD has implemented a set of initiatives related to this topic (Sustainability Strategy 2018-2020 – Report and Accounts 2018), namely the alignment of its sustainability strategy with the UN's Sustainable Development Goals, being a member of the Portuguese Coordinating Committee of the Alliance for Sustainable Development..

415-1	Total amount of political contributions by country and by recipient	<p>In compliance with its mission and its fundamental values, and as a benchmark bank in Portugal, CGD does not fund political causes, as its conduct hinges on principles of transparency, non-segregation and ethical principles recognized by all stakeholders. Moreover, political contributions from companies are forbidden under Portuguese Law No. 19/2003, of 20 June (art. 8). <b>BI, BCA and BCG Brazil</b> do not make this kind of contributions, as their conduct hinges on principles of transparency, non-segregation and ethical principles recognised by all stakeholders.</p> <p>Scope: CGD, S.A. + Affiliate Banks (BI, BCA, BCG Brazil)</p>	10	-
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## ASPECT: SOCIO-ECONOMIC COMPLIANCE

419-1	Monetary amount of significant fines and total number of non-monetary penalties due to non-compliance with laws and regulations	<a href="#">Annex C - 2018 Methodological Notes</a> Four instances occurred at <b>CGD</b> . At <b>BI, BCA in Cape Verde, and BCG in Brazil</b> , there is no record of any penalties/significant fines during 2018. <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A. + Affiliate Banks (BI, BCA, BCG Brazil)</li> </ul>	-	16
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**ASPECT: CUSTOMER HEALTH AND SAFETY\* Forms of Management (103):**

103-2) – CGD's materiality matrix comprises vectors deemed to be most important for its continuous contribution toward sustainable development, by monitoring the challenges put forth to its sector of operation by the various stakeholders, namely with the greatest influence and transformation power. "Financial Balance" was one of the environmental topics identified. Materiality Matrix – Management Report and Accounts 2018 – P. 774.

103-2 and 103-3 – CGD has in place a set of initiatives related to this topic, monitors the indicators related thereto and reports them to the public (Management Report and Accounts 2018 - PP. 793, 794).

**PRODUCT LIABILITY INDICATORS**

416-1	Assessment of impacts of products on health and safety	<a href="#">Management Report and Accounts 2018 – pp. 809-811</a> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A.</li> </ul>	-	-
416-2	Total number of instances of non-compliance with regulations and voluntary codes pertaining to impacts on health and safety caused by products and services	Six Notifications from the Authority for Working Conditions for submission of documents related to occupational health and safety: SSCGD Porto-Centro Clínico (2), 0633-Ponte da Barca, 2038-Largo João de Almeida-Guarda, 0751-São Vicente-Viana do Castelo, 0435-Manteigas and 0923-Vilar Formoso. <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A.</li> </ul>	-	16

**ASPECT: LABELLING OF PRODUCTS AND SERVICES\* Forms of Management (103):**

103-1) – to 103-1) – CGD's materiality matrix comprises vectors deemed to be most important for its continuous contribution toward sustainable development, by monitoring the challenges put forth to its sector of operation by the various stakeholders, namely with the greatest influence and transformation power. "Fighting fraud and tax evasion" and "Accessible, stringent and transparent communication" were identified topics. Materiality Matrix – Management Report and Accounts 2018 – P. 774.

103-2) – CGD has implemented a set of initiatives related to this topic (Sustainability Strategy 2018-2020 – Report and Accounts 2018), namely the alignment of its sustainability strategy with the UN's Sustainable Development Goals, being a member of the Portuguese Coordinating Committee of the Alliance for Sustainable Development.

417-1	Type of product information required under labelling procedures, as well as the percentage of products and services subject to such requirements	<a href="#">Management Report and Accounts 2018 – pp. 635, 636, 639.</a> At <b>CGD</b> , 77 products and services were subjected to the "Product Approval Process" and 1 product was subject to prior approval by the competent supervising authority, as all of these were validated as to their legal and regulatory compliance. <b>BI</b> continuously monitors and adapts its activity to any new legal and regulatory obligations, as well as recommendations and best practices issued by supervisory authorities, relating to transparency in relationships with customers, also acting with truth and clarity, in accordance with the values and principles enshrined in its Code of Conduct. Noteworthy are the adjustments made to the business as a result of the following regulations: <ul style="list-style-type: none"> <li>- 2018 State Budget (Law No. 20/IX/2017, of 30 December) brought changes to laws in terms of taxation and incentives.</li> <li>- Price List (Notice No. 2/2018, of 9 March - Amends Notice No. 1/2013) - sets forth a set of regulations operation disseminating the price list, the duties of providing information and customer service.</li> </ul>	-	12
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		<ul style="list-style-type: none"> <li>- Legal framework regarding economic and financial transactions with other countries and concerning exchange-rate transactions (Legislative Decree No. 3/2018, of 22 June): This legislation regulates the legal framework of economic and financial transactions with other countries and concerning exchange-rate transactions on domestic soil.</li> <li>- General contractual clauses (Law No. 33/IX/2018, of 28 June): This general provision governs general contractual clauses.</li> <li>- General Data Protection Regulation (GDPR) (EU 2016/679): This is a regulation under European law regarding personal data privacy and protection, applicable to every individual in the European Union and the European Economic Area.</li> </ul> <p><b>BCA</b> continuously monitors and adapts its activity to any new legal and regulatory obligations, as well as recommendations and best practices issued by supervisory authorities, relating to transparency in relationships with customers, acting with truth and clarity, in accordance with the values and principles enshrined in its Code of Conduct. With regard to the advertising of BCA's products and services – Corporate Customers – in late December 2015, Service Order No. 29/2015 was published on 23 December, effective as of January 2016. This service order sets out the general principles to which BCA's advertising is subject, outlines the responsibilities of the intervening Divisions and establishes the obligation of validation, by the relevant body, of the advertising of the financial products and services offered. It also sets forth the rules, depending on the means of diffusion used, and any mandatory or restricted wording. BCA also follows recommendations in Regulation 1/2016 of 6 May, which establishes more precise rules regarding the content of the Corporate Governance Code – the Governance Code for Issuers of Securities admitted to Trading in Regulated Markets.</p> <p><b>BCG Brazil</b> has the following elements to support the products and services offered: (i) product sheet, for internal evaluation by each area, so that they can be familiar with the aspects of each product offered by the Bank; (ii) Disclosure of Derivatives by the Treasury (NDF, Swap, Options) (iii) the BCG Brazil website's disclosure of the Terms and Conditions applicable to LCI, LCA, CDB and LF products, Buyback Transactions and DPGE.</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A. + Affiliate Banks (BCA, BI and BCG Brazil)</li> </ul>		
417-2	Total number of occurrences of non-conformity with legislation and voluntary codes regarding information and labelling of products and services, by type of result	<p><a href="#">Annex C - 2018 Methodological Notes</a></p> <p><b>CGD, S.A.</b> recorded 10 cases of non-conformities with labelling procedures for products and services related to information duties, including pre-contractual and contractual information. One of these non-conformities resulted in a fine or a penalty and the other 9 in notices from the Bank of Portugal.</p> <p><b>BCA, BI and BCG Brazil</b> did not record any non-conformities with procedures for the labelling of products and services.</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A. + Affiliate Banks (BI, BCA and BCG Brazil)</li> </ul>	-	16
417-3	Total number of non-conformities with regulations and voluntary codes pertaining to marketing communications, including advertising, promotion and sponsorship, by result	<p><a href="#">Annex C - 2018 Methodological Notes</a></p> <p>In 2018, CGD, S.A. recorded 1 non-conformity in this matter, which resulted in a notice from the Bank of Portugal.</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A.</li> </ul>		

418-1	Total number of confirmed complaints regarding the violation of privacy and loss of customer data	<p><a href="#">Annex C - 2018 Methodological Notes</a></p> <p>At <b>CGD</b>, the 10 instances of complaints identified stem from:</p> <ul style="list-style-type: none"> <li>-Sending an invitation to a Customer for an event without his/her consent for this purpose</li> <li>-Correspondence delivered outside the intended recipient's mailbox</li> <li>-A letter sent by CGD was received open</li> <li>-Dissemination of a Customer's personal data to a third party, via SMS and delivery of an overall statement</li> <li>-Potential loss of data - theft of statement</li> <li>-Sending marketing communication after terminating a contractual relationship with CGD.</li> </ul> <p><b>BCA</b> received 7 complaints: one on bank secrecy and on breach of privacy, specifically related to leaks, theft or loss of customer data, with 5 complaints being the responsibility of the complainant customer, and another currently under analysis.</p> <p><b>BI and BCG Brazil</b> did not receive any complaints for violation of privacy and loss of customer data.</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A. + Affiliate Banks (BI, BCA and BCG Brazil)</li> </ul>		
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**FINANCIAL SUPPLEMENT INDICATORS**

**ASPECT: PRODUCT PORTFOLIO\* Forms of Management:**

a) The identification of CGD's material topics consisted of assessing the importance of a set of topics based on the results of stakeholder consultation and on an internal impact classification of those topics. "Supply geared to circular and to low-carbon economy" and "Sustainable Finance" were deemed to be medium- and high-priority topics. Materiality Matrix – Management Report and Accounts 2018 – P. 774.

b) CGD has in place a set of initiatives related to this topic (Report and Accounts 2018 – PP. 777, 778, 828, 829)

c) CGD monitors indicators associated with this topic and reports them to the public (Report and Accounts 2018 – P. 777, 778, 828, 829).

Forms of Management	Policies regarding specific environmental and social aspects enforced on business lines*	<p><a href="#">Management Report and Accounts 2018 – PP. 777, 778, 828, 829</a></p> <p><b>CGD, S.A.</b> <a href="https://www.cgd.pt/Institucional/Sustentabilidade-CGD/Politicacompromissos/Pages/Politicacompromissos.aspx">https://www.cgd.pt/Institucional/Sustentabilidade-CGD/Politicacompromissos/Pages/Politicacompromissos.aspx</a></p> <p>BI has established and implemented a sustainability policy and an environmental and social risk policy, available at the website: <a href="http://www.bi.cv/Conteudos/All/lista.aspx?idc=2017&amp;idsc=2051&amp;idl=1">http://www.bi.cv/Conteudos/All/lista.aspx?idc=2017&amp;idsc=2051&amp;idl=1</a> and on the link <a href="http://www.bi.cv/upl/%7Bd1997245-e1ef-4ae0-886d-a5008f0b8f7c%7D.pdf">http://www.bi.cv/upl/%7Bd1997245-e1ef-4ae0-886d-a5008f0b8f7c%7D.pdf</a></p> <p><b>BCG Brazil:</b> <a href="https://www.bcgbrasil.com.br/Paginas/Sustentabilidade.aspx">https://www.bcgbrasil.com.br/Paginas/Sustentabilidade.aspx</a></p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A. + Affiliate Banks (BI, BCA and BCG Brazil)</li> </ul>		16
	Procedures for the assessment of environmental and social risks along the various business lines	<p><a href="#">Management Report and Accounts 2018 – p. 100-104</a></p> <p>At <b>BCG Brazil, BI and BCA</b>, there were no updates to procedures for assessing environmental and/or social risks.</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A. + Affiliate Banks (BI, BCA, BCG Brazil)</li> </ul>		
	Processes for developing employee skills, leading to the implementation of environmental and social policies and procedures applicable to business lines	<p><a href="#">Management Report and Accounts 2018 – p. 100-104</a></p> <p>At <b>BI, BCA and BCG Brazil</b>, no competences were developed in these matters with employees.</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A. + Affiliate Banks (BI, BCA, BCG Brazil)</li> </ul>		

	Processes for monitoring customers' compliance with the various requirements included under the agreements/contracts	<p><a href="#">Management Report and Accounts 2018 – p. 100-104</a></p> <p>At <b>CGD</b>, customer contract compliance monitoring procedures focus primarily on: risk management processes that include the monitoring of compliance with contractual conditions agreed upon with the CGD Group; assessing the economic and financial situation; forecasts on the development of customer activity; verification of the existence of operations with overdue loans or interest in the CGD Group and/or the financial system; adequacy of guarantees and collaterals for the mitigation of the respective loans; and analysis of historical information on the customer's timely payment behaviour.</p> <p>CGD also has two specialised monitoring units: the Business Monitoring Division (DAE), which monitors and recovers loans granted to companies, and respective groups, whose dealings with CGD involve amounts over 1 million euros; and the Retail Customers Monitoring Division (DAP), which follows up on customers in financial difficulties, in the negotiation and litigation segments.</p> <p>Under a project finance system, customers are required to comply with legislation in force, particularly that concerning socio-economic and environmental issues. In specific cases of projects whose activity has a more relevant environmental impact (e.g.: projects involving a high level of CO<sub>2</sub> emissions), it is customary for technical consultants to refer to compliance with emission levels in project monitoring reports.</p> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A.</li> </ul>	-	16
	Interaction with customers/investors/partners with regard to social and environmental risks and opportunities*	<p><a href="#">Management Report and Accounts 2018 – PP. 100-104</a></p> <p><b>CGD</b> interacts with its stakeholders with regard to these matters in several ways - consultation on sustainability, responsible supplier management, risk management procedures in credit-granting analyses, sustainability in the commercial offer and support to awareness-raising events.</p> <p><b>BI</b> has developed a set of actions among its staff members and other stakeholder groups because it is important to maintain a good relationship, which is considered a key element for the success of the bank's activity. In turn, it allows ensuring continued sustainability while creating an impact on the prosperity of the business. In this regard, the following actions were developed:</p> <ol style="list-style-type: none"> <li>a) Combating corruption and money laundering, whose response took the form of continuous internal training, the internal rules and procedures system and the role of the Compliance Office;</li> <li>b) Brand and reputation management through the preparation of the biannual sustainability report. The next report will be for 2017/2018, to be issued in 2019;</li> <li>c) Dissemination of support provided by BI in social networks, in order to publicise the social work carried out by many institutions and encourage support for these causes.</li> </ol> <ul style="list-style-type: none"> <li>▪ Scope: CGD, S.A. + Affiliate Banks (BI, BCA, BCG Brazil and BNU Timor)</li> </ul>	-	16
FS6	Percentage of specific business lines/segment, relative to overall volume, by region and size	<p><a href="#">Management Report and Accounts 2018 – pp. 55, 56, 489-490</a></p> <ul style="list-style-type: none"> <li>▪ Scope: Consolidated operations (CGD Group)</li> </ul>	-	1, 8



FS7	(Monetary) volume of products and services with social benefit, by business line	<p><a href="#">Management Report and Accounts 2018 – pp. 778-780</a></p> <p>In 2018, there were no values to report as part of this indicator at <b>BCG Brazil</b>. The proportion of products with a social benefit over the total products offered in the Retail and Corporate segments (excluding Funds) is 4% and 3%, respectively.</p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. + Affiliate Banks (BI, BCA, BCG Brazil)</li> </ul>	-	1, 8, 9, 10, 11
FS8	(Monetary) volume of products and services with environmental benefit, by business line	<p><a href="#">Management Report and Accounts 2018 – pp. 777-778</a></p> <p>The proportion of products with an environmental benefit over the total products offered in the Retail and Corporate segments (excluding Funds) is 0.1% <i>ex aequo</i>.</p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. + Affiliate Banks (BI, BCA, BCG Brazil)</li> </ul>	-	

**ASPECT: AUDIT\* Forms of Management (103):**

- a) – The identification of CGD's material topics consisted of assessing the importance of a set of topics based on the results of stakeholder consultation and on an internal impact classification of those topics. "Integration of social, environmental and governance factors in credit analysis" was deemed relevant (Materiality Matrix – Management Report and Accounts 2018 – P. 774).
- b) - CGD has in place a set of initiatives related to this topic (Accounts and Report 2018 – PP. 770, 771, 789, 790, 791)
- c) CGD monitors indicators associated with this topic and reports them to the public (Accounts and Report 2018 – P. 770, 771, 789, 790, 791).

Forms of Management	Scope and frequency of audits for assessing the implementation of environmental and social policies as well as risk assessment procedures	<p>CGD does not have specific audits in place for assessing the level of implementation and compliance with the sustainability, environmental and social policies, with the exception of the monitoring conducted as part of the Environmental Management System, under which CGD and the suppliers involved in the certification under standard ISO 14001 are subject to annual external audits, conducted by the certifying body. The communication and periodic reporting of the performance as well as environmental and social management practices undertaken by CGD is vital for compliance with the set goals, and ensures the involvement of all parties concerned. Thus, the progress achieved in the different spheres of action of the various policies are reported. This reporting process is subject to independent external verification and auditing. The General Sustainability Commission monitors the status of implementation of these policies. In order to pursue these policies, implementation plans are set forth and periodically revised, with defined goals and targets, in the various spheres of action, directly related to significant environmental and social aspects/impacts of CGD's operations. In its Sustainability Policy, CGD undertakes to gradually include environmental and social aspects in the evaluation of credit risks and in the selection of companies and projects to be funded.</p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A.</li> </ul>	-	10
FS10	Percentage and number of companies included in the organisation's portfolio and with which it interacted with regard to social and environmental aspects	<p>The Sustainability, Environment, Community Involvement and Product and Service Policies apply to CGD, S.A. Affiliated banks in Cape Verde (BI, BCA), Brazil (BCG Brazil) and BNU Timor are companies included in the Corporate Sustainability Programme.</p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. and Affiliate Banks (BI, BCA, BCG Brazil and BNU Timor).</li> </ul>		

FINANCIAL SUPPLEMENT INDICATORS				
FS11	Percentage of assets subject to environmental and social assessment	<p>Caixagest Energias Renováveis (Renewable Energy) Alternative Open-End Investment Fund: At the end of 2018, there were 8.3 million euros under management. This represented 0.22% of the total volume of securities funds managed by Caixagest.</p> <p>Caixagest Socially-Responsible Investment (SRI): At the end of 2018, there were 87.3 million euros under management. This represented 2.33% of the total volume of securities funds managed by Caixagest.</p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. (Caixagest)</li> </ul>		10
Forms of Management	Policies with regard to voting on social and environmental aspects applied to initiatives on which the organisation holds voting rights or aids in the voting decision	<p>When necessary, CGD exercises its voting right, bearing in mind the implications of decisions regarding direct social and environmental impacts. Generally speaking, CGD exercises its voting right with regard to aspects of a formal social nature with no direct implications in matters of an environmental or social nature.</p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A.</li> </ul>	-	-
FS13	Access in sparsely populated or economically underprivileged areas*	<p><a href="#">Management Report and Accounts 2018 – P. 20</a></p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A.</li> </ul>		1, 10
FS14	Initiatives for improving access to financial services by underprivileged individuals*	<p><a href="#">Management Report and Accounts 2018 – PP. 660, 661</a></p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A.</li> </ul>		

**ASPECT: LABELLING OF PRODUCTS AND SERVICES\* Forms of Management:**

CGD's materiality matrix comprises vectors deemed to be most important for its continuous contribution toward sustainable development, by monitoring the challenged put forth to its sector of operation by the various stakeholders, namely with the greatest influence and transformation power. "Financial and digital literacy" was one of the environmental topics identified (Materiality Matrix – Management Report and Accounts 2018 – P. 774).

103-2 and 103-3 – CGD has in place a set of initiatives related to this topic, monitors the indicators related thereto and reports them to the public (Management Report and Accounts 2018 - PP. 780-782, 822-823).

Forms of Management	Design and marketing policies of financial products and services*	<p><a href="#">Management Report and Accounts 2018 – P. 636</a></p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A.</li> </ul>		10
	Initiatives for improving financial literacy, by type of beneficiary*	<p><a href="#">Management Report and Accounts 2018 – pp. 822-823</a></p> <ul style="list-style-type: none"> <li>Scope: CGD, S.A. + Affiliate Banks (BI, BCA, BCG Brazil and BNU Timor)</li> </ul>	-	1, 8, 10

\* Relevant/material topic

## 2018 Methodological Notes

### 102-8

In 2018, there are no subcontracted employees at CGD, S.A. or at its affiliated banks. This considers active employees as at 31 December 2018.

There are no part-time employees at BI.

For BCA, the 3 executive directors were considered. At BCA, employees whose work hours were reduced by the Medical Board while earning the full salary, *i.e.*, 100% of their monthly retribution, were considered to be part-time workers.

### 102-46 – 102-47 – 103-1

The 2018 Sustainability Report was drafted in accordance with Global Reporting Initiative (GRI) guidelines, in the GRI Standards version, including the financial supplement. To meet the new guidelines, CGD developed a materiality matrix based on the results of the consultation process to internal and external stakeholders, held in 2015, with a view to identifying the material topics to be addressed in these reports (see the Materiality Analysis on both reports). This matrix illustrates the importance attached to the various topics in the economic, environmental and social pillars, by the various stakeholders, given the level of impact of such topics for CGD, as identified by several CGD Divisions.

As a result of this exercise, we highlight the following material topics and respective correspondence with GRI indicators:

Topics	Aspect limit	GRI indicators	Notes
Security for customers and their financial assets	Internal/External	416-1 and 416-2	
Risk Management	Internal	G4-2 and DMA FS – Product Portfolio and Auditing	
Governance and Reputation	Internal	(102-18 to 102-39)	
Financial Balance	Internal	201-1 to 201-4	
Customer selection and satisfaction criteria	Internal/External	102-43, 102-44	
Fight against fraud and tax evasion	Internal/External	205-1 - 205-3	This topic is only reported in the Report and Accounts 2018
Talent attraction and retention	Internal	401-1 to 401-3, 405-1	
Advice for adhesion to sustainable offer	Internal/External	FS6 to FS8, FS11, - FS13 and FS14	
Offer geared towards circular and low-carbon economy	Internal/External	FS6 to FS8, FS11, FS13 and FS14)	
Career, remuneration and incentive management	Internal	401-2, 404-1 to 404-3, 405-2	
<i>Accountability</i> and Transparency	Internal/External	417-1 to 419-1 DMA FS Product and service labelling	
Climate Change and energy transition	Internal/External	DMA FS – Product Portfolio	
Socio-economic and digital inclusion and progress	Internal/External	FS7, FS13, FS14	
<i>Governance</i> and reputation	Internal/External	417-1, 102-43 - 102-44 and FS15	This topic is only reported in the Report and Accounts 2018 – p. XX
Code of Conduct	Internal/External	102-16 to 102-17	
Climate Change and energy transition	Internal/External	302-1 to 302-5; 305-1 to 305-7	
Sustainability Strategy, actions and objectives	Internal/External	102-14 to 102-15	
Regular involvement with key stakeholders	Internal/External	102-40 to 102-44	
Digital innovation and evolution	-	-	
National and European regulatory trends	-	-	

Financial and digital literacy and Volunteer work	Internal/External	FS Product and service labelling FS16, 203-1	
Privacies and Information Security	-	-	
Integration of social, environmental and governance factors into credit analysis	Internal/External	FS - Product Portfolio	
Efficient Resource Management (SGA)	Internal/External	102-11, 301-1 to 303-3, 305-1 to 305-5, 305-7 to 306-3, 306-5, 307-1, 308-1-308-3, 103-2	
Working conditions and well-being of employees	Internal	401-2, 403-1 to 403-4	
Investment in the Community and Philanthropy	Internal/External	203-1, FS16	
Supply chain (Responsible purchases)	Internal/External	102-9, 204-1, 308-1 to 308-2, 407-1 to 409-1, 414-1 to 414-2	
Physical, technological and digital accessibility	Internal/External	FS14	
Equal pay, gender equity and diversity	Internal	401-3, 405-1, 405-2, 406-1	
Advice for adhesion to sustainable offer	Internal/External	DMA FS Product Portfolio	
Human Rights	Internal/External	412-3 to 414-2, 103-2	
Environmental Footprint management and GHG reduction targets	Internal/External	301-1 to 302-1, 302-3, 302-5, 303-1, 305-1 to 305-5, 306-2	

#### **102-38 and 102-39**

It only considers the remuneration of employees in Portugal.

#### **102-42**

In order to identify and prioritise the stakeholders to be consulted, the various Divisions with direct relationships with the various groups of stakeholders have identified the various entities that will be asked to complete the sustainability questionnaire – a core instrument for stakeholder consultation in the field of sustainability.

#### **201-1**

Income distribution under 'Employee salaries and benefits' considers the remunerations of management and supervisory bodies, employee remunerations, the provision for supply agreements, other charges with remuneration, other mandatory social security contributions and other staff costs, whose figures are reported as part of the income statement. Additionally, it also includes amounts spent on seniority bonuses, CGD's healthcare and CGD's pension fund, whose results are reported as part of a cash flow statement.

The heading "Donations and other investments in the community" considers only the amount spent by CGD on "Patronage" in 2018.

As of the 2015 report, the estimate of taxes on profits paid locally by the Branches has been included in the item "Payments to the State".

#### **202-2**

For CGD, S.A., Top Management is understood as the Board of Directors (which is elected by appointment).

#### **203-1**

At BI, all investments made were under the Patronage Law.

#### **204-1**

For calculating the indicator in CGD, all supplies of goods and services with annual invoicing of € 2,500 (with non-deductible VAT) were considered. Local suppliers are those with taxpayer identification number (NIF) of the nationality where the bank is present (e.g. CGD, SA - Portuguese NIF, BCA and BI - Cape Verdean NIF).

#### **301-1**

At CGD, S.A., the per-unit weight of reported materials was given by directly weighing the materials or by the material specifications (base weight and dimensions).

For BI Cape Verde and BCA Banks the specifications of the materials used during the reporting period were considered. BCA Cape Verde was unable to obtain the specifications of envelopes used, so BI's specifications were considered.

In the case of BCG Brazil, the paper consumption reported is obtained by estimating the stock, as, given its small size, a precise stock inventory is not justified. The total quantity of the most relevant materials are presented by type, without, however, providing the segmentation between the total quantity of direct and non-renewable materials, as such segmentation is unsuited to the services sector.

### 301-2

CGD S.A. monitors the number of envelopes obtained from recycling, having recorded 4.18 tons, amounting to a use percentage of 5% for this type of material.

### 302-1

CGD, S.A.: The figures shown for electricity consumption in CGD, SA's central buildings concern the following buildings: Av. João XXI - Lisbon (Head Office); Av. Aliados – Porto (Praça D. João I); Av. França- Porto; Praça da Liberdade – Porto; Camões – Porto; Rua 31 Janeiro – Porto; Sapadores – Lisbon; Cabo Ruivo – Lisbon; Rua Eduardo Neves (Edifício Pinta) – Porto. In 2018, we considered the consumptions associated with the CGD, S.A.'s commercial network facilities in Mainland Portugal and on the Azores and Madeira islands.

BCG Brazil: In the case of consumption associated with the vehicle fleet, the figure is estimated based on the average monthly consumption of vehicles in use (in 2018, the Bank had four vehicles).

BI: Consumption figures are estimated based on the specific consumption of each vehicle, considering the kilometres travelled.

BCA: The fleet's consumption figures are estimated based on the specific consumption of each vehicle, considering the kilometres travelled.

Energy consumption within the organisation was converted to energy units (GJ), using conversion factors. The following table reports the factors used for CGD, S.A, BI Cape Verde, BCA Cape Verde and BCG Brazil.

Conversion factors		General		
		Unit	Amount	Source
<b>Electricity</b>		kWh/GJ	0.0036	International Energy Agency
<b>CGD, S.A</b>				
<b>Diesel</b>	PCI (heat of combustion)	GJ/ton	42.60	APA (2018) Portuguese National Inventory Report on Greenhouse Gases 1990-2016
	Density	kg/l	0.8325	Decree-Law No. 152-C / 2017, of December 11
<b>Petrol</b>	PCI (heat of combustion)	GJ/ton	44.00	APA (2018) Portuguese National Inventory Report on Greenhouse Gases 1990-2016
	Density	kg/l	0.7475	Decree-Law No. 152-C / 2017, of December 11
<b>Natural gas</b>	PCI (heat of combustion)	GJ/((N)m <sup>3</sup> x 10 <sup>3</sup> )	38.44	"European Emissions Trading Scheme (EETS)
<b>BI Cape Verde, BCA Cape Verde and BCG Brazil</b>				
<b>Diesel</b>	PCI (heat of combustion)	GJ/t	43.0	GHG Protocol (March 2017) <a href="http://www.ghgprotocol.org/calculation-tools/all-tools">http://www.ghgprotocol.org/calculation-tools/all-tools</a>
	Density	kg/l	0.84	
<b>Petrol</b>	PCI (heat of combustion)	GJ/t	44.3	
	Density	kg/l	0.74	

In 2018, EDP supplied the electricity for CGD, S.A. In the Azores Autonomous Region, electricity was supplied by Eletricidade dos Açores (EDA), and in the Madeira Autonomous Region, it was supplied by Empresa de Eletricidade da Madeira (EEM). The figures given do not reflect the losses associated with the distribution and transport of electricity in the grid, or the losses inherent to limitations of efficiency associated with production processes that are behind the electricity consumed, as we were unable to obtain from public sources updated figures that would comprise all of these aspects.

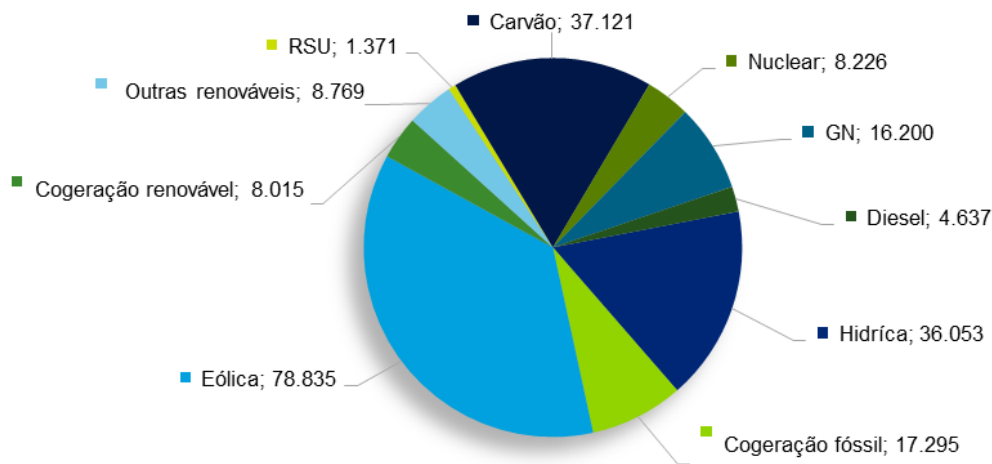
#### Sources:

Mix EDP Comercial 2018 (total EDP Comercial) - available at <https://www.edp.pt/particulares/apoio-cliente/origem-energia/?sector=Total%20EDP%20Comercial&year=-1&period=-1>

Mix EDA 2018 - available on the website <http://www.eda.pt/Regulacao/Rotulagem>. Since EDA's emission factor was not updated at the time of calculating CGD S.A.'s carbon footprint, the 2017 figure was used.

Mix EEM 2018 - available on the website [http://www.eem.pt/media/384452/evol\\_mad\\_2018.pdf](http://www.eem.pt/media/384452/evol_mad_2018.pdf)

With regard to White Photocopy Paper, 100% of certified but not recycled paper is used.



### 302-3 and 305-4

Energy and carbon intensity are calculated considering FTE and net operating income. The FTE value considers only the activity carried out in Portugal and the net operating income considers the value of the activity carried out in Portugal and the respective branches.

For calculating energy intensity, all types of energy consumption within the organisation (included in response to indicator 301-1) are being considered.

Emissions of scope 1 (indicator 305-1), scope 2 (indicator 305-2) and scope 3 (indicator 305-3) are taken into account for calculating the carbon intensity, assuming the assumptions described in the respective methodological notes.

### 303-1

The figures shown for water consumption at CGD, S.A.'s central buildings concern the following buildings: Av. Joao XXI - Lisbon (Head Office); Av. Aliados - Porto (Praça D. Joao I); Av. França- Porto; Praça da Liberdade - Porto; Rua 31 Janeiro - Porto; Sapadores - Lisbon; Cabo Ruivo - Lisbon;

In Portugal, because of the large number of installations, their geographic dispersion, corresponding diversity of suppliers and the fact that their information was provided in a format rendering their computer processing infeasible, CGD S.A. cannot, under such conditions, control the commercial network's water consumption.

All of the water used by BI and BCA comes from the municipal water supply and from pump trucks. Pump trucks are used for two main reasons. The first is when there is an outage in public water supply (supply entrusted to the company ELECTRA) and there is the need to turn to a third-party supply. On the other hand, in the case of BI, there are two branches for which public water cannot be provided, which is why the Bank supplies these two branches via pump trucks.

In the case of BI, the water consumption at the Head Office is included in the Central Buildings, and it is not possible to obtain the consumption figures of some central services (SGE, Administration and GAL). The branch network includes: Santiago (ASA, Plateau, AGF, Armazem ASA and Assomada Branches), Sao Vicente (Mindelo Branch), Sal (Espargos and Santa Maria Branches), Boavista (Sal Rey Branch).

BCA's water consumption concerns central buildings and branches located on the islands of Santiago, Fogo, Brava, Maio, Sao Vicente, Santo Antao, Sal, Sao Nicolau, Boavista and Praia.

The entire volume of water consumed at BCG Brazil is supplied by municipal water services. Since late 2015, BCG Brazil has had its head office in an LEED Platinum-certified building. The building captures rainwater, which is then treated and reused in the sanitary facilities and for cleaning, thus reducing the volume of water provided by the municipal services.

### 303-3

CGD's facilities do not have any type of water recovery system, except for BCG Brazil facilities, which have a rainwater reuse system.

### 305-1

The calculation of CGD's direct emissions (scope 1) considered the energy consumption reported under indicator 302-1. The emission factors were updated according to the latest domestic and international references. The following table shows the emission factors considered for CGD S.A, BI Cape Verde, BCA Cape Verde and BCG Brazil.

Emission factors	CGD, S.A		
	Unit	Amount	Source
Natural gas	kg CO <sub>2</sub> /GJ	56.1	APA (2018) Portuguese National Inventory Report on Greenhouse Gases 1990-2016 (p. 189)
	kg CH <sub>4</sub> /GJ	0.001	
	kg N <sub>2</sub> O/GJ	0.001	
Diesel	kg CO <sub>2</sub> /GJ	74.1	
	kg CH <sub>4</sub> /GJ	0.0007	
	kg N <sub>2</sub> O/GJ	0.0004	
Petrol	kg CO <sub>2</sub> /GJ	69.3	
BI Cape Verde, BCA Cape Verde and BCG Brazil			
Diesel	kg CO <sub>2</sub> /GJ	74,100	GHG Protocol (March 2017) <a href="http://www.ghgprotocol.org/calculation-tools/all-tools">http://www.ghgprotocol.org/calculation-tools/all-tools</a>
	kg CH <sub>4</sub> /GJ	10	
	kg N <sub>2</sub> O/GJ	0.6	
Petrol	kg CO <sub>2</sub> /GJ	69,300	
	kg CH <sub>4</sub> /GJ	10	
	kg N <sub>2</sub> O/GJ	0.6	
Oxidation Factors	Unit	Amount	Source
Natural gas	-	1	APA (2018) Portuguese National Inventory Report on Greenhouse Gases 1990-2016 (p. 189 Table)
Diesel	-	1	

In order to convert methane (CH<sub>4</sub>) and nitrous oxide (N<sub>2</sub>O) emissions, the *Global Warming Potential* (GWP) of the IPCC *Fourth Assessment Report* (AR4) (IPCC 2007) was used.

Global Warming Potential (2016)		
Unit	Amount	Source
CO <sub>2</sub>	1	Portuguese Agency for the Environment - <i>Portuguese National Inventory Report on Greenhouse Gases 1990-2015, 2017</i> (page 1-7, table 1.1)
CH <sub>4</sub>	25	
N <sub>2</sub> O	298	

In the case of gas leaks, the global warming potential of the gas was considered. Only the central heating systems leaks are counted (extinguishing equipment excluded). Regarding the commercial network, it was only possible to determine the information for about 50% of the installations (about 346 installations) until 2016. As of 2017, the scope was extended to about 773 installations. In 2018, leakage on every piece of equipment in the commercial network and central buildings in Portugal were accounted for at the head office; thus, no annual f-gas loss estimates were used as in preceding years.

In the case of BCA, the quantity of gases acquired during the reporting year for the Chã de Areia Building and for the Southern and Northern Branches is considered. For BI it has not been possible to calculate this data due to lack of information.

Since late 2015, BCG Brazil's facilities have been located in a single building, and since 2016 one piece of equipment has been eligible for emissions calculation (R410A).

CGD		
Gas	Amount	Source
R134A	1,430	Figures set by IPCC and by the Portuguese Environmental Agency (version published on 19 March 2015)
R402A	2,100	
R404A	3,922	
R407C	1,774	
R410A	2,088	
R417A	2,346	
R417C	1,820	
R422A	3,143	
R422D	2,729	
R502	4,657	
R410C	2,229	
R424A	2,440	
R27A	2,138	
SF6	22,800	

### 305-2

The calculation of scope 2 indirect emissions considered the consumption reported under indicator 302-1. The following table shows the emission factors used.

CGD, S.A			
Emission factors	Unit	2018 Figure	Source
Electricity (EDP)	kg CO <sub>2</sub> /km	0.22896	<a href="https://www.edp.pt/particulares/apoio-cliente/origem-energia/?sector=Total%20EDP%20Comercial&amp;year=-1&amp;period=-1">https://www.edp.pt/particulares/apoio-cliente/origem-energia/?sector=Total%20EDP%20Comercial&amp;year=-1&amp;period=-1</a> (considered the total EDP Comercial)
EDA (Eletricidade dos Açores)	kg CO <sub>2</sub> /km	0.489	<a href="http://www.eda.pt/Regulacao/Rotulagem">http://www.eda.pt/Regulacao/Rotulagem</a>
EEM (Empresa De Eletricidade Madeira)	kg CO <sub>2</sub> /km	0.427	<a href="http://www.eem.pt/media/323353/evol_mad_11_2018.pdf">http://www.eem.pt/media/323353/evol_mad_11_2018.pdf</a>
BI Cape Verde and BCA Cape Verde			
Other Africa	kg CO <sub>2</sub> /km	0.468	International Energy Agency (2015). CO <sub>2</sub> Emissions from Fuel Combustion, 2015 Edition.
BCG Brazil			
Brazilian National Interconnected System	kg CO <sub>2</sub> /MWh	0.0740	Ministry of Science, Technology and Innovation (MCTI) <a href="http://www.mctic.gov.br/mctic/opencms/ciencia/SEPED/clima/textogeral/emissao_corporativos.html">http://www.mctic.gov.br/mctic/opencms/ciencia/SEPED/clima/textogeral/emissao_corporativos.html</a>

### 305-3

Indirect emissions of scope 3 consider the following activities: Work-related trips using third-party vehicles and waste treatment. The following table shows the emission factors used, which were updated in the reporting year.



Emission factors	CGD, S.A, BI Cape Verde and BCA Cape Verde, BCG Brazil		
	Unit	Amount	Source
<b>Aeroplane – Domestic flights (&lt;463 km)</b>	kg CO <sub>2</sub> /pkm	0.156	2018 <i>Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting</i>
	CH <sub>4</sub> kg CO <sub>2</sub> e/pkm	0.00012	
	N <sub>2</sub> O kg CO <sub>2</sub> e/pkm	0.00148	
<b>Aeroplane - Short Haul (&gt; 463km and &lt; 3700 km)</b>	kg CO <sub>2</sub> /pkm	0.085	
	CH <sub>4</sub> kg CO <sub>2</sub> e/pkm	0.00001	
	N <sub>2</sub> O kg CO <sub>2</sub> e/pkm	0.00080	
<b>Aeroplane - Long Haul (≥ 3700 km)</b>	kg CO <sub>2</sub> /pkm	0.111	
	CH <sub>4</sub> kg CO <sub>2</sub> e/pkm	0.00001	
	N <sub>2</sub> O kg CO <sub>2</sub> e/pkm	0.00105	
<b>Train</b>	kg CO <sub>2</sub> /pkm	0.033	Comboios de Portugal (Portuguese Rail Company) - RS 2017 (p. 86)
<b>Taxi</b>	kg CO <sub>2</sub> /vkm	0.152	2018 <i>Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting</i>
	CH <sub>4</sub> kg CO <sub>2</sub> e/vkm	0.00001	
	N <sub>2</sub> O kg CO <sub>2</sub> e/vkm	0.00132	
<b>Car (fuel unknown)</b>	kg CO <sub>2</sub> /km	0.119	2018 <i>Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting</i>
	CH <sub>4</sub> kg CO <sub>2</sub> e/km	0.00033	
	N <sub>2</sub> O kg CO <sub>2</sub> e/km	0.00038	
<b>Boat</b>	kg CO <sub>2</sub> /km	0.018	
	CH <sub>4</sub> kg CO <sub>2</sub> e/km	0.00001	
	N <sub>2</sub> O kg CO <sub>2</sub> e/km	0.00025	

For work-related trips, emissions associated with transport by air, train, boat and individual transport are considered. However, due to the activity and existence of information, not all activities are applicable to all banks.

Key:	CGD, S.A	BI	BCA	BCG Brazil
Applicable (X)				
Not available / Not applicable (-)				
Aeroplane	x	x	x	x
Train	x	-	-	-
Boat	-	-	x	-
Private transportation	x	-	-	x

CGD, S.A. produces waste, which is then forwarded to recycling (R) and energy recovery/depositing in the ground (D). In 2018, for the first time, emissions associated with recycling and energy recovery were considered, using the Defra emission factor with regard to Recycling (open-loop) and combustion, as the calculation was performed on the history over a three-year span (2016-2018). In addition, emissions associated with landfill disposals (destination D) were determined using the emission factor published in Defra (emission factor for municipal waste).

Emission factors	CGD, S.A		
	Unit	Amount	Source
Landfill – Municipal Solid Waste	kg CO <sub>2</sub> /t MSW	586.5	2018 <i>Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting</i>
Open-Loop recycling - Municipal Waste	kg CO <sub>2</sub> /t MSW	21.4	
Combustion - Municipal Waste	kg CO <sub>2</sub> /t MSW	21.4	

### 305-7

The calculation of the atmospheric emissions of SO<sub>x</sub> and NO<sub>x</sub>, considered the consumption reported in indicator 302-1 for CGD, S.A.'s vehicle fleet and emergency generators. It is considered that this indicator is not relevant for international structures, considering the consumption figures reported in indicator 302-1. The following table shows the emission factors used.

Emission factors	CGD, S.A		
	Unit	Amount	Source
<b>Diesel</b>	kg NO <sub>x</sub> /GJ	0.8	IPCC 2006
	kg CO <sub>2</sub> /GJ	0.21	
<b>Petrol</b>	kg NO <sub>x</sub> /GJ	0.6	
	kg CO <sub>2</sub> /GJ	0.075	

### 306-2

The given amounts of waste produced refer to monitored waste, *i.e.*, the total quantities produced at the Head Office Building and waste generated at other facilities and considered by the Waste Monitoring Guide (WMG). The amounts associated with the generation of waste from plastic, paper and cardboard packages and other municipal and equivalent waste by the Porto Culture's Foundation are obtained by means of an estimate (based on the number of exhibits held in 2018 in Porto and on their specific waste production) of the amount of waste taken to the central building's waste plant.

BI, BCA, and BCG Brazil do not compile information regarding waste generation.

### 307-1

CGD, S.A. considers that significant fines/administrative penalties are those equal to or greater than 15,000 euros.

### 308-1 - 414-1

Suppliers to be considered in this indicator have an invoicing amount greater than or equal to € 2,500 (with non-deductible VAT); When totalling new/selected suppliers, we considered those from negotiating areas of Sogrupos Compras e Serviços Partilhados (SCS), a structure that directly hires suppliers.

Selection processes independent from the SCS are not considered.

Some contracts with suppliers also included the following annexes: Ethical Principles and Corporate Best Practices and Environmental, Health and Safety Best Practice Guide.

### 401-1

The formulas used to calculate turnover rates and new hires for CGD and Affiliated Banks were the following:

- Turnover rate = (No. of employees leaving during the reporting period / total No. of employees at the end of the reporting period) x 100, by age group and gender
- Rate of new hirings = (No. of new hirings / total no. of workers) x 100, by age group and gender

As concerns CDG, S.A., the figures given refer only to new hires and exits recorded in Portugal.

### 401-3

The formulas used to calculate the return and retention rates for CGD and Affiliated Banks were the following:

- Rate of return to work = (Total number of employees returning to work following maternity or paternity leave / Total number of employees benefiting from maternity or paternity leave) \* 100, by gender
- Retention rate = (Total number of employees retained 12 months after returning to work following maternity or paternity leave / Total number of employees returning from maternity or paternity leave during the preceding reporting period) \*100, by gender.

Legal periods in force in Cape Verde for maternity and paternity leave are 60 calendar days and 2 working days, respectively.

### 403-2

The rates associated with this indicator were calculated for CGD and for Affiliated Banks using the following formulas:

Unit	Amount
Rate of occurrence of work accidents	(Number of work accidents entailing a sick leave/AAP)*1,000,000
Degree of seriousness	(Days lost due to work accidents or occupational disease/AAP)* 1,000,000
Rate of occurrence of occupational diseases	(No. of occupational diseases/AAP)*1,000,000
Absenteeism rate	(Total No. of hours lost/AAP)*100
AAP	Total number of employees in the reporting year * No. of daily hours of work * [No. of business days in the year - 25 vacation days]
Number of work-related deaths	No. of deaths

When calculating the absentee rate, absences related to maternity/paternity leave, studies, vacations, weddings and bereavement were not considered.

The data reported refer to active employees, and no data is considered concerning self-employed workers.

Absences due to work accidents are recorded starting on the very day of such accident or on the day after its occurrence, depending on the time of day on which it occurred. For instance, if an employee suffers a work accident on his/her way back home, absence is recorded as starting on the following day. CGD considers that a 'work accident' is that which requires sick leave. Lost days only consider business days.

For BI and BCA, the No. of daily work hours to be considered in the calculations performed is 7.5 and 7 hours, respectively. At BI and BCA, lost days do not correspond only to business workdays.

BCG Brazil does not have a system in place to ascertain the total number of absenteeism hours (lost hours) in 2018.

#### 403-3

This indicator is applicable to staff and employees whose work or place of work is controlled by the Organisation.

#### 404-1

The data on training includes both internal training and external training. For reporting purposes, only the training given/received by employees as of 31/12/2018 was considered.

This indicator was calculated using the following formula for CGD and for Affiliated Banks:

- Average number of hours of training by professional category = Total number of hours of training by professional category/ Total number of employees in each category.
- Average number of hours of training by gender = Total number of hours of training by gender/ Total number of employees of each gender.

#### 404-3

CGD's Performance Management System considers all staff in its employ during the assessment year, except the members of its Governing Bodies. Regulations outlined in the SGD set forth a minimum of 90 days of service; this not being the case, some employees may be ruled out.

At BI, employees with less than 6 months on the staff are not evaluated, unless the Executive Committee decides otherwise.

#### 405-1

For the purposes of calculating this indicator, 1 Director was considered, as he has an individual labour agreement with CGD, S.A. The remaining directors were not considered for such purpose, as they have been appointed.

#### 405-2

The average base salary, by gender and professional category, was calculated, considering the base salaries of employees. The ratio was obtained by dividing the average base salary of women in each professional category by the average base salary of men in the corresponding professional categories.

The difference between the average base salary and the average remuneration is that the latter considers the base salary plus employee benefits.

At BCA, the base salary is fixed by professional category and by the positions of roles that the employees carry out during ordinary service. No distinction is made between the salary paid to Employees of the same professional category or to those who hold the same position, whether they are female or male.

The tables above consider the remuneration earned by employees on 31 December 2018.

The total monthly remuneration considered allowances for exemption from working hours, supplementary remuneration, role-specific allowances (auditor, computer technician, driver, administrative clerk, transportation), seniority payments, shift allowances and meal allowances. These are fixed and regular payments. Also, according to instructions received in the previous year, the meal allowance was considered in the total monthly remuneration, considering 22 working days/month.

**412-3**

Significant investment contracts for CGD include contracts relating to the Project *Finance portfolio*.

**417-2**

Non-compliances with regulations and voluntary codes related to information and labelling of products/services included non-compliances that resulted in warnings or fines imposed by supervisory bodies or judicial authorities, relating to the provision of mandatory pre-contractual and contractual information in the marketing of products and services, relating to mandatory information on special arrangements and related to the information made available to the public in the price list.

**417-3**

Non-compliances with voluntary codes and regulations related to marketing communications, including advertising, promotion and sponsorship, included non-compliances that resulted in warnings or fines imposed by supervisory bodies or judicial authorities, relating to information duties in advertising and marketing communications, as set out in legislation, in regulations issued by supervisory bodies, internal regulations, CGD's Code of Conduct and other voluntary codes of conduct, including those issued by the Portuguese Association of Advertisers and the Civil Institute of Self-Discipline in Commercial Communications.

**418-1**

The number of complaints given corresponds to customer complaints received through the various channels (branches, Complaints Book, telephone and written communications), entered into and numbered in the complaint management application (Gestwork), which meet the following criteria: entered in the reporting year; considered to be a non-compliance by CGD, *i.e.*, the analysis conducted by this area diagnosed improper conduct by CGD; classified as one of the following: "Unauthorised disclosure, by Caixa, of personal data" and "Breach of bank secrecy".

*(Free translation from the Original Independent Limited Assurance Report in Portuguese dated April 30, 2019. In case of any discrepancy, the Portuguese version always prevails.)*

## **Independent Limited Assurance Report of the Sustainability Information Disclosed in the Annual Report 2018**

To the Board of Directors of CGD, S.A.

### **Introduction**

1. We were contracted by the Board of Directors of Caixa Geral de Depósitos, SA to proceed with the independent review of the Sustainability Information disclosed (hereinafter the "2018 Sustainability Information") included in the "Annual Report 2018", relating to the sustainability activities carried out from 1 January to 31 December 2018.

### **Responsibilities**

2. The Board of Directors is responsible for preparing the "2018 Sustainability Information", and to maintain an appropriate internal control system that allows the information presented to be free of material misstatements due to fraud or error.
3. It is our responsibility to issue a limited assurance report, professional and independent, based on the procedures performed and described in the "Scope" section below.

### **Scope**

4. Our review procedures have been planned and executed in accordance with the International Standard on Assurance Engagements (ISAE 3000, Revised) - "Assurance engagements other than Audits and Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board, for a limited level of assurance.
5. The procedures performed in a limited assurance engagement vary in timing and nature from, and are less in extent than for, a reasonable assurance engagement. Therefore, the assurance provided by these procedures is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our independent review procedures comprised the following:
  - ▶ Conducting interviews with Management, in order to understand how the information system is structured and assess their level of knowledge of the topics addressed in the report;
  - ▶ Review of the processes, criteria and systems adopted to collect, consolidate, report and validate the data for the year 2018;
  - ▶ Analytical review, on a sample basis, of the data calculated by Management, and verification of quantitative and qualitative information disclosed in the report;
  - ▶ Confirmation on how collection, consolidation, validation and report procedures are being implemented in selected operating units;
  - ▶ Verification of the conformity of the information included in the "2018 Sustainability Information" with the results of our work.

6. Regarding the disclosure of non- financial information and information about diversity, we performed a review of conformity with Article 508-G of the Portuguese Companies Act (*Código das Sociedades Comerciais*) and 245-A, paragraph r) of the Securities Market Code (*Código do Mercado dos Valores Mobiliários*) with respect to non-financial and diversity disclosures.

### **Quality and independence**

7. Our firm applies International Standard on Quality Control 1 (ISQC 1), and consequently maintains a global quality control system which includes documented policies and procedures relating to compliance with ethical requirements, professional standards, and the legal and regulatory provisions applicable and we comply with the independence and ethical requirements of the International Ethics Standards Board for Accountants (IESBA) Code of Ethics and the Code of Ethics of the Order of Chartered Accountants (OROC).

### **Conclusion**

8. Based on our work, nothing has come to our attention that causes us to believe that the systems and procedures for the collection, consolidation, validation and reporting of the "2018 Sustainability Information" are not operating appropriately and the information disclosed is not free from relevant material misstatements. Additionally, nothing has come to our attention that causes us to believe that the "Annual Report 2018" do not include all the required data and information as defined by the Article 508-G of the Portuguese Companies Act and paragraph r) of the article 245-A of the Securities Market Code.

Lisboa, April 30, 2019

Ernst & Young Audit & Associados - SROC, S.A.  
Sociedade de Revisores Oficiais de Contas (nº 178)  
Represented by:

*(signed)*

Manuel Ladeiro de Carvalho Coelho da Mota - ROC nº 1410  
Registered with the Portuguese Securities Market Commission under license nr.º 20161020

