altice

SUSTAINABILITY
REPORT
2018

Index

This Report concerns Altice Portugal. The presented economic, social and environmental data result from the consolidation of the reality of its companies.
Preparation date: June, 2019

Altice Portugal, S.A.
Headquarters: Av. Fontes Pereira de Melo, 40
1069-300 Lisbon
Portugal
Capital: € 50,000.00 (50 thousands EUR)
Registration in the Conservatory of the Commercial Registry of Lisbon, collective person nº 510 160 549

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1. REPORT PROFILE

The preparation of this report meets the following criteria:

GLOBAL REPORTING INITIATIVE - GRI
This report presents standard content from the Global Reporting Initiative (GRI) Guidelines Sustainability Reporting Standards for sustainability reporting. The information on each of the GRI Standards is addressed, compiled and analyzed according to the GRI management guidelines, whenever applicable to the activity of the Company.

REPORTING PERIOD, SCOPE AND PRESENTATION OF THE REPORT
The report contains data on the activity of Altice Portugal during the year 2018. Altice Portugal annually prepare the corporate sustainability report considered alongside the Report and Consolidated Accounts of the Altice N.V. and MEO, which contains the accounts, the financial statements and corporate governance. The previous Sustainability Report refers to the year 2017.

STRUCTURE AND INFORMATION AVAILABLE
The structure and information provided in this report constitutes an act of transparency and sharing of Altice Portugal with stakeholders, highlighting the achieved goals and policies adopted in the value chain, in order to value the sustainability of business, the environment and society long-term.

CRITERIA USED IN THE PRESENTATION OF ECONOMIC, ENVIRONMENTAL AND SOCIAL DATA
The data presented originate in Altice Portugal's information systems and are based on the labor and environment laws, the principles of conduct adopted by the Company and the 10 principles of the United Nations Global Compact. The principles, policies and strategies of the Company are referenced in this report and further details can be found on the Company's corporate website. The data presented throughout the report show the evolution of performance in each theme comparing, whenever possible, the data of the year 2018 with the data for the year 2017.

EXTERNAL VERIFICATION
This report has not been subject to external validation.

SUGGESTIONS FOR IMPROVEMENT
This report incorporates the suggestions for improvement that are transmitted through the open channel for this purpose at sustentabilidade@telecom.pt.

Please contribute as well.

2. CEO STATEMENT

Alexandre Fonseca
CEO of Altice Portugal

Dear reader,

Investment, innovation, quality of service, proximity and social intervention were the five strategic pillars of the Company in 2018 that also mark the current commitment Altice Portugal has with the country.

In an increasingly global world, we cannot forget that the most relevant and decisive challenges in management are also very much related to a number of external factors.

With this awareness, Altice Portugal assumes itself as the instrument for the country social and economic development, through seven pillars of strategic action:

1st Pillar: Brand - A history of leadership: To keep the MEO, PT Empresas, MOCHE, SAPO and UZO trademarks, for their leadership, strong reputation and recognized value in the Portuguese market.

2nd Pillar: Communication - More, better, more assertive, faster, clearer. To have an integrated communication strategy in order to ensure a close, continuous and effective relationship with all our stakeholders.

3rd Pillar: Customer - Knowledge, satisfaction, surprise. Continue to show our DNA innovation by offering goods and services, working resilience and strength of our networks and infrastructure and most relevant, to make a commitment in quality of service.

4th Pillar: Investment & Innovation - Invest, develop, evolve. We take on the role of economic and social development in Portugal, focusing on proximity, innovation and technology investment as critical success factors to go further, never forgetting the equal treatment of the territory from the north to the south and the interior to the coast.

5th Pillar: People, organization and efficiency. Demonstrating our commitment to human resources stability, improving social dialogue and training, having already covered 70% of the workforce among corporate training, advanced training, technical training, certifications and the SKILL program.

6 Pilar: Products & Services Offer - Increase, develop, attract! To continue to innovate and to be disruptive, and in alignment with other world-leading operators in the sector, entering new areas of business, focusing on the development of an ecosystem of partners and innovate the Telco offer.

7th Pillar: Team - All to speak with one voice. Strengthen teamwork, the spirit of mutual help and solidarity in the Company, establishing bonds of trust, closeness, belonging and pride.

Proximity and social intervention continue to be the foundation of support. We make the concept of proximity, one of the main axes of action, and one of the key vectors that drives the activity and investment of Altice Portugal. A logic that has been initiated internally, with employees, but also externally with clients, partners, entrepreneurs and municipalities, through face-to-face contact in the numerous visits made by the country, in order to solve the population problems, contributing focused on the goal of improving the living conditions of all the Portuguese and making people have a better and happier life.

The social intervention is a component that we have been working, particularly with Altice Portugal Foundation, which undertakes the commitment to society, in those that already are its historical axes, such as education, social action, entrepreneurship and art and culture, as well in areas that complement these same axes, such as combating digital illiteracy, citizenship and the promotion of the Portuguese language, or the link between education, health, sports, technology and people.

One of the issues that are part of Altice Portugal's environmental sustainability strategy is energy efficiency. The concern of all regarding environmental and resource saving issues is always present, for example, in 2018, 13 switches have been consolidated, with a reduction in energy consumption equivalent to an annual saving of approximately 300,000 euros.

With the focus on reducing environmental impacts, Altice Portugal has also concerted effort on the development of sustainable technology and innovation, through the installation of new generation networks throughout the country, energy-efficient equipment and intelligent air conditioner and lighting systems, with the goal of reducing environmental footprint, preserving biodiversity and promoting economic development, job creation and social and digital inclusion. These actions reinforce Altice Portugal's commitment to education for sustainability and to raise awareness of the necessity to adopt more responsible behaviour towards nature, in observance with its commitment to the Sustainable Development Goals (SDG).

The year 2018 was a year of achievements, a year in which, together, we have gone further.

2019 will be the year of transformation. Transformation of business and organizational culture.

In 2019, we want to further humanize management and give back to our employees the pride of being part of an ambitious and unique project, in an aligned vision: proximity, intensity and trust, with a focus on the client and quality of service, continuing the path of growth and innovation.

This report presents the standard contents of the sustainability reporting guidelines of the Global Reporting Initiative Standards (GRI Standards) and information on each of the sustainability issues is addressed, whenever applicable to the Altice Portugal activity. It is a space for reflection, transparency and sharing of the impacts of our activity on the economy, the environment and society.

The Altice Portugal team is us. We are counting on everyone to help us grow stronger and go further.

Alexandre Fonseca
Presidente Executivo
Altice Portugal

3. ALTICE PORTUGAL COMPANY

3.1 COMPANY PROFILE

ACTIVITY, BRAND, PRODUCTS AND SERVICES

Altice Portugal provides fixed services, mobile telephony services and media and advertising services for B2C (consumer) and B2B (business) customers in Portugal. The Altice Group, through its companies, also invests in specific content to complement and enrich the services provided.

Fixed services (high-quality pay-tv, broadband Internet and high-quality fixed network) are mainly provided in its cable and fiber-based network infrastructure, offering speeds de download de entre 30 Mb e 10 GB, depending on the location. Mobile services are provided through 2G, 3G and 4G Long-Term-Evolution ("LTE").

Altice Portugal is focused on the convergence of fixed and mobile services through cross-selling and up-selling of its offerings to further increase its multiplayer penetration. Cable, fiber and mobile technologies enable premium digital services, attractive interactive features (such as the "MEO Go!" Service). Altice Portugal believes that the advantage of its multiplay packages is mainly driven by the inherent quality of its products included and the speed and functionality of the service. Quad-pack packages are also offered, with the addition of mobile services. Altice Portugal markets its products through the "MEO" and "M4O" brands.

The focus on innovation is centred on Altice Labs, a Company of the Altice Portugal Group, which is a research and development center that aims to centralize and streamline the development of innovative technological solutions for the entire Altice Group. Under this Company, R & D teams create products and technology to facilitate the construction of their fixed and mobile network, develop systems to improve customer experience and deal with disruptions and interruptions quickly and accurately, allowing an almost uninterrupted use of the service in entire Altice Group, as well as creating user-friendly, high-quality interfaces and products for the customer, including set-top boxes, portals and next-generation terminals.

Altice Labs has been a valuable instrument for differentiating network performance and service utilization. The strong association with universities supports, in a unique way, a trusted innovation ecosystem to transform knowledge into value for customers.

COMPANY DIMENSION

Altice Portugal had, as of December 31, 2018, 8,623 employees, 38% female and 62% male. Of the total number of employees, 13 are part-time workers, including 9 women and 4 men. Altice Portugal privileges stability, favouring permanent employment, which covers 99.2% of employees.

In 2018, there was no significant seasonal work. All outsourced workers are administrated by the respective companies, and the operational supervision of the contract is carried out by the Company's management for which they are working.

3.2 MILESTONES AT 2018

In 2018, Altice Portugal maintained its commitment to investing in innovation, in providing better products and services to customers and in social intervention. The recognition of the Company of this same commitment is reflected in the awards that Altice Portugal received throughout the year.

A description of the main events and recognitions of 2018 are following:

Altice Portugal **Foundation and Directorate-General for Education together for an inclusive education**
The protocol signed with the Directorate-General for Education is an example of Altice Portugal Foundation's commitment to promoting inclusive education and it is directed to a universe of more than 82,000 students with specific educational needs.

The agreement aims to create strategic synergies and adapt the different Altice Portugal Foundation solutions to specific educational requirements.

Constitution of the technological laboratory for the development of IoT (Internet of Things)

In the new Golabs.IoT, manufacturers, industry, academia and startups will be integrated into an agenda for host laboratory solutions, support in its evolution to the market and launch of innovative and competitive services, in a structured contribution to the creation of qualified employment and promotion of new business segments. Golabs.IoT is an open laboratory, which means that it is not for the exclusive use of Altice Portugal, but for the benefit of all partners who want to test, validate and certify IoT solutions. Three months after its opening to the community of technology partners, startups, associations and academic world for the development of IoT, this laboratory was recognized by the GSM Association (GSMA) as one of the world reference laboratories within IoT.

Altice Portugal applies single corporate brand and humanizes access to technology

Altice Portugal takes a significant step in the local materialization of the global brand, becoming Altice to position itself as a single corporate brand in Portugal, maintaining the trademarks. Following this evolution, through the MEO brand, Altice Portugal also announces the launch of a new portable WiFi box, a new TV interface and a new customer digital experience. This campaign aims to sensitize consumers to the ability of MEO technology to improve people's lives by highlighting human valencies as a counterpoint to current issues such as robots and artificial intelligence that can replace human beings in their most varied tasks.

Altice Positive Moments

The Positive Moments broadcast from Sunday to Friday on TVI consist of a series of one-minute short stories programs with inspiring testimonies from people from various sectors of Portuguese society and aims to echo situations that reflect expressions, smiles and attitudes counted in the first person reflecting positive ways of living.

Altice takes technology and innovation to Portugal Smart Cities Summit

Altice Portugal's vision for the territory and the smart cities is a progress image through technology, based on investment, innovation, quality of service and the ability to give access to technology to all on an equal terms. But it is also a vision that goes far beyond technology, not only being an investment in technological solutions, but also of developing the whole ecosystem, of involving local and central power in enabling the conditions to generate investment, of creating digital literacy conditions for citizens and the business community and to stimulate private initiative, being the development of projects of intelligent cities, projects that solve concrete problems of the communities.

Altice Portugal and Huawei together in the development of 5G

This partnership with Huawei represents a major step in the 5G service commercialization in Portugal, to be launched next year by Altice. The installation of 5G facilitates the creation of new business models, brings new services and more advantages to all operators relative to mobile broadband, supporting faster and more efficient communication for both consumers and devices.

Altice in the Top 20 of the world's 100 largest telecommunications companies

Altice enters for the first time to the Global 100 ranking of the largest telecommunications companies in the world, in revenue, directly occupying the 17th place in the index. The Company is the highest entry in the ranking, assuming itself as an example of the process of concentration and growth that is being seen in the market among the largest operators in the world.

PT Empresas promotes Technology and Environment Workshop

The "Technology and the Environment" Workshop aimed at analyzing the impact of technology on the environment as a way to respond to the challenges of environmental sustainability and the biodiversity protection. By promoting this workshop, PT Empresas reinforces its commitment and investment in solutions and technologies that make a positive contribution to the environment through prevention, monitoring and act on the risks that threaten environmental sustainability, at a global level.

Altice Portugal Foundation recognized for social responsibility practices

During the 4th APEE Ceremony of Practices in Social Responsibility and Sustainability Recognition, APEE distinguished organizations with good practices in this themes. The Altice Portugal Foundation's programs related to Education for All, Khan Academy and Communicate Safely, justified the favorable evaluation of the jury, having been winners in the area of Social Responsibility related to stakeholders and in the SDG's (Sustainable Development Goals) related to Quality Education.

Altice Portugal becomes majority shareholder of SIRESP

Altice Portugal believes that the new shareholder structure of SIRESP SA will contribute to a more agile response, granting even greater capacity and speed in the decision making of the executive board. The SIRESP network is of great relevance to the country. For this reason, Altice Portugal has reiterated the need for additional investments in redundancy solutions, having invested in technical and human resources for its design, namely through satellite technology.

Altice Portugal Foundation promotes the Salvador Association's employability program

Extending and consubstantiating the already consolidated mission of the Salvador Association to promote the integration and improvement of the quality of life of citizens with special needs, Fundação PT associates itself with the employability program Talent has no Limits, which aims to promote employment for people with motor disabilities, and to contribute to building a more inclusive and global society. The Altice Portugal Foundation acts as a dynamist in training sessions and transfer of know-how, providing human resources, equipment and pedagogical contents, providing spaces and facilitating contacts between candidates and potential recruiters.

MEO audited by large customers

The qualification and follow-up of suppliers has been assuming a growing importance in MEO's customer supply chains in recent years, in order to clearly identify trusted partners. GALP and EDP identified MEO as a relevant supplier and evaluated the Company's ability to respond to issues of sustainability, social responsibility and compliance with legal, regulatory and contractual requirements. The reports from the two audits confirmed the MEO's commitment to the issues addressed.

AWARDS ANS RECOGNITIONS

- MEO Sudoeste distinguished with the prize Five Stars, in the category Festivals;
- Altice Labs recognized as Best Company of the Year 2018 and as the Best Company in the Technology, Media and Telecommunications Market, in the 500 Bigger and Best Companies Awards, in the Technology, Media and Telecommunications category;
- MEO distinguished with the Consumer Choice'18 trophy, awarded by ConsumerChoice-Consumer Satisfaction Evaluation Center, in the category Excellentia' 18;
- SAPO Voucher, elected in Consumer Choice'18, in the category Offers and Experiences Portals;
- MEO unlocked Smartphones, MEO Smart Home, MEO Smart Net and MEO Safe were distinguished as Product of the Year in Consumer Choice in the categories Unlocked Smartphones, Communications and Security Antivirus, respectively;
- Altice Labs distinguished with the Dell EMC Innovation Award 2018 from Dell EMC Portugal in the Innovation category;
- MEO Outbound distinguished as the Best Contact Center, in the APCC Best Awards;
- Covilhã Data Center, distinguished in the category Excellence in Centers Architecture and Design Award, in the Data Center and Cloud Leadership Awards;
- DWDM Network transformation project, running from 2017 to 2020, awarded in the Most Innovative 200G/400G Deployment category, at the Huawei Optical Innovation Forum 2018;
- SAPO distinguished in the projects Daily Dose and Autarchic 2017, in the category Release/Newsletter and in the category Publishing Innovation, respectively, in the Media & Advertising 2018;
- Altice Portugal winning the Most Innovative ICT Leadership Europe 2018, awarded by CFI.co;
- MEO distinguished with the prize The Greatest of Technological Portugal, by the magazines Exame Informática and Visão;
- SAPO distinguished as a Brand of Excellence by Superbrands;

3.3 GOVERNANCE

ALTICE PORTUGAL S.A. CORPORATE BOARD

General Meeting Board
Chairman (CEO) - Alexandre Filipe Teixeira da Fonseca

Administrator - Malo Pascal Jean-Pierre Corbin
Administrator - Alain Philippe Romain Weill

Supervision Board
Effective Statutory Auditor - Deloitte & Associados, SROC S.A, represented by Tiago Nuno Proença Esgalhado
Deputy Statutory Auditor - António José Araújo de Beja Neves

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                        ┌─────────────────┐
                        │ Alexandre Fonseca│
                        │       CEO        │
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Alexandre Matos	João Zúquete	Luís Alveirinho	João Epifânio	João Sousa	Alexander Freese
CFO	CCO	CTO	CSO / B2C	CSO / B2B	Head of Wholesale

Altice Portugal's management model is based on an organic and functional structure of the Company and on a set of tools that simultaneously guarantee the necessary information for the activity management, the necessary accuracy and transparency in the management, and the increasingly concern aligned with the expectations of each stakeholder.

To better identify and monitor compliance with its operating principles, goals and alignment of its value chain, Altice Portugal has a Management System certified in accordance with the international standards of Quality Management (ISO 9001), Environmental Management (ISO 14001), Occupational Health and Safety Management (OHSAS 18001), Information Security Management (ISO 27001), IT Service Management (ISO 20000-1), RDI Management (NP 4457) and Quality Laboratories Management (ISO 17025).

RISK MANAGEMENT AND CONTROL

Altice Portugal recognizes that effective risk management is a key to enable the Company to achieve its strategic goals. As a structured approach, risk management is integrated into the strategic planning and operational management procedures and has the commitment of all employees to adopt risk management as an essential part of their functions, by identifying, reporting and implementing risk mitigation measures and behaviors.

Therefore, Altice Portugal continuously monitors its framework, policies and risk management procedures, in order to adapt its business to an ever changing environment.

Altice Portugal conducts risk assessments annually, to identify the main risks to which it is exposed and to determine appropriate measures in order to focus on internal controls in the relevant areas. The risk management framework allows its risks to be identified, assessed, managed and monitored. Risks are categorized into four groups:

- Strategic risks – risks and uncertainties that may hamper the achievement of strategic and/or business plans of the Company;
- Operational risks – risks and uncertainties that may potentially affect the effectiveness and efficiency of the Company's current business and operations;
- Financial risks – risks and uncertainties with respect to the Company's financial position; and
- Compliance risks – risk and uncertainties with respect to laws and regulations that can have an impact on the Company's organization and/or business processes and operations.

The Altice Portugal risk assessment approach consists of two parts: (i) identification of the key risks and events that can materially affect the strategic objectives and operations, using the "top down" and the "bottom up" exercise conducted in its key operations; and (ii) assessment of the probability of occurrence of such risks and their impact on the strategy and operations, and the determination of the level of control the Company has over those risks (risk mapping). Altice Portugal

conducted its risk mapping exercise in 2018 to reflect the changes in its corporate structure and the evolving economic, business and regulatory environment.

Risk control

The Board is ultimately responsible for maintaining effective risk management, which includes the Company's risk governance structure, the system of internal controls and the internal audit approach. Management's responsibility is to manage risk across the Company on behalf of the Board. To facilitate the process, the Altice Group shares the same roadmap across all the Group, thereby ensuring the control frameworks implemented by the operating Group Companies align with the Group's approach.

The Company's internal audit department assists the Board in maintaining effective controls by independently and objectively evaluating the adequacy and effectiveness of Altice's internal control and risk management systems. The criteria established in the "Internal Control - Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO, 2013 framework) are used by the internal audit function to analyze and give recommendations to the Board on the effectiveness of the internal control of the Altice Group.

Altice Portugal internal audit department conducts its activity through a risk-based methodology, developing an audit plan, taking into account the results of the risk assessment of several business units and strategic priorities that are approved by the Audit Committee and by the Board. The internal audit department conducts financial audits, IT audits and systematic and systematic and ad-hoc operational audits, as well as special investigations.

The quarterly reports are submitted and discussed with the Audit Committee and the Board, to provide information on the most relevant observations and recommendations on the effectiveness of the risk management procedures related to the various risks to which the Group is subject.

Based on the risk assessments undertaken, the Board, under the supervision of the Audit Committee, is responsible for determining overall internal audit work and for monitoring the integrity of the Company's financial statements.

Regardless of the scope of a risk management and control system, it can not be assumed to be exhaustive, nor can it guarantee that it will prevent negative occurrences from occurring in the Company´s business and the business environment or that the risk response is fully effective. The Group's risk management structure is designed to avoid or mitigate rather than eliminate the risks associated with achieving the Altice Group's strategic goals, providing reasonable assurance but not absolute assurance against material misstatement or loss.

During this financial year and in previous years, the Altice Group did not identify significant failings in its internal risk management and control system.

3.4 ETHICS AND INTEGRITY

Altice Group has developed a culture focused on compliance and integrity and adopts a zero tolerance approach to illegal or unethical behavior, bribery and corruption. Conducting businesses according to law and maintaining the highest level of professional and ethical standards in the conduct of business affairs are an essential component of the corporate culture of the Group Companies, namely Altice Portugal. This culture is described and implemented through the Group's Code of Business Conduct (the "Code of Conduct") and the Anti-Corruption Policy (the "Anti-Corruption Policy") available on the Company's website (http: /altice.net/regulatory-information).

The Code of Conduct, which applies to all directors and employees of the Group, aims to outline the ethical and legal obligations applicable to the Company business, taking into account, in specific, the following areas: legal compliance, conflicts of interest, fair dealing, protection and proper use of Group assets and respect for the community.

The Anti-Corruption Policy, also applicable to all Group companies, describes rules and procedures for conducting business in accordance with applicable anti-corruption laws and establishes guidelines for dealing with corruption issues. It is the Group's policy: (i) to conduct business mantaining a culture of honesty and opposition to fraud and corruption; (ii) maintain the highest moral, ethical and social standards in the Group's business and activities; (iii) maintain appropriate business

relationships with all individuals, including government officials, irrespective of whether such relationships are direct or indirect; (iv) require the agents, consultants and business partners of the Group to comply with the Anti-Corruption Policy; and (v) apply the Anti-Corruption Policy, using appropriate disciplinary measures, up to and including termination of association with the Group.

It is important for the Group that all employees act with integrity and in accordance with the values, conduct rules and laws applicable, at all times as well in accordance with the Code of Conduct, Anti-Corruption Policy and code of ethics of each Subsidiary Company . Each employee is responsible for adhering to the Group's values and for making every effort to ensure that the Code of Conduct and Anti-Corruption Policy are respected by all. Employees must always report irregularities related to the implementation of the Code of Conduct or Anti-Corruption Policy, in accordance with the Group's denunciation policy or the one established in each Company.

The effectiveness and compliance with the Code of Conduct and Anti-Corruption Policy are evaluated through internal controls and procedures implemented by the Group, as well as systematic and ad hoc financial and operational audits. Special investigations are also carried out by the internal audit department to proactively detect and analyze any alleged misconduct and take disciplinary action if the misconduct is substantiated.

The companies of the group, namely Altice Portugal, also have their own Code of Ethics, which defines a set of rules and procedures to be followed by all its employees and that reinforces the culture based on the values that the Company considers irrefutable, such as creating value for clients, respect for the individual, appreciation of diversity, and the concern to leave a sustainable legacy for future generations.

Altice Portugal develops its business in the strict compliance with the applicable legislation and regulations, adopting, considering its influence and intervention capability, other commitments and practices of greater exigency. The certifications in ISO 9001, ISO 14001, ISO 18001, ISO 20000, ISO 27001 and ISO 17070, as well as the commitments assumed are continuously monitored through internal audits, environmental and safety compliance assessment and external audits carried out by accredited external entities.

In the year 2018, no directly or indirectly political contribution was made by Altice Portugal, neither in monetary value nor in kind.
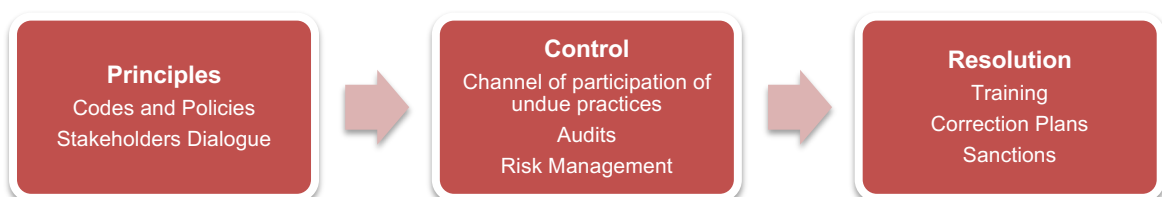
No cases of violation of the code of ethics or corruption were identified in 2018, as well as unfair competition or antitrust practices.

### CHANNEL OF PARTICIPATION OF UNDUE PRACTICES

In order to ensure full compliance with internal procedures and policies, including the code of ethics, national and international standards, such as the legislation in force and the 10 Principles of United Nations Global Compact, Altice Portugal provides on its website a channel of participation of undue practices.

The entries received in this channel are managed by the Internal Audit Department and the result of the investigation of each situation is followed in accordance with the procedures for correcting situations of misalignment with policies and / or codes of conduct and violation of laws and regulations. The management of the Company is, whenever necessary, involved in the definition of resolution procedures.

PARTICIPATE, IDENTIFY AND CORRECT UNDUE PRACTICES

| Principles	Control	Resolution
Codes and Policies	Channel of participation of undue practices	Training
Stakeholders Dialogue	Audits	Correction Plans
	Risk Management	Sanctions

Below, is presented a description of the received participations in this channel, by type. All occurrences related to human rights, Environment, Social Responsibility and Fraud are considered here. Regarding the environment, 15 environmental complaints received directly from the operational areas (10 noise complaints and 5 deforestation complaints) were also integrated is this graphic.

Participations profile


■ Total of participations ■ Participations solved
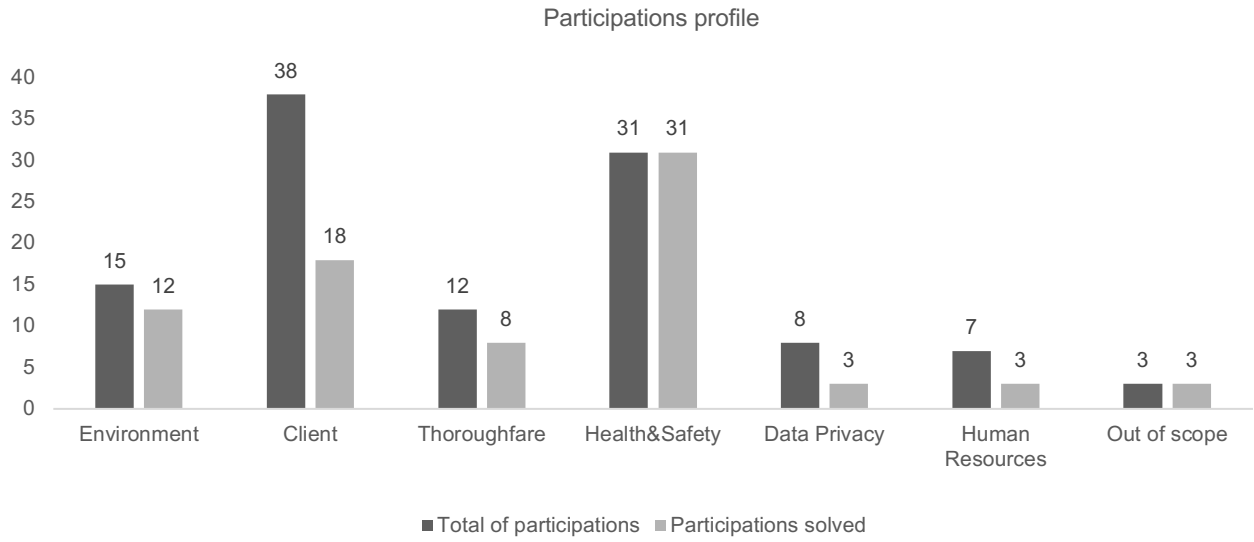
The Sustainability department makes a first evaluation of each participation and, according to the theme, sends it to the responsible area for its resolution, following its status until its resolution. All misrepresentations are documented.

CUSTOMER OMBUDSMAN

The next chart identifies the following topics: number of participations received at the Customer Ombudsman's Office, as well as their typification by area of complaint. These participations are analyzed by the Ombudsman, which issues the respective responses to clients or to the entities who made the complaint.

Participations number

Participations profile

■ 2017   ■ 2018
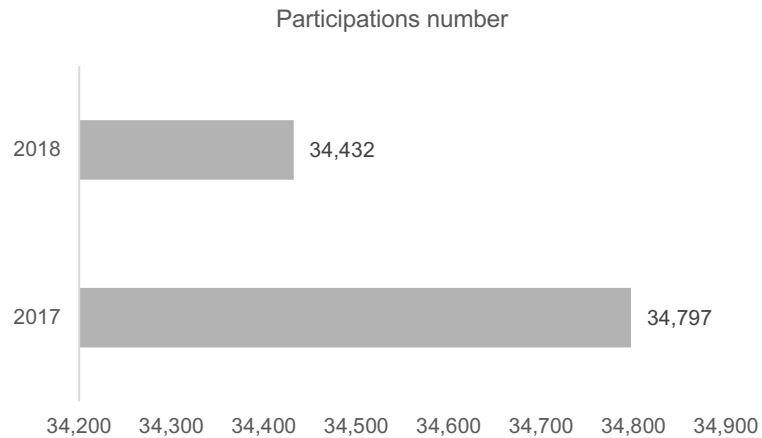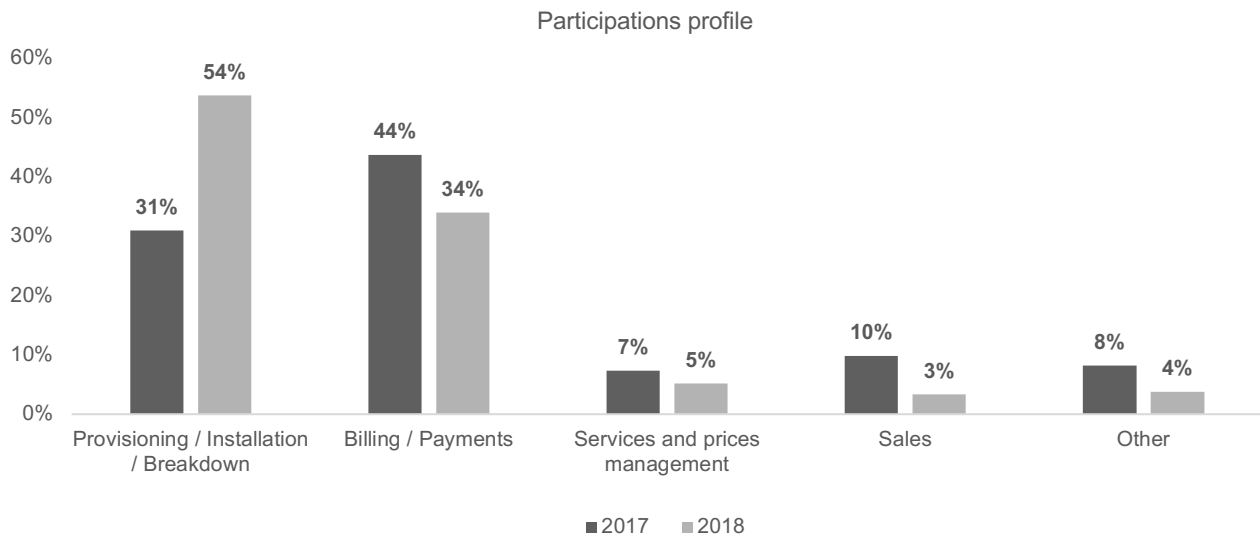
3.5 SUSTAINABILITY STRATEGY

Altice Portugal's sustainability strategy is based on the United Nations Sustainable Development Goals (SDG's), defined to support and act in accordance with the 10 Principles of the United Nations Global Compact in the areas of human rights, labor practices, environment and corruption. The SDG's were adopted by the United Nations in 2015 and include specific targets to be achieved by 2030. The targets cover diverse but interrelated topics, such as equitable access to quality, health, education and services, decent employment, promotion of effective institutions and stable societies and the fight against inequality at all levels.
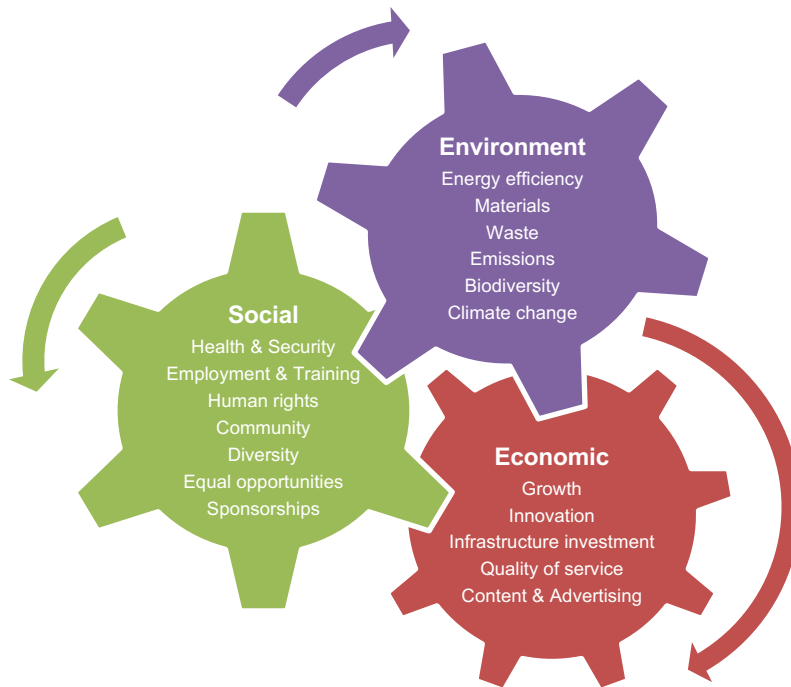
For Altice Portugal, sustainability is the contribution of its business activities to the economic and social progress of the community, considering the impact on the environment and promoting stable relationships with its stakeholders through:
- • Use of its know-how and its partners in technology and innovation to create, develop and implement unique solutions that contribute to enterprise development and the citizens well-being, based on a sustainable and integrated vision;
- • Creation of a culture based on ethical, environmental and social criteria, integrating these same criteria in the management processes and decision making;
- • Promotion of the sustainability principles alignment, throughout its value chain, with a focus on SDG.
:

Altice Portugal developed an internal analysis within its own activities, in order to identify where it could contribute more in the SDG implementation, given the nature, scale and scope of its operations and how it could add value to its business. The Company believes that it can have a positive impact on the achievement of the underlying goals of the following SDG's:

Altice Portugal embody the SDG's into the principles of corporate social responsibility that are applied in all Altice Group companies and are established around the three sustainability pillars, as detailed below:

PRINCIPLES, CODES AND POLICIES

Altice Portugal actively applies and promotes, in the Company, the principles of sustainability and corporate social responsibility advocated by national and international organizations related to business ethics, anti-corruption, respect and environmental preservation, human and labor rights and social inclusion, being also in accordance with the current legislation.

The principles, policies and codes of conduct adopted at Altice Portugal are those adopted by the Altice Group and those that are specific to Portugal, defined by the Company's Board of Directors. They are disclosed through the existing media with each stakeholder, such as the website or the corporate intranet, and its application is checked by the Internal Audit Department.

Guides and Codes of Conduct*	Policies*	Subscribed Charters ans Principles
• Code of Ethics • Code of Conduct for Suppliers • Code of Good Practices in Commercial Communication to Minors • Code of Good Practices for the Integration of Women in ICT • Code of Conduct for Energy Efficiency • Code of Conduct of Social Responsibility between PT and UNI • Collective Company Agreement • Guide to Social Networking • Responsible Communication Guide • Guide to Good Practices in Reconciling Work, Family and Personal Life	• Integrated Quality, Environment and Occupational Health and Safety Management Policy • Information Security Policy • Specific information security policy for infrastructures • Privacy Policy • Anti-corruption policy • Human rRghts Policy • Fees and Taxes Policy	• ETNO Charter of Social Responsibility • 10 Principles of the United Nations Global Compact • Universal Declaration of Human Rights • Recommendations of the International Labor Organization • Children's Rights and Business Principles • Principle for the Safe Use of Connected Devices and online services for children and young people in the EU • Letter of Commitment for Responsible Communication • iGen - Business Forum for Gender Equality

3.6 STAKEHOLDERS ENGAGEMENT

The context in which the organization is implanted has the ability to influence positively and/or negatively the Company's activity. Therefore, periodically or whenever there are changes that justify it, Altice Portugal's structure assumes the responsibilities for the identification, interaction and monitoring needs and expectations of stakeholders. Mechanisms for dialogue are promoted with each of the identified stakeholders in order to ensure the exchange of necessary information and the adoption of management methods that favorably match the expectations of all.

The communication channels provided by the Company are the privileged means of dialogue and engagement with each stakeholder. The proximity relationship that Altice Portugal has built through these channels has allowed anticipating solutions, mitigate possible negative impacts, generate ideas, identify weaknesses and define improvement plans that integrate the interests of all parties.

The communication channels available are identified below, most of which are available 24 hours a day, 365 days a year.

STAKEHOLDER	RELATIONS MEDIA | COMMUNICATION CHANNEL
Clients	Contact centers, customer portal, stores and agentes network, market studies, marketing campaigns, complaint and suggestion channels, customer service, corporate website, and undue practices participation channel.
Employees	Code of ethics, social dialogue, undue practices participation channel, employee portal, surveys, Company collective agreement, corporate intranet, audits, performance evaluation and feedback, workshops and training.
Suppliers and Parteners	Code of conduct, supplier's portal, evaluation and feedback meetings, dialogue and negotiation, corporate website, international benchmarkings, undue practices participation channel.
Academic,Scientific Community and Startups	Cooperation protocols, participation in working groups, sharing of knowledge, observatories.
Regulatory Authorities	National and European legislation and guidelines, dialogue, transparency, periodic reporting, participation in self-regulation forums.
Corporate Social Responsibility Analysts (CSR)	Periodic reports, face-to-face meetings, participation in market consultations, corporate website.
Media	Dialogue with media, press releases and press conferences, information sharing portal, periodic reports, corporate website.
Competitors	Prices and services observatories, market surveys, perception and unfulfilled needs surveys, corporate website.
NGO's	Participation in work groups, periodic reports, corporate website, participation in sustainability and social responsibility surveys.
General Public	Corporate website, periodic reports, phone and online communication channels, market surveys, marketing campaigns, undue practices participation channel.

PARTNERSHIPS ECOSYSTEM

Altice Portugal actively participates in the discussion, analysis and promotion of sustainability and corporate social responsibility (CSR) issues, through partnerships with national and international organizations, through the participation in working groups and/or underwriting codes and commitments.

NATIONAL AND INTERNATIONAL ORGANIZATIONS WHERE ALTICE PORTUGAL PARTICIPATES ACTIVELY BY CSR TOPIC

ORGANIZATIONS	ETHICS	ENVIRONMENT	HUMAN RIGHTS	LABOR PRACTICES	HEALTH & SAFETY	CITIZENSHIP
United Nations Global Compact	√	√	√			
Alliance for SDG (Sustainable Developmental Goals)	√	√	√	√	√	√
Business Council for Sustainable Development Portugal (BCSD)	√	√				√
Buisness Forum for Gender Equality (iGEN)			√			
Portuguese Association of Advertisers (APAN)	√	√	√			
European Telecom Network Association (ETNO)	√	√	√	√	√	√

ORGANIZATIONS	ETHICS	ENVIRONMENT	HUMAN RIGHTS	LABOR PRACTICES	HEALTH & SAFETY	CITIZENSHIP
International Telecommunications Union (ITU)	√	√	√		√	√
Union Network International (UNI)			√	√	√	√
European Telecommunication Standardization Institute (ETSI)	√	√	√		√	√
Coalition on Children Online (ICT C)	√		√		√	√
GSMA	√	√	√	√	√	√
Operators of Electronic Communications Association (APRITEL)	√	√	√	√	√	√
EU Women In ICT Working Group			√	√		
EU Energy Efficiency Working Group		√				
National Center of Foundations						√
Secure Internet Consortium in Portugal	√		√		√	√
Portuguese Association of Business Ethics (APEE).	√					
Victim Support Association (APAV)	√		√		√	√
Organizational Social Responsibility Network (RSO)						√
GRACE						√
National Centre for Cybersecurity (CNCS)			√			
European Cybercrime Center (EUROPOL)			√			
ECO Movement		√				

3.7 COMPLIANCE AND ENFORCEMENT

In order to ensure, evaluate and demonstrate compliance with Company principles, codes and policies, as well as with national and international regulations, Altice Portugal has a set of instruments:

Commitment

All employees subscribe to the Company's Code of Ethics, as well as the policies associated with the specific nature of their duties. Suppliers also assume the Code of Conduct whenever they register as potential suppliers of Altice Portugal.

Training and Awareness

Altice Portugal provides to all employees, through the Campus PT e-learning tool, training on environment, on safety and health at work, on code of ethics, on anti-corruption and on human rights.

Undue practices participation channel and Sugestion channel

Altice Portugal provides a communication channel for any irregular situation and/or suggestions, in a confidential and anonymous way, by completing a form on the corporate website..

Audits and Conformity Assessments

Audits cover the compliance issues with the regulations and procedures that integrate the Company management model. Conformity assessments evaluate the compliance with legal and other requirements applicable to the environment and health&safety (OHS).

For Altice Portugal, in addition to internal audits, environmental compliance and occupational health and safety (OSH) assessments are extremely important management instruments, in terms of risk control, since they assess compliance with policies adopted and the effectiveness of certified management systems, identifying opportunities that lead to the implementation of continuous improvement actions.

Internal audits cover the compliance issues with the implemented regulations and procedures that integrate the Company management model. Conformity assessment is based on environmental and safety checks on buildings and activities, as including meetings with responsible managers, allowing the assessment of legal compliance in operations.

In 2018, were carried out 41 internal audits, in the environmental field, were carried out 43 conformity assessments and 10 environmental simulacrum, and in OHS field were fulfilled 42 compliance assessments. In the course of the internal audits, conformity assessments and during activitie, were identidied 304 non-conforming situations, having been closed, 191 nonconformities during the same period.

Altice Portugal has also been subjected to 6 external audits, and once again it was assured the renewal of critical certifications, demonstrating the maturity level of the management system implemented in accordance with ISO9001, ISO14001, OHSAS18001 and ISO27001, as well ISO20000 standards in Data Center and Cloud services. In the year 2018, the Company has faced the additional challenge of transitioning to the new quality and environmental standards, with the implementation of new requirements.

AMOUNTS INVOLVED IN SIGNIFICANT FINES PAYMENT AND THE NUMBER OF NON-MONETARY PENALTIES BREACH OF LAWS AND REGULATIONS

During the year 2018, Altice Portugal paid, in monetary value, fines related to non-compliance with laws and regulations, labor litigation and data privacy. No processes were identified on any other topic.

Topic*	
Data Privacy	
Processes	1
Monetary value of the fines	10,000 €
Environment	
Processes	8
Monetary value of the fines	1,040 €
Comunication & Marketing	
Processes	6
Monetary value of the fines	16,500 €
Incidents related with Safety in the use of Services	
Processes	0
Antitrust & Competition	
Processes	0
Information and Labeling of Products and Services	
Processes	2
Monetary value of the fines	2,001 €
Non-compliance with Laws and Regulations	
Processes	60
Monetary value of the fines	159,408 €
Labor Litigation	
Processes	2
Monetary value of the fines	41,240 €

* Processes opened in 2018 and monetary value of fines paid in 2018, regardless of the year to which they relate.

4. MANAGEMENT APPROACH

4.1 IDENTIFICATION OF STAKEHOLDERS AND MATERIALITY METHODOLOGY

Materiality is a fundamental management tool in decision making and planning of a Company, integrating important information for scenario evaluation, risk analysis and the preparation of action plans. The materiality evaluation of the topics, allows the identification of which issues are relevant to stakeholders and to the Company itself. Knowing the most significant aspects, we increase the capacity to define an appropriate strategy that leads to the success and sustainability of the Company.

The materiality analysis presented in this report was prepared in 2017, when major changes occurred in the Company. Since that date, there have been no material changes to justify a new materiality analysis. That is scheduled for 2019 to update market trends and relevant issues for stakeholders.

ALTICE PORTUGAL MATERIAL TOPICS IDENTIFICATION

- Identification of the strategic themes, policies and values of Altice Portugal, considering the 5 pillars defined by the Company for Portugal, for the year 2018;
- Internal and external stakeholders auscultation, by completing surveys by workers, suppliers, clients and analysts/NGOs, in the year 2017;
- Identification of material topics for the Company;
- Determination of the most significant information for each of the parties involved, taking into account the Company's strategy, the issues identified by the stakeholders and the Sustainable Development Goals (SDG's) defined by the UN.

MATERIALITY TOPICS

The six topics identified - **Economy, Environment, Labor Relations and Human Rights, Conduct and Ethics, Innovation, Technology and Service and Business Citizenship and Social Responsibility** - are located in the upper right quadrant (quadrant A), meaning greater relevance for the Altice Portugal and for stakeholders.
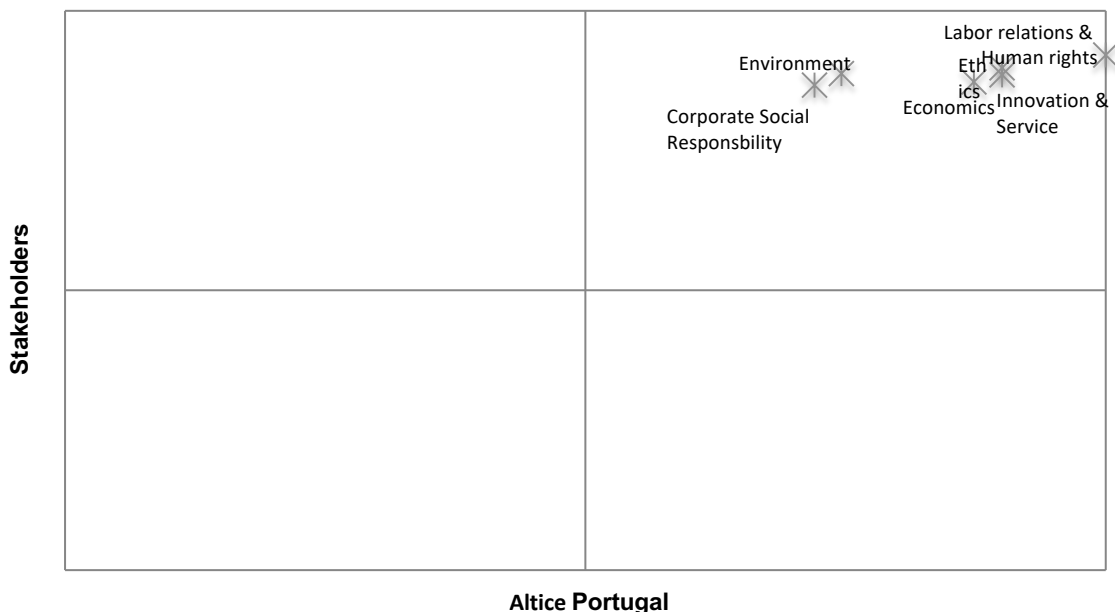
Thus, themes that presented superior values within the same quadrant were isolated, with the themes **Economy**, **Labor Relations and Human Rights**, **Conduct and Ethics** and **Innovation**, **Technology and Service** being identified. Within these four themes were mapped the most significant issues associated with each one, presented in the following matrices.
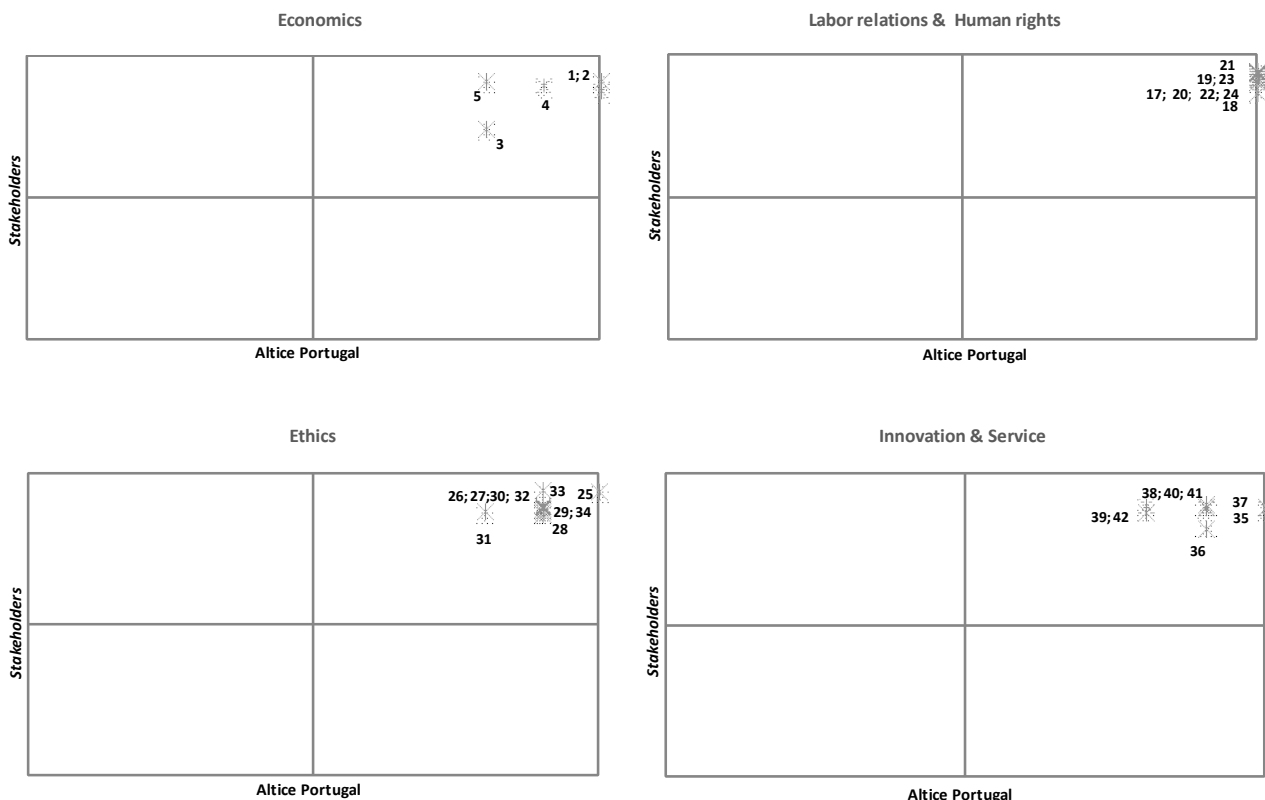
The materiality matrix, as well as the criticality of each of the topics, prioritizes the various aspects by weighing the internal perspective and stakeholder's perspective and their connection with the commitments established for Portugal by the Altice Group.

The material topics are then identified, taking into account the analysis performed. Also presented are the commitments assumed by the Company, as well as the related Sustainable Development Goals.

Material Topic	Issue	Altice Portugal Commitment	SDG	Chapter of SR where the themes are addressed
Economics	1. Tax payment	Compliance with legislation, corporate audits, financial reporting.	17 PARTNERSHIPS FOR THE GOALS	5.3 Economic impacts
	2. Wages and benefits to workers	Altice Portugal Human Resources Policy.	8 DECENT WORK AND ECONOMIC GROWTH	7.1 Employment
	3. Purchasing volume to suppliers	Altice Group's purchasing strategy.	8 DECENT WORK AND ECONOMIC GROWTH	5.4 Procurement practices

Material Topic	Issue	Altice Portugal Commitment	SDG	Chapter of SR where the themes are addressed
	4. Appropriate product and service prices	Offer of products and services that respond to the needs of all economic and social levels of the population. Participation in products and services for people with special needs.	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	7.9 Marketing and labeling
	5. Job creation and promotion of entrepreneurship	Innovation awards, IoT Challenge, support for startups, partnerships with universities and other companies, small business solutions.	8 DECENT WORK AND ECONOMIC GROWTH / 17 PARTNERSHIPS FOR THE GOALS	7.1 Employment 7.11 Innovation

Material Topic	Issue	Altice Portugal Commitment	SDG	Chapter of SR where the themes are addressed
Labor Relations & Human Rights	17. Privacy and protection of personal data and information security	Information security policy, contractual clauses of customer data privacy, data protection methodologies.	8 DECENT WORK AND ECONOMIC GROWTH	7.10 Digital security and customer privacy
	18. Freedom of expression and collective association	Collective representation of workers structures (unions, workers' commission), ACT Altice Portugal.	8 DECENT WORK AND ECONOMIC GROWTH	7.2 Labor management relations
	19. Diversity and non-discrimination	Participation in the iGEN Forum, Altice Group code of conduct, Altice Group salary policy, Altice Portugal Conciliation Policy, signatory of the United Nations Global Compact Principles.	8 DECENT WORK AND ECONOMIC GROWTH / 10 REDUCED INEQUALITIES	7.5 Diversity, equal opportunities and non-discrimination
	20. Equal opportunities	Participation in the iGEN Forum, Altice Portugal Conciliation Policy, signatory of the Principles of the United Nations Global Compact, signing the Portuguese Charter for Diversity.	8 DECENT WORK AND ECONOMIC GROWTH / 10 REDUCED INEQUALITIES	7.5 Diversity, equal opportunities and non-discrimination
	21. Labor practices (compliance with legislation at work)	Labor Legislation, Channel of Participation of Undue Practices.	8 DECENT WORK AND ECONOMIC GROWTH	3.3 Ethics and integrity 3.6 Compliance and enforcement 7.1 Employment 7.2 Labor management relations
	22. Equal remuneration	Participation in the iGEN Forum, Altice Group salary policy	8 DECENT WORK AND ECONOMIC GROWTH / 10 REDUCED INEQUALITIES	3.3 Ethics and integrity 7.5 Diversity, equal opportunities and non-discrimination
	23. Occupational health and safety	Health insurance, health examinations at work (preventive medicine), threat identification and risk assessment, OHS compliance assessment, environmental compliance assessment, simulacra, air quality and noise measurement.	8 DECENT WORK AND ECONOMIC GROWTH	7.3 Occupational health and safety

Material Topic	Issue	Altice Portugal Commitment	SDG	Chapter of SR where the themes are addressed
	24. Child labor and other decent working conditions	Labor Legislation, Channel of Participation of Undue Practices.	8 DECENT WORK AND ECONOMIC GROWTH	3.3 Ethics and integrity 7.1 Employment

Material Topic	Issue	Altice Portugal Commitment	SDG	Chapter of SR where the themes are addressed
Ethics	25. Integrity and Ethics in Governance / Top Management	Altice Group conduct code, corporate audits, Channel of Participation of Undue Practices., signatory to the United Nations Global Compact Principles.	8 DECENT WORK AND ECONOMIC GROWTH	3.3 Ethics and integrity
	26. Reporting Transparency (financial and non-financial)	Altice Group financial report with external verification, sustainability report based on GRI methodology.	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	1. Report profile 3.3 Ethics and integrity 5. Economic performance
	27. Liability to stakeholders	Materiality analysis, stakeholder's auscultation through surveys, market studies and meetings, Customer Ombudsman, participation in working groups, Channel of Participation of Undue Practices.	12 RESPONSIBLE CONSUMPTION AND PRODUCTION / 17 PARTNERSHIPS FOR THE GOALS	3.5 Stakeholders engagement 4.1 Identification of stakeholders and materiality methodology
	28. Responsible marketing practices	Code of good practices in commercial communication for minors, guide of responsible communication, signing of the letter of commitments of responsible communication.	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	7.9 Marketing and labeling
	29. Control procedures in procurement management	Procurement Manual, Altice Group Code.	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	5.4 Procurement practices
	30. Suppliers selection with environmental and human rights requirements	Procurement Manual, Altice Group Code.	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	5.4 Procurement practices
	31. Risk management model (eg minimization of economic, environmental and social impacts)	Group Altice risk management methodology.	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	3.4 Governance
	32. Fair competition	Legislation compliance, Altice Group code of conduct, Altice Portugal regulatory department.	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	3.3 Ethics and integrity
	33. Anti-corruption practices	Altice Group code of conduct, Altice Group anti-corruption policy, Corporate Audits, Channel of Participation of Undue Practices.	17 PARTNERSHIPS FOR THE GOALS	3.3 Ethics and integrity
	34. Channel of Participation of Undue Practices	Channel of Participation of Undue Practices at Company's website	8 DECENT WORK AND ECONOMIC GROWTH	3.3 Ethics and integrity
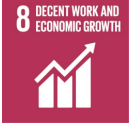
Material Topic	Issue	Altice Portugal Commitment	SDG	Chapter of SR where the themes are addressed
Innovation & Service	35. Innovation and new technologies management	Altice Labs projects, universities and other companies partnerships.	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	7.11 Innovation
	36. Smartcities	Several projects in smartcities subject matter.	11 SUSTAINABLE CITIES AND COMMUNITIES	7.11 Innovation
	37. Resilient and secure infrastructures	Fiber expansion, Altice Labs projects, specific infrastructures information security policy.	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	7.9 Marketing and labeling 7.10 Digital security and customer privacy
	38. Infrastructures Installation in all areas of the country	Fiber expansion.	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	3.2 Milestones in 2017 7.9 Marketing and labeling
	39. Electromagnetic fields and health impact	Radiofrequency evaluation of electromagnetic fields in terminals, equipment and radiocommunications stations.	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	7.8 Customer health and safety
	40. Customer Service	Contact centers, customer area, stores and agent's chain, channels of complaints and suggestions, Customer Ombudsman, Channel of Participation of Undue Practices.	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	3.5 Stakeholder engagement
	41. Safety in the use of products and services	Information provided to customers, acquisition and development of safe products for customers.	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	7.9 Marketing and labeling 7.10 Digital security and customer privacy
	42. Ecofriendly Products and Services	Innovation in equipment and software (apps).	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	7.9 Marketing and labeling 7.11 Innovation

4.2 EVALUATION OF THE MANAGEMENT APPROACH

The material topics and commitments of the Company are aligned with the Sustainable Development Goals (SDG's), enabling the link of the Company's strategies with global priorities, valuing corporate sustainability and the stakeholder's relationship, by aligning its priorities with SDG's, increasing the customers, workers and other stakeholder's commitment.

The following table presents several examples of the actions initiated and/or in progress in the year of 2018:

SDG	Actions	KPI´s	Goal 2030
4 QUALITY EDUCATION	• Promote training and educational sessions accessible to all employees • Promote opportunities, equality and fair treatment of people with disabilities • Promote sustainable education • Collaborate with educational institutions to promote vocational training, employment, education and innovative solutions	• Investment in training in relation to the previous year • Number of young people and adults trained in technology information • Partnerships development in the digital inclusion area • Proportion of training related to sustainable development	Reducing inequalities in education based on race, religion, gender, sexual orientation or social / economic conditions
8 DECENT WORK AND ECONOMIC GROWTH	• More efficient use of energy, water, materials and other resources • Implement circular business models in order to reduce environmental impact and promote better use of natural resources • Extending responsibility to the post-consumer phase and to the equipment reuse • Replacement of equipment with lower consumption • Improve waste management • Conduct awareness / training sessions on environmental protection for workers and service providers	• Rate of reuse of products / materials • Recycling rate of products / materials • Monitoring of applicable energy, water and other • Monitoring the number of actions to raise awareness and evaluate their effectiveness	Promoting sustainable economic and environmental growth
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	• Ensure resource efficiency, resilience and sustainability in transport, buildings, information and communication technologies • Have a lifecycle approach by investing, developing, managing and modernizing infrastructure throughout its life cycle taking into account environmental protection and clean and efficient technology and using this approach in supplier selection • Monitoring GHG emissions • Review, validate and implement the procedure for acquiring machinery and work equipment	• Monitoring fuel consumption and fleet emissions • Investment in the development and modernization of infrastructure taking into account environmental and social protection • Monitoring of GHG emissions • Revision and implementation of the procedure for the acquisition of machinery and work equipment	Develop sustainable and resilient infrastructures that support economic development and human well-being Update infrastructures and industries, increase efficiency in use of resources and adopt ecological industrial processes
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	• Use renewable and clean materials and efficient technologies to reduce the risk of overexploitation of natural resources • Increased energy efficiency and implementation of renewable energy sources and efficient use of materials • Improving transport mobility and energy efficiency • Efficient use of water • Reduction of emissions of regulated gases	• Recycling rate (tonnes of recycled material) • Waste produced by type • Hazardous waste and proportion of treated hazardous waste by type of treatment • Reduce paper consumption • Monitor% of suppliers regarding compliance with established procurement policy	Achieve sustainable management and efficient use of natural resources Significantly reduce of chemicals and wastes release throughout their life cycle to air, water and soil to minimize adverse impacts on human health and the environment

For each of the SDG's were identified specific actions and projects that were followed and monitored through indicators and goals defined in the 2018 Sustainability Program. In order to achieve the goals for 2030, Altice Portugal annually are identified new actions and goals in Sustainability Program, already prepared and under monitoring in 2019.

5. ECONOMIC PERFORMANCE

5.1 ECONOMIC FULFILMENT

For the year ended December 31, 2018, the Altice Group generated revenues in Portugal of 2,065.8 million euros, a 6.1% decrease compared to 2,199.4 million euros in the year ended December 31, 2017, mainly due to the decline in the fixed revenues, reflecting the competitive market pressure and the consequent price erosion, despite an improved performance in customer net additions in the period.

Operating Revenues (€m)		
Customet segment	**2017**(revised)	**2018**
Revenue fixed - B2C	658.4	618.4
Revenue mobile – B2C	568.2	561.7
B2B and Wholesale	866.5	792.4
Others	151.5	137.0
Total consolidated revenues	**2,199.4**	**2,065.8**

In Portugal were made significant investments in the networks, with MEO having the best mobile network coverage, with 98.3% of the population in 4G and 74.6% in 4G + (as of December 31, 2018). At the end of 2018, it was also signed a strategic partnership to support the rapid development of 5G in Portugal. This partnership represents a key step in the process for MEO's plans to prepare a commercial launch of the 5G service in Portugal in 2019.

The Company is committed to granting some of its employees cash benefits as a retirement pension supplement. To finance these obligations, several funds were established by MEO. In order to estimate the liabilities related to these plans, the Company periodically obtains actuarial calculations performed in accordance with the "Projected Unit Credit Method". The Company records actuarial gains and losses directly in equity, namely those resulting from changes in actuarial assumptions and differences between these actuarial assumptions and actual data.

The Company is also committed to providing some of its employees, as well as their eligible family members, with after-retirement health care, which is a defined benefit plan.

No financial support was received from the Government.

5.2 MARKET PRESENCE

Altice Portugal faces competition from Vodafone Portugal, NOS SGPS, S.A. and Nowo (formerly known as Cabovisão-Televisão por Cabo, S.A. and which the Group disposed of in January 2016) in both the fixed and mobile markets. In the fixed telephony market, the Group faces an erosion of market share of both access lines and outgoing domestic and international traffic due to the trend towards the use of mobile services instead of fixed telephone services. Competition in the fixed line telephony market is intensified by mobile operators such as NOS SGPS, S.A. and Vodafone Portugal who can bypass PT Portugal's international wireline network by interconnecting directly with fixed line and mobile networks either in its domestic network or abroad.

MEO presented a strong customer acquisition in 2018 and increased its customer base in fixed B2C and mobile B2C for the first time in more than 5 years, gaining market share to competition in all segments.

The B2C fixed base grew sequentially with single net additions of +26 thousand customers. Net additions of fiber customers were +184 thousand, supported by the rapid and continuous expansion of MEO's fiber coverage, and net post-paid mobile additions were +141 thousand. The investment in the network and the successful convergent strategy of MEO aim to achieve revenue growth.

MEO continues to be the leading player in the telecommunications market in Portugal, with a market share of 40.5 for multiple play, 43.2 for double play, 34.5 for triple pay and 45.2 for quadruple / quintuple play, according to the most recent data published by ANACOM, for the first half of 2018.

5.3 ECONOMIC IMPACT

In Portugal, subsequent to its acquisition of PT Portugal, the Altice Group announced in 2015 its plan to extend its fibre network from approximately 2.3 million homes to 5.3 million homes by 2020, creating the most innovative, GPON-technology based fibre network in Europe. Thanks to its investment strategy, MEO has strengthened its leadership position in fibre, by reaching 4.5 million homes passed at the end of December 2018, representing 0.5 million additional homes compared to the end of 2017. The fiber network will actively contribute to the development and competitiveness of the country, allowing widespread access to advanced communications services, with high bandwidth and guaranteed reliability.

The fiber network investment is fundamental to deliver the best services and provide the most differentiating content to the customers. Distribution, content and services are key factors in Altice's strategy in all its operations, including Portugal. The clear focus on innovation has been at the heart of MEO's projects and investments in order to anticipate future trends in technology and consumption, thus improving the company's ability to offer innovative solutions to the market. Investment and innovation will ensure that consumers and businesses, regardless of their size, sector of activity and geographical location, have access to a convergent, competitive and superior quality service offer.

PORTUGAL IMPACTS

Operating Revenues (€m unless stated otherwise)	2017	2018
Operating revenues	2,199.4	2,065.8
Revenues vs Domestic GDP [1]	1.2%	1.1%
Investment (€m unless stated otherwise)	**2017**	**2018**
Investment	449	430
% Investment of operating income	21%	21%
Employees	**2017**	**2018**
Number employees	8,933	8,623
Altice Portugal employees vs national employability [1]	0.2%	0.1%

[1] Pordata

STAKEHOLDERS IMPACT

Employees	2017	2018
Number employees	8,933	8,623
Employees costs (€m)	245 *	246
Average hours of training per participant	14	20
Suppliers	**2017**	**2018**
Volume of awards to domestic suppliers (million euros)	83%	77%
% od domestic suppliers registered in the Portal	90%	86%
Environment	**2017**	**2018**
Costs of waste disposal, emission treatment and remediation (€)	304,275	209,312
Costs of environmental prevention and management (€)	310,800	313,200
Benefits of the environmental management system (€million)	3.3	2.4
Carbon emissions - Scope 1 and 2 (tCO2)	166,752	158,244
Energy consumption (GJ)	1,390,896	1,325,788
Energy from renewable sources (%)	45	42
Water consumption (m3)	211,838	217,032
Waste consumption (ton)	22,320	21,856
Waste production (ton)	2,011	2,198
Society	**2017**	**2018**
Income taxes paid (million euros)	52	26
Corporate community investment (million euros)	3.6	3.5
Hours of voluntary work	8,721	16,550
Altice Portugal volunteers	1,522	2,401
Recipients of voluntary programs	369,276	59,012

* Revised values

5.4 PROCUREMENT PRACTICES

The master agreements entered by the Altice Group with its main telecom suppliers contain an undertakingfrom the latter to comply with the principles of corporate social responsibility, such as social fundamental principles, environmental protection, waste management, as well as business ethical principles. By signing the master agreement, the suppliers also undertake to comply with the provisions of the United Nations Global Compact, which is a voluntary initiative based on the call for companies to align strategies and operations with universal principles of human rights, labor, environment and anti-corruption, as well as implementing actions that advance societal goals.

In the context of providing services to Altice Portugal, the supplier also undertakes to comply with and promote the Integrated Management Policy of MEO, as well as all documentation related to waste management or other requirements communicated to it during the contract, and to apply the additional internal procedures created in that time.

Regarding the fundamental social principles, the suppliers undertake to comply with the following guiding principles which are mainly issued from the International Labor Organization Agreement:

- Children labor: the minimum age for employment must comply with the applicable law in the host country and in no event may be less than 15-year-old for any kind of activity;
- Forced labor and mistreatment: forced labor in all its forms is prohibited; the employer must respect the dignity and human rights of its employees;
- Working time and schedules: working schedules must comply with the legislation of the country;
- Living wages and social benefits: minimum salaries and social benefits paid to employees must comply with the legislation of the country;
- Freedom of expression: freedom of association and right to collective bargaining;
- Equal opportunities and non-discrimination: any discrimination regarding recruitment, training, promotion, remuneration etc. based upon the race, the color, the age, the gender, the sexual orientation, the marital status, the ethnic group, a handicap, the religion, the membership in a political party or in a syndicate, etc., is prohibited
- Health, hygiene and security at work: the employer must warrant to its employees the optimal hygiene and security conditions on all its sites.

Regarding the Environment, the supplier undertakes to adopt behaviors that minimize the environmental impacts identified, as well as to carry out actions to raise awareness among its employees, partners and subcontractors, and shall take appropriate and necessary measures to prevent air, water (surface and ground) and soil pollution and to minimize noise.

Therefore, the supplier must ensure compliance with measures related to environmental protection, waste management and energy performance during the term of the main contract. In particular, the supplier undertakes to:

- Implement means to eliminate or to reduce the sources of pollution generated by its activities, to measure and to reduce its GHG, to preserve natural resources, to avoid or to minimize the use of dangerous substances and to promote the recycling or the reuse of waste while ensuring its traceability;
- Ensure that waste and more particularly dangerous waste is managed in a safe way on all its sites (e.g. handling operations, storage, etc.) and managed by appropriate recycling industries in accordance with the applicable laws;
- Use its best efforts to reduce the packaging of its products, and to this end, contribute to the development of the recycling and the revaluation;
- Incorporate an ongoing improvement process towards excellence concerning the environment and energy management in its quality policy; and
- Respect specific and aplicable regulation.

Regarding the Principles of Business Ethics, the supplier commits to behave loyally and fairly in all its relations with its own suppliers and partners and to prevent any kind of active or passive corruption, and undertakes to refuse any kind of extortions and to implement measures of raising awareness on this subject within its sphere of influence.

By 2018, 90% of the agreements with the main suppliers of the Altice Portugal Group included social and environmental requirements. In order to work with the Company, suppliers must agree to subscribe to the Code of Conduct for Suppliers.

All Company core suppliers are evaluated annually in quality, environment and health and safety at work themes, in the suppliers assessing process. Within the scope of the Altice Portugal Audit Program, are also audited suppliers considered most critical, with 15 audits carried out in 2018.

No incidents or risk of occurrence of cases related to violations of the right to freedom of association and collective bargaining, child labor, forced or compulsory labor, as well as any environmental or social impact were recorded in the supply chain.

In the year 2018 there were no significant changes in size, location, structure, ownership in the Company or its supply chain, and the operation was similar to previous years.

6. ENVIRONMENTAL PERFORMANCE

The environment preservation is recognized as an important issue for the digital economy. Aware of the importance of environmental issues, Altice Portugal wishes to promote a responsible attitude towards environmental issues. The Company has particular attention to the environmental impact of its activities and aims to combine profitable and sustainable growth with socially and environmentally responsability. Thus, the Company has implemented several environmental initiatives introducing them into its business with customers, employees, society and other stakeholders and intends to maintain this approach in the coming years.

The climate change risk has been enlarged by the increase in the frequency and severity of extreme climate events (such as floods, tornados, forest fires, etc which may significantly disrupt the Company's network, information technology systems, supply chain and workforce leading to service failures or outages. These events could increase cost, reduce revenue and negatively impact the Company reputation, degrading its business and financial condition.

Changes in climate conditions (for example increased medium temperatures due to global warming) may also lead to increase energies costs due to greater cooling requirements for network and information systems. Also, if the Altice Portugal is unable to meet its stakeholders' expectations regarding the energy emissions and sustainability objectives, this may lead to reputational damage and loss of customers.

To control these risks, Altice Portugal has implemented: (i) business continuity plans and operational procedures aimed at increasing the resilience of its network and information systems, improving the ability to respond to extreme weather events; (ii) energy efficiency and monitoring programs to reduce carbon footprint; and (iii) services that help customers minimize their energy needs, including installing more efficient equipment or developing IoT services that use network intelligence to optimize performance and minimize power consumption.

Altice Portugal also participates in several working groups to identify, analyze and assess the main impacts and vulnerabilities in relation to climate change. Implementing infrastructure and network resilience protection measures will enhance the ability to adapt to climate change.

The details associated with management and environmental performance related to the materials, energy, water, biodiversity, emissions and waste topics are described in the following sections.

6.1 MATERIALS

The rationalization of material consumption is one of Altice Portugal's goals. In order to increase its environmental performance, the Company resorts to material reuse and to the use of efficient technologies in an effort to reduce the risk of overexploitation of natural resources.

Materials consumption (t)	2017	2018
Materials associated with the production process	**21,343**	**21,043**
Batteries (network infrastructures)	155	44
Electrical and electronic equipment	2,809	3,356
Paper/Paperboard	982	577
Plastics	347	455
Activity support Infrastructures [*]	17,050	16,611
Goods or semi-manufactured parts	**472**	**450**
Batteries (distribution network)	12	16
Electrical and electronic equipment (distribution network)	460	434
Materials for packaging	**505**	**363**
Paper/Paperboard	365	250
Plastics	78	36
Wood	62	77
Total	**22,320**	**21,856**

* Includes leaded copper cable, self-supported copper cable, copper cable with plastic, reinforced copper cable, fiber optic cable, TEDS and TE1SE cable, telephone poles and metals (iron, copper, zinc and aluminum alloys).

The consumed material in 2018 is from external suppliers and presented a 2% decrease compared to 2017. The reported data are obtained through direct measurements.

Materials reuse and recycling

The reuse of equipment avoids the materials consumption, saves costs and reduces waste production. Therefore Altice Portugal continues to invest in the process of assessment, recovery and reuse of equipment returned by customers due to migration to other solutions or services. In 2018, of the total MEO television offer, 62% was made with reconditioned equipment.

Raw materials from recycling

A Altice Portugal mantém o processo de aquisição e reutilização de embalagens recicladas e reutilizáveis, com vista a melhorar a sustentabilidade do ciclo de vida dos produtos. Além dos materiais e da forma que as caracterizam (plástico e papel 100% reciclado), as embalagens contêm informação sobre o encaminhamento dos materiais quando chegarem ao fim da sua vida útil.

Altice Portugal maintains the process of acquiring and reusing recycled and reusable packaging in order to improve the sustainability of the product life cycle. In addition to the materials and the shape that characterize them (plastic and 100% recycled paper), the packages contain information about the material's forwarding when they reach the end of their useful life.

Paper

Altice Portugal has been replacing the use of recycled paper with FSC-certified paper. The purchase of this role brings direct benefits to forest areas, such as biodiversity protection, indigenous people's rights, worker's rights and areas of significant environmental and cultural importance. In 2017 and 2018, 99.7% and 99.5% respectively, of the paper used for printing was FSC-certified paper. Altice Portugal continues simultaneously to promote the adoption of electronic invoicing and to attribute benefits to customers that adhere to it, contributing to increase the dematerialization of the day to day of its customers.

6.2 ENERGY

Altice Portugal's energy consumption is mainly due to network technical equipment, making it a priority to optimize the energy consumption of these infrastructures. To achieve energy consumption reduction targets,

Altice Portugal is focused on increasing energy efficiency and monitoring the associated environmental impact, as following described.

Energy consumption (GJ)	2017	2018
Energy consumption	1,222,706	1,159,791
Fuel consumption (petrol)	512	322
Fuel consumption (diesel)	167,678	165,675
Total	**1,390,896**	**1,325,788**

Global energy consumption declined 5% in 2018 compared to 2017.

Renewable Energy Consumption (electricity)

Altice Portugal produces energy from renewable sources and uses energy supplied by suppliers, also obtained from renewable sources. The table below identifies the evolution of renewable energies in Altice Portugal:

Renewable energy used (GJ)	2017	2018
Energy produced by Altice Portugal from renewable sources	2,641	2,141
Electricity supplied to Altice Portugal from renewable sources *	550,218	491,751

* Source: ERSE portal: http://www.erse.pt/en/english/english/index.html) (Annexes / Support Information / Annual base

In 2018, Altice Portugal reduced its production of renewable energy by 19% compared to 2017. In relation to the energy supplied to Altice Portugal by suppliers from renewable sources, there was a decrease of 11% in 2018 compared to 2017.

Energy Consumption in the Value Chain

The management process of the information incorporation, regarding the consumption associated with Scope 3 still does not have the robustness necessary to allow the consistent comparability of the presented data.

Energy consumption (GJ)	2017	2018
Category 1 - Purchased goods and services [1]		
Category 2 - Capital goods [1]		
Category 4 - Upstream transport and distribution [1]	223,344	nd
Category 5 - Waste generated in operations [1]		
Category 9 - Downstream transport and distribution [1]		
Category 3 - Fuel and energy related activities	4,612	4,552
Category 6 - Business travel	17,225	12,639
Category 7 - Employee commuting	495	464
Category 12 - End of life treatment of sold products	3,137	3,931
Category 14 - Franchises	20,493	16,741
Total	**269,306**	**38,327**

(1) Consumption of this category is included in categories 1, 2, 4, 5 and 9 because it was not possible to disassociate them. Information for the year 2016 is not yet available

ENERGETIC EFFICIENCY VS COMMUNICATION TRAFFIC ON THE NETWORK

The reduction of energy consumption in 2018, along with the increase in traffic in the Altice Portugal networks, increased significantly the energy efficiency of network traffic, ie the amount of traffic per unit of energy consumed increased by 17% compared to 2017.

The calculation of energy intensity considers any internal energy consumption: electricity (fossil and renewable energies) and fuel consumption.

Annual traffic volume by service (Gbytes)				Energy consumption (GJ)			Gbytes/GJ
Year	Wireline	Wireless	Total	Electrical	Others	Total	
2017	3,807,681,063	79,582,104	3,887,263,167	1,222,706	168,190	**1,390,896**	2.795
2018	4,224,282,492	108,931,190	4,333,213,682	1,159,791	165,997	**1,325,788**	3.268

Efficiency of network traffic per consumed energy
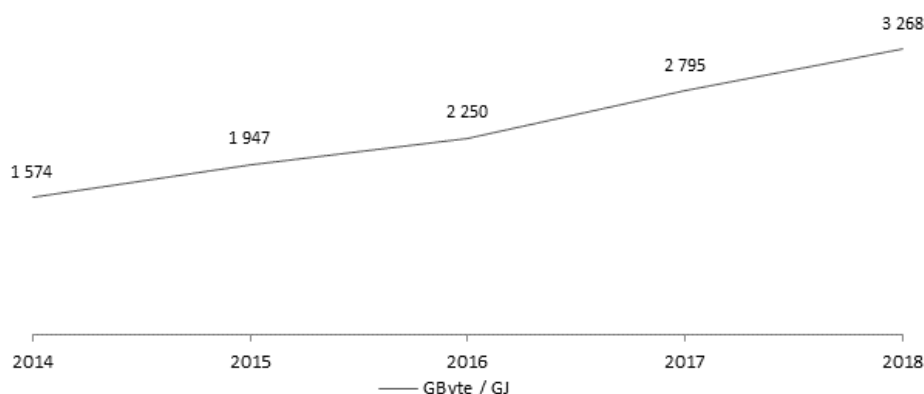
Rationalization of energy consumption

In 2018, efficiency measures were implemented in processes, structures and equipment of the activity, which resulted in a reduction in consumption of 60,716 GJ.

Implemented efficiency measures	2017	2018
Single RAN	13,754	17,786
Operation d'Alicate, season II	56,836	42,930
Total	**70,590**	**60,716**

6.3 WATER

The water consumption in Altice Portugal essentially fulfills two objectives: air conditioning of technical areas and hygiene and comfort of the employees in the administrative areas.

Water consumption (m^3) [1]	2017	2018
Total consumption	211,838	217,032

[1] The untreated water consumption of the Covilhã Data Center was not considered.

The water consumption of Altice Portugal is not very significant in terms of volume and it is totally from the public network. Therefore, the impact on water resources is inexpressive.

Water consumption in 2018 increased by 2% over 2017.

6.4 BIODIVERSITY

Despite the impact of the telecommunications sector on the loss of biodiversity, Altice Portugal has sponsored some projects to ensure the positive effect of its activities.

As part of the construction of the mobile network, Altice Portugal seeks to align its processes with the biodiversity conservation. As a measure to minimize landscape impact, 25% of mobile network stations are shared with other operators.

The following initiatives have contributed directly or indirectly to minimizing this loss of biodiversity: (i) policies to ensure that the construction of new areas does not have negative impacts on protected areas and species and (ii) policies for sharing sites with others to minimize the impact of the landscape.

Designation	Environmental impact	Form of control
Electric energy consumption	• Decreased availability of natural resources. • Air pollution due to CO2 emission in production with increased greenhouse effect	• Training and awareness-raising actions • Free cooling in fixed network stations • Elimination of mobile network infrastructures, concentrating fixed and mobile equipment in the same room • Energy Efficiency/ Energy Production using renewable sources • Single RAN • Alicante operation phase II

Designation	Environmental impact	Form of control
Consumption of paper and paperboard	• Indirect depletion of renewable and non-renewable resources	• Training and awareness raising actions
Production of environmental noise	• Discomfort in the surrounding community	• Conduct of ambient noise measurements and actions analysis to carry out
Fuel consumption - diesel and petrol	• Indirect depletion of renewable and non-renewable resources	• Training and awareness raising actions
CO2 emissions due to fuel consumption	• Air contamination by burning CO2-emitting fuels • Global warming contribution due to CO2 emissions, acidification and deterioration of local air quality.	• Training and awareness raising actions
Existence of Antennas	• Reduction in the quality of the natural landscape and the urban landscape	• Sharing space with other operators - Site Sharing / Tower Sharing
Consumption of electrical and electronic equipment (EEE)	• Indirect depletion of renewable and non-renewable resources	• Reconditioning by means of recovery (internal and external) of equipment in the scope of reverse logistics and post-sale operations • Recovery and reuse of equipment returned by the client • Training and awareness raising actions
Production of waste electrical and electronic equipment (WEEE)	• Soil occupation and contamination • Contamination of surface and ground waters by seepage.	• Demounting antennas and off equipment • Demounting disabled towers • Training and awareness-raising actions

PROTECTED RESTORED HABITATS

Main Sponsor of the exhibition "Extinction - The beginning or the end?"
Altice Portugal was the main sponsor of the exhibition "Extinction - The Beginning or the End?" that was open on May 29 at the Oporto Customs and brought for the first time to Portugal some of the most iconic elements of the Museum of History Natural of London collection. What is the crucial role of extinction in the evolution of life? Can human activity threaten the survival of species and the planet's climate? And how can this impact be minimized?

Among dinosaurs and dodo, many species have become extinct over time. At the exhibition it was possible to see more than 60 species, including fossils of dinosaurs and other extinct species for thousands of years, as well as recently extinct species like the Baiji Dolphin River in China, or other endangered species that may still be saved. In this exhibition the latest scientific discoveries about mass extinctions came to life through real specimens, videos, interactive games and more.

In supporting this initiative, Altice Portugal is reinforcing its commitment to sustainability education, as well as raising awareness of the need to adopt more responsible behavior towards nature.

Recovery of burning areas in the country
As part of a volunteer initiative promoted by the Altice Portugal Foundation, several employees of Altice Portugal were in Pedrógão Grande, in the village of Mosteiro, to plant 1000 arbutus trees, in order to reestablishing the county's forest landscape, but also to integrate a protection against fire.

The initiative was coordinated jointly with the Pedrógão Municipal Council and the National Association of Forestry, Agricultural and Environmental Enterprises (ANEFA) and each employee of Altice Portugal planted about 20 arbutus trees, a type of tree very resilient to the fire.

The forest fire that occurred in June 2017 in Pedrógão Grande municipality and bordering regions was considered one of the deadliest ever in Portugal, with hundreds of houses and companies totally destroyed and millions of euros lost.

Also in an environmental awareness perspective, Altice Portugal mobilized several volunteers in an action to plant hundreds of pine trees in Leiria, thus contributing to the conservation of nature and mitigation of the negative impacts caused by the main forest fires of which there is a memory in Portugal through reforestation and cleaning of burned and degraded areas of the Mata de Leiria. This volunteer initiative in Pinhal de Leiria also included an action to eliminate invasive exotic plants and to remove weeds that affect native vegetation present in parks and forests.

6.5 EMISSIONS

The climate change caused by GFEE emissions is one of the main risks to the sustainability of our business.

Altice Portugal monitors its carbon footprint according to the table below.

CO_2 (t) Emissions	2017	2018
Scope 1	12,319	12,159
- Direct (Petrol)	35	22
- Direct (Diesel)	12,284	12,137
Scope 2	154,433	146,085
- Indirect (Electricity)	154.433	146.085
Total (Scope 1 + 2)	166,752	158,244

In 2017 emissions associated with electricity consumption from the Covilhã Data Center were not included since they were offset by the purchase of RECs (Renewable Energy Certificate System). In 2018, the Covilhã Data Center used a supplier that provides 100% of solar energy captured by photovoltaic cells. Solar electricity is renewable energy and does not release harmful carbon dioxide or other pollutants.

The indirect emissions of GFEE (Scope 3) are a consequence of the activities of Altice Portugal, but occur from sources not belonging to or controlled by the Company.

CO_2 (t) Emissions

Scope 3	2017	2018
Category 1 - Purchased goods and services [1]		
Category 2 - Capital goods [1]		
Category 4 - Upstream transport and distribution [1]	21,298	n.d.
Category 5 - Waste generated in operations [1]		
Category 9 - Downstream transport and distribution [1]		
Category 3 - Fuel and energy related activities	2,726	2,690
Category 6 - Business travel	1,352	1,005
Category 7 - Employee commuting	37	34
Category 12 - End of life treatment of sold products	230	288
Category 14 - Franchises	2,676	2,186
Total	**28,319**	**6,203**

[1] Consumption of this category is included in categories 1, 2, 4, 5 and 9 because it was not possible to disassociate them. Information for the year 2017 is not yet available.

Globally, Scope 1 and Scope 2 emissions are reduced by 5% in 2018 compared to 2017. In 2018, direct CO2 emissions fell by 1% compared to 2017 and indirect CO2 emissions decreased by 5% in 2018 compared to 2017.

In 2018 the use of videoconferencing service of Altice Portugal has prevented the realization of 8.8 million km.

GHG EMISSIONS EFFICIENCY VIS-A-VIS COMMUNICATIONS TRAFFIC ON THE NETWORK

Analyzing the Scope 1 and Scope 2 emissions in 2018 compared to 2017, Altice Portugal improved by 17%, the efficiency of network traffic per unit of CO2 emitted to the atmosphere.

	Annual traffic volume by service (GBytes)			GHG emissions (T)			GByte/ Ton CO2
Year	Wireline	Wireless	Total	Scope 1	Scope 2	Total	
2017	3,807,681,063	79,582,104	3,887,263,167	12,319	154,433	166,752	23,312
2018	4,224,282,492	108,931,190	4,333,213,682	12,159	146,085	158,244	27,383

Efficiency of network traffic

Line chart: GByte / Ton CO2 (Scope 1 e 2)

Year	Value
2014	13,280
2015	16,144
2016	18,677
2017	23,112
2018	27,383

——— GByte / Ton CO2 (Scope 1 e 2)
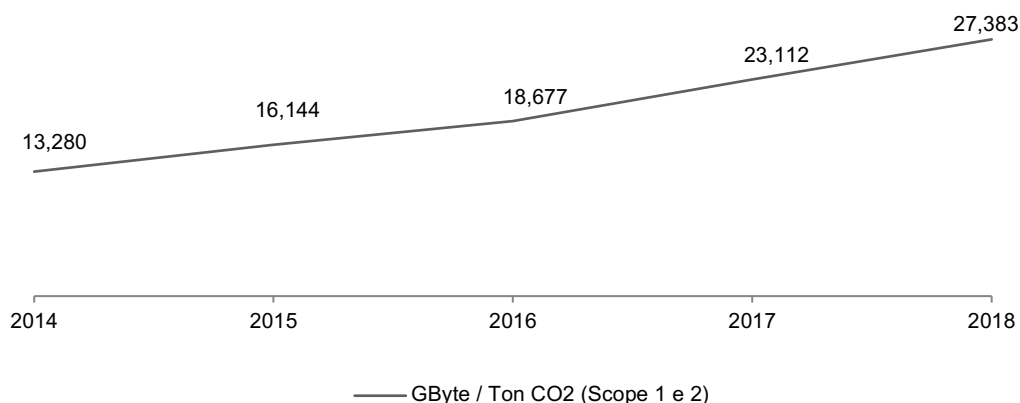
As the Scope 3 emissions report is deepened, the collection of the values for different constituent categories is in a developing process, which will allow a more rigorous calculation of each category and the continuous incorporation of new categories, over the years.

Until Altice Portugal can aggregate all Scope 3 indicators with the necessary robustness, the network traffic efficiency per unit of CO_2 will be presented separately from the respective emissions of Scope 1 and Scope 2, since the constant insertion of new indicators make their comparability inconsistent.

	Annual traffic volume by service (GBytes)			GHG emissions (T)	GByte/ Ton CO2
Year	Wireline	Wireless	Total	Scope 3	
2017	3,807,681,063	79,582,104	3,887,263,167	28,319	--
2018	4,224,282,492	108,931,190	4,333,213,682	--	

INITIATIVES TO REDUCE GREENHOUSE GAS

In 2018 efficiency measures were implemented in the processes, structures and equipment that resulted in a reduction of emissions.

Avoided GHG emissions (tCO2e)

Implemented efficiency measures	2017	2018
Single RAN	1,796	2,322
Alicate Operation phase II	7,420	5,605
Total	**9,216**	**7,927**

NOx, SOx AND OTHER SIGNIFICANT AIR EMISSIONS

Within the scope of the Community and international commitments assumed, Portugal annually submits, through the Portuguese Environment Agency, the inventory of greenhouse gases (GFEE) and other atmospheric pollutants.

In the following table, the emissions of NO_2 and SO_2 emissions from Altice Portugal, derived from the atmospheric emissions of the fleet, are calculated based on the factors indicated in the Portuguese Informative Inventory Report 1990 - 2017 of March 15, 2019.

NOx and SOx emissions (t)	2017	2018
NO_2	42	58
SO_2	0.067	0.073

In 2018, NO_2 and SO_2 emissions increased by 38% and 9% respectively, compared to 2017.

The following table identifies the air emissions from leaks from Altice Portugal's refrigeration, air conditioning, heat pumps and fire protection systems.

Other significant air emissions	2017	2018
Greenhouse gases (tCO_{2eq})	2,400	3,459
Ozone depleting gases (tR22)	0.43	0.22

6.6 EFFLUENTS AND WASTE

QUANTITY OF WASTE BY TYPE AND METHOD USED AT THE END OF THE LINE

The accomplishment of Altice Portugal's activities requires the incorporation of new or reused materials and / or equipment and, consequently, also requires its subsequent withdrawal. Therefore, Altice Portugal must ensure that the waste generated is duly identified, registered and checked for its final destination. Whenever an M&E is withdrawn from service, it is classified by the Company as for "Reuse" or "Waste".

The materials and/or equipment given as "Waste" are delivered to local authorities or waste management operators licensed and sent to an appropriate final destination. In 2018, 99.9% of waste sent to final destination was used for recovery operations, with only 0.1% going to disposal operations. Waste management is carried out by operators external to Altice Portugal.

Production of hazardous waste (t)	2017	2018
Waste Batteries	102	27
Waste Fluorescent Lamps	0.8	0.6
Waste Used oils	4	0.6
Hospital waste	7	3
WEEE containing hazardous substances	0.2	1.3
Absorbent and filtering materials waste	4	0.2
Total	**118**	**32.7**

No hazardous waste was transported outside the country.

Production of non-hazardous waste (t)	2017	2018
Paper/paperboard waste	303	263
Plastic waste	42	40
WEEE	440	397
Activity support infrastructure waste [1]	952	1,310
Wood waste	156	155
Total	**1,893**	**2,165**

(1) Includes leaded copper cable, self-supported copper cable, copper cable with plastic, reinforced copper cable, fiber optic cable, TEDS and TE1SE cable, telephone poles and metals (iron, and copper, zinc and aluminum alloys.

The hazardous waste production fell by 72%, mainly due to a high number of waste batteries in 2018. For non-hazardous waste, its production increased by 14% in 2018 compared to 2017.

The waste produced in Altice Portugal is, for the most part, classified as non-hazardous.

Production of hazardous and non-hazardous waste (%)

■ Hazardous   ■ Non-hazardous
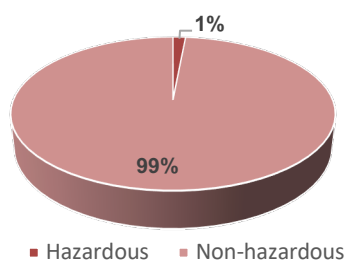
Regarding the type of waste that exists in Altice Portugal, in 2018 and as reflected in the chart below, the majority corresponds to waste from infrastructure supporting activity, such as leaded copper cables, self-supporting copper cables, copper cables with plastic, fiber optic cables, TEDS cables, TE1SE and metals (iron, copper, zinc and aluminum alloys).

Waste produced by type (t)

Chart: Waste produced by type (t)

- Bateries: 27
- Fluorscent lamps: 0.6
- Used doil: 0.6
- Hospital waste: 3
- WEE containing hazardous substances: 1.3
- Abdorbent waste and filtering materials: 0.2
- Paper / Cardboard: 263
- Plastics: 40
- WEEE: 397
- Activity infrasctructure suport*: 1310
- Wood: 155
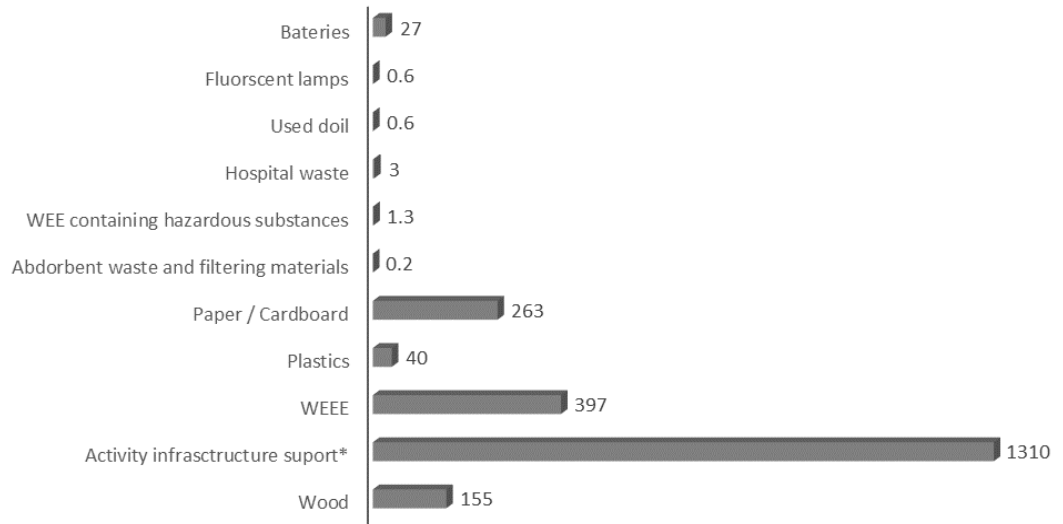
* Includes leaded copper cables, self supported copper cables, copper cables with plastic, fiber optic cables, TEDS cables, TE1SE and metals (iron, copper, zinc and aluminum alloys).

7. SOCIAL PERFORMANCE

Altice Portugal's employees are fundamental in the development of the Company's culture, improving its efficiency and therefore making it a better place to work.

7.1 EMPLOYMENT

At December, 31, 2018, the Altice Portugal Group had a total of 8,623 employees. 77 new employees were hired, with a higher incidence in the 30-50 years. The promotion of employment and the hiring of new talent in an era of digital transformation have been the focus of the Company in recent years.

Employees hired by gender and age

Turnover of employees by gender and age
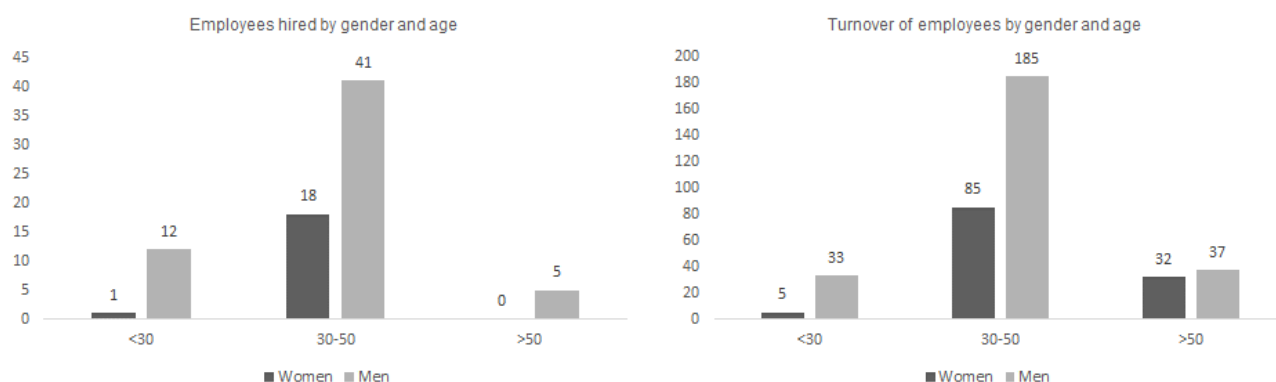
Turnover by age	Women	Men	Total
<30	0.20	0.36	0.34
30-50	0.21	0.22	0.22
>50	0.00	0.14	0.07
Total turnover	**0.16**	**0.23**	**0.20**

Altice Portugal also favors stability, favoring permanent contracting, as shown in the following table:

Entries by bound	<30	30-50	>50	Total
Permanent contract	6	43	3	52
Fixed-term contract	7	16	2	25
Trainees	0	0	0	0
Total of entries	**13**	**59**	**5**	**77**

For Altice Portugal, the workers well-being is extremely important, reason why benefits in health areas are available, through the PT Health Care Association (PT ACS), which provides health plans to workers and their families, as well as clinical centers, stomatology and ophthalmology centers. In culture and leisure areas, various activities are sponsored by Internal Social Responsibility department (ISR), whose mission is to promote the support and well-being of employees, reinforcing the sense of belonging to the Company.

The Internal Social Responsibility (ISR) area is integrated into the Human Resources Department (HRD) and operates through three main pillars: Growing (supporting and encouraging the development of employee's children), Living (promoting preventive health and reinforcing global well-being and knowledge) and Support (helping and assisting employees in critical situations, through counseling or financial support).

In the following table are some examples of activities developed by Internal Social Responsibility.

Internal Social Responsibility Iniciatives	Pillar	Participants Number
Study support - children of employees up to 25 years of age to study	Grow	1,874
Vacation colonies - children of employees from 3 to 17 years old	Grow	575
Offer to baby	Grow	223
Christmas gifts - children of employees up to 13 years old	Grow	3,021
Other initiatives for employees' children	Grow	1,235
Social counseling - employees	Support	257
Health and prevention initiatives (screening)	Live	131
Sensibilization sessions	Live	622
Sport activities	Live	1,622
Cultural activities	Live	2,336

EMPLOYEE BENEFITS

Benefits granted to full-time or part-time workers:
- Health insurance
- Meal Card
- Social and health prevention components
- Benefits in telecommunication services and advantages in the acquisition of MEO products / services

Benefits granted to all workers (including temporary workers, outsourcing, service providers and others):
- Low-cost dining and meal spaces
- Volunteer programs
- Access to sports, cultural and wellness initiatives (eg library, seminars, workshops, among others).

PARENTAL LEAVE

All employees are entitled to parental leave. The following table identifies the rates of return and retention as well as the number of workers who have taken parental leave.

Rates of Return and Retention after parental leave	Women	Men	Total
Workers entitled to parental leave	112	234	346
Workers who used parental leave	112	234	346
Workers returning to work after parental leave	110	232	342
Workers who returned to work and remained 12 months after returning	105	225	330
Return rate	98%	99%	99%
Retention rate	94%	96%	95%

7.2 LABOR MANAGEMENT RELATIONS

In the year 2018, the Altice Portugal was deeply engaged in the social dialogue and relations with worker's representative structures, as exemplified by the creation of the Advisory Council for Labor Relations, established in March 2018. This initiative is unprecedented by the figure constitution, but also because it had the approval and validation of the entire Executive Committee. The goals of this Advisory Board are not to replace the communication channels that already exist between the Company management and the employee's representative structures, but rather to bring new ones.

With the creation of the Advisory Board, Altice Portugal aims to increase efficiency in between workers and the Company relations, promoting a greater capacity to achieve social peace, the establishment of bridges and the generation of consensus. This Advisory Board will issue notions, make recommendations and reflect on issues addressed by the Altice Portugal Executive Committee. Also, on its own initiative, it may decide on central and strategic issues in labor law or management relations issues within the Company, always acting with independence and impartiality.

Altice Portugal's management model incorporates a dialogue between the Company's managers and the Collective Labor Representation Structures (CLRS). At the end of December, the Altice Portugal active population registered in trade unions was around 47%.

Collective Labor Representation Structures (CLRS) - 2018	
Trade unions participating in social dialogue	9
Workers Commission participating in social dialogue	1
Unions that signed the Collective Bargaining Agreement (CLA)	13
Workers Subcommittees	45
Meetings held with CLRS	62

In the context of the social dialogue, the topics of greatest concern for all are addressed in the promoted meetings, namely:

Meetings with Worker's Commission of MEO, S.A.
- Number: 12
- Topics:
  - Results presentation
  - Company restructuring / service restructuring
  - Establishments transmission
  - Performance evaluation
  - Internal social responsability policy
  - Communications benefits
  - Universal SFT service
  - PT ACS
  - Health plans
  - Functional mobility
  - Geographic mobility
  - Working conditions

Meetings with Trade Union Associations
- Number: 50
  - Collective Bargaining Agreement negotiation meetings: 18
  - Committee on Safety and Health at Work: 11
  - Joint Commission: 2
  - Internal Social Responsibility Group: 1
  - PT ACS Technical Council: 1
  - Meetings with Trade Union Associations: 17

- Topics:
    - Negotiation of collective labor regulation instrument (collective bargaining agreement)
    - Functional mobility
    - Geographic mobility
    - Establishments transmission
    - Performance evaluation
    - Assets alienation
    - Diuturnities
    - Health plans
    - PT ACS
    - Working conditions
    - Equality and non-discrimination
    - Internal social responsibility policy

COLLECTIVE BARGAINING AGREEMENT

The percentage of workers covered by collective bargaining agreements is about 98%. The ACT was revised in June 2018 and covers a range of different topics. Of the negotiation process were discussed the following issues:

- Wage increases;
- One vacation day addition, indexed to attendance;
- Reinforcement of the protection of parenthood, the reconciliation of personal and professional life and social responsibility precedures;
- More attractive conditions in certain working regimes characterized by increased labor hardship;;
- Better retirement acess;
- Review of communications benefits.

With the revision of CBA, Altice Portugal reaffirms its commitment to employability, the responsible of human resources management and the strategic vision for the business in which it operates.

NOTIFICATIONS AND COMMUNICATIONS REGARDING OPERATIONAL CHANGES

Communications provided for in the Labor Code
- Notice to the Works Council and Trade Union in which the employee is affiliated of the conclusion of a fixed-term employment contract (art. 144, paragraph 1 of the Labor Code) – 5 working days after signing the contract
- Notice to the Works Council and Trade Union in which the employee is affiliated of the termination of fixed-term employment contract (art. 144, paragraph 1 of the Labor Code) – 5 business days after termination
- Notice of commencement of work of temporary worker to the Occupational Safety and Health services, to the workers' representatives for Occupational Safety and Health, to the workers with specific functions in this area and to the Works Council (art. 186, paragraph 8 of the Labor Code) - 5 business days after beginning the activity.
- Notice to the Works Council of commencement of use of worker under an occasional provision regime (article 293, paragraph 2 of the Labor Code) – 5 business days

Communications provided for in the Collective Bargaining Agreement
- Final relocation involving a change of residence upon a prior written notice of at least 60 days to the employee;
- Final relocation upon a prior written notice of at least 30 days to the employee;
- Temporary relocation upon prior written notice of at least 8 days to the employee;
- Change of working hours (Labor Code) - 7 days

7.3 HEALTH AND SAFETY AT WORK

Occupational safety and health are ensured by the Occupational Safety area, by PT ACS and also through the of safety and health worker's representatives structures, in which all workers are represented. All workers are responsible for ensuring safety and health in the workplace, in particular by participating in risk identification and assessment and in defining and implementing control measures for each situation. In order to see recognized procedures and practices implemented, Altice Portugal has certified its management system according to the OHSAS 18001 standard.

ACCIDENTS AT WORK AND OCCUPATIONAL DISEASES

Accidents	Men	Women	Total
Accidents at work with medical leave	124	21	145
Days lost * due to accidents at work, with medical leave	2.829	971	3.800
Number of hours potentially worked	8.809.624	5.467.567	14.277.191
Number of hours really worked	9.384.064	5.561.147	14.945.211
Claims rate	2,64	0,76	1,94
Lost days rate	64,22	35,51	53,23
Number of deaths	0	0	0

* Days lost: accounting of calendar days, from the day following the occurrence of the accident at work

The national system of occupational accidents reporting concerns accidents and no injuries, according to the indication of GRI, so we call this indicator Claims Rate. The formula includes all work accidents in service, which originated absolute temporary disabilities, relating them to the total number of hours worked. The Lost Days Rate is expressed by comparing the total lost days as a result of work accidents with absolute temporary disability or occupational disease, with the total number of potential hours worked. The lost day's rate is expressed by comparing the total number of days lost, as a result of work accidents with absolute temporary disabilities or occupational diseases, with the total number of potential hours worked.

At Altice Portugal, 1,281 employees were identified whose activity is classified as being of high risk and incidence of occupational diseases. In 2018, 1 confirmed case of occupational disease was registered, and 4 cases of occupational disease registeres are still under evaluation.

In order to prepare the response to emergency situations, to prevent or mitigate their adverse consequences for the health and safety of workers, emergency simulation exercises are carried out regularly to re-create pressure situations similar to those of a real situation, by assessing the state of operational readiness and responsiveness of the different means involved in emergency control operations. In 2018, were carried out 78 drills and 61 training actions in areas such as evacuation, first intervention and first aid.

ABSENTEEISM

Altice Portugal's absenteeism rate was 4.54% in 2018, having increased 0.13 pp in relation to the previous year.

7.4 TRAINING

Altice Portugal promotes the employability and development of its employees through its human resources policy. In a constantly evolving sector, the employee's professional development is a competitive challenge, and an ambitious training plan has been developed and implemented to guarantee the career development and personal aspirations of each employee.

In 2018, the Altice Portugal Group accomplished 174,338 hours of training for 8,994 employees. The average number of hours per employee was 20.2 hours, followed by the breakdown of this value by gender and professional category.

Average training hours by gender
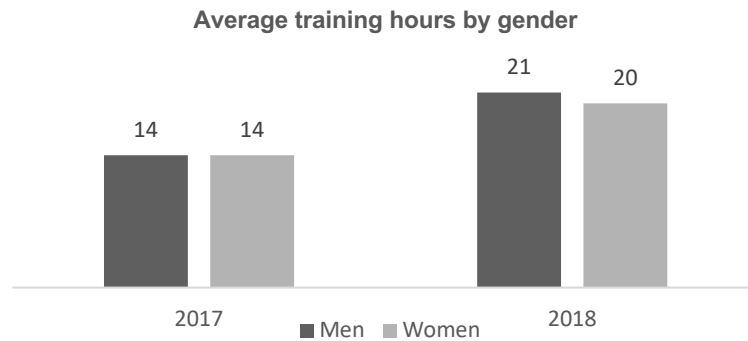
Altice Portugal, in its employee skills development program, created the SKILL Program, which is one of the pillars of the Company's development and training strategy and consists of a customized ability development program.

The SKILL Program contains 5 distinct phases:
- Segment: defines the critical competencies profile and identifies the target population;
- Communicate: define the communication plan of the program and mobilize and involve employees;
- Identify: skills benchmarking and potential identification;
- Develop: conduct targeted training, give individual feedback on the results and build a development plan;
- Legitimate: check skills, recognition and modeling and prepare a management report.

In addition to the SKILL program, the skills development is based on 7 pillars:
- Executive leadership skills
- Technical training (specialized, hard skills)
- Certifications
- Corporate training (personal development plan, soft skills)
- E-learning & Gaming (digital skills)
- Conferences and seminars
- Advanced training (specialized and graduated)

In 2018, the SKILL program involved 2,034 employees in 27,545 hours distributed by 5,001 training and human resources development actions.

Training hours distribution by professional category
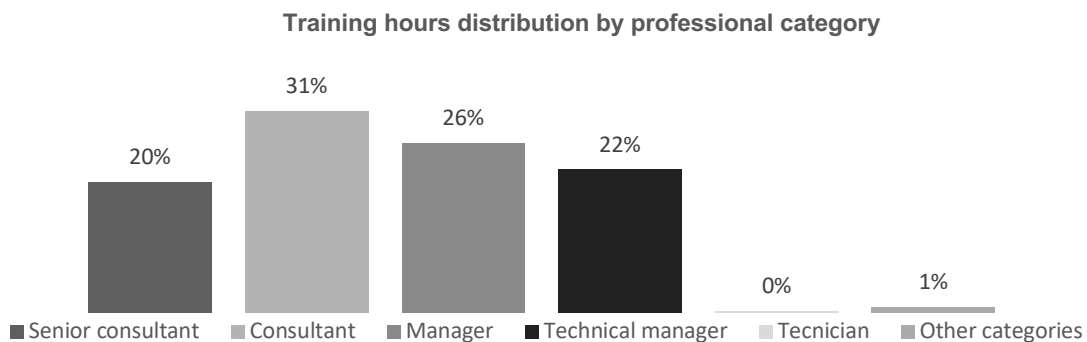
<u>PERFORMANCE EVALUATION</u>

At Altice Portugal, the performance evaluation is a key element in the Company's human resources management model and includes all eligible employees at the process starting. In this context, in 2018, 100% of eligible workers were evaluated.

In the performance evaluation process, a set of 15 competencies are evaluated on a scale of 1 to 5, according to the employee profile (management profile or technical career profile), as well as the component of the results achievement. The competencies are grouped into 5 clusters.

Clusters	Skills
Company	Commitment, Positive Attitude, Diversity
Vision	Reliability and Rigor, Making Happen, Efficiency
Client	Market, Customer and Technical Knowledge
Entrepreneurship and Innovation	Autonomy, Initiative, Doing Differently
People	Teamwork, Communication, Ethics and Integrity

Altice Portugal's evaluation model integrates the phases of self-evaluation, down-rating and feedback between evaluator and assessed, in which the personal development plan (PDP) is discussed together, with the recognition of strengths and improvement areas of each employee. Based on this plan, development actions are identified that result in specific training in order to meet identified needs.

All information on the performance evaluation and the development plan are made available, on an individual basis, for consultation by each of the employees.

Altice Portugal did not implement, in 2018, assistance programs in transition, applicable to the time of leaving the Company or in retirement situations.

7.5 DIVERSITY, EQUAL OPPORTUNITY AND NON-DISCRIMINATION

To understand their customers, who rely on diversity, and offer services that resemble them and fulfill their needs and expectations, it is essential to consider the diversity within the Company. Diversifying sources of recruitment, raising employee's awareness for non-discrimination and acting in favor of equal opportunities are key commitments. Diversity is a genuine efficiency factor that influences the strategic development of Altice Portugal.

Because it is an issue that is considered with the utmost seriousness and of extreme relevance in the Company, Altice Portugal has formalized this commitment through signatures of protocols with some of the most emblematic organizations in this area. It endorses the United Nations Global Compact Principles, is a signatory to the UNI (Union Network International) Charter of Social Responsibility, the Joint Declaration on Gender Equality and the European Code of Best Practice for Women in ICT, as well the commitments of IGEN-Companies Forum, for the implementation of iniciattives in the issues related to Gender Equality.

Concern about equality and non-discrimination is also reflected in the Code of Ethics and in the Collective Bargaining Agreement, revised in 2018, considering topics such as strengthening the parenthood protection, reconciling personal and professional life and social responsibility initiatives. Regarding the conciliation issue, Altice Portugal also has a Guide to Good Practices in Conciliation between Professional, Family and Personal Life.

At Altice Portugal, any forms of individual discrimination that are incompatible with the dignity of the human being are considered inadmissible, and conduct such as moral harassment, sexual harassment or other acts of abuse of power are not tolerated.

In order to ensure equal opportunities for all its employees, the Company has developed a number of procedures, namely:

- Promotion of the hiring of women to ICT areas in which they are still under-represented;
- Use of inclusive language and images in all internal and external communication processes;
- Adoption of standards to ensure respect for the dignity of men and women in the workplace and to protect them in the event of unwanted, verbal, physical, sexual or other forms of behavior, and to create remedial measures;
- Dissemination of information on the rights and duties of workers in matters of equality in the corporate intranet, available to all employees;
- Dissemination of mechanisms to allow the report incidents that occur in the context of discrimination against vulnerable groups, equal opportunities, human rights violations and labor practices, such as the channel of participation of undue practices, available on the corporate intranet and institutional website .

In particular, Altice Portugal does not allow any distinction in gender-related treatment, and make every effort to ensure that women and men are distributed in a balanced manner in all functions and at all levels of the Company, and that everyone can benefit from equal treatment in all stages of their professional life.

The management diversity of Altice Portugal is reflected in the following board:

Management position by gender	
Men	68.8%
Women	31.2%

The management positions identified in the board above refer to first and second management positions. In the Governance structure of Altice Portugal, on December 31, 2018, all elements were men.

The distribution between men and women has remained stable over the years, with an average of 6 men for 4 women, out of 10 workers.

Diversity by age
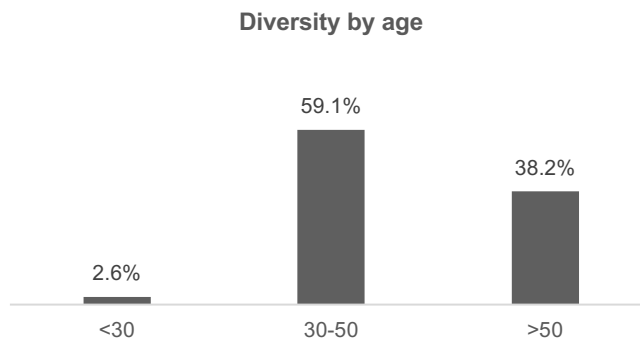
The average age of workers has increased slightly over time, being 47 in 2018, 1.1 years more than in 2017 (45.9 years). Average antiquity continues to increase, from 19.9 years in 2017 to 21 years in 2018.

Following, graphs are presented with the analysis of diversity by gender and age group by professional category.

Diversity by gender and professional category

	Senior consultant	Consultant	Manager	Technical manager	Tecnician	Other categories
Men	11.0%	16.9%	17.0%	16.2%	0.4%	0.1%
Women	5.9%	10.5%	11.9%	9.7%	0.3%	0.0%

■ Men ■ Women
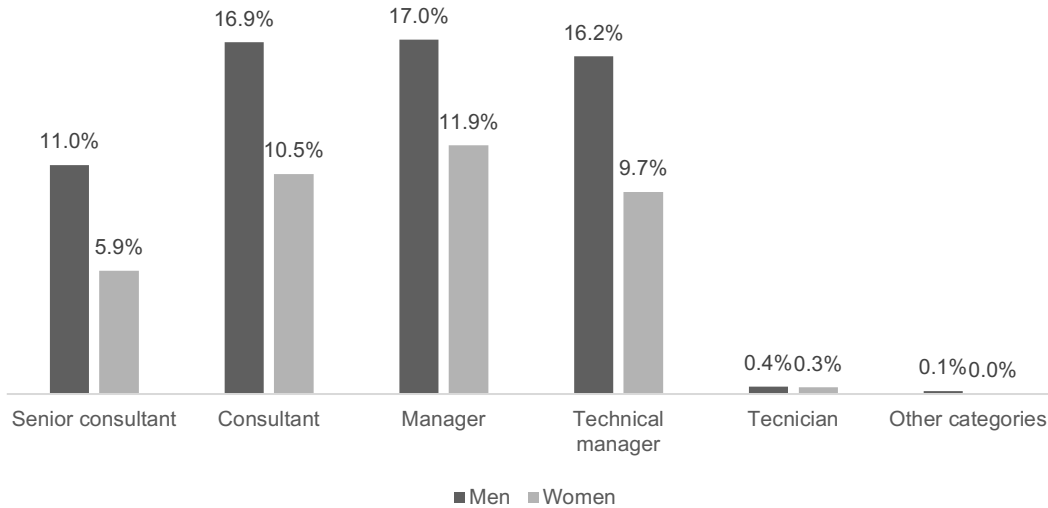
Diversity by age and professional category

	Senior consultant	Consultant	Manager	Technical manager	Tecnician	Other categories
<30	0.0%	0.1%	0.9%	1.6%	0.0%	0.0%
30-50	10.0%	19.3%	17.1%	12.5%	0.2%	0.0%
>50	6.9%	8.0%	10.9%	11.8%	0.5%	0.1%

■ <30 ■ 30-50 ■ >50
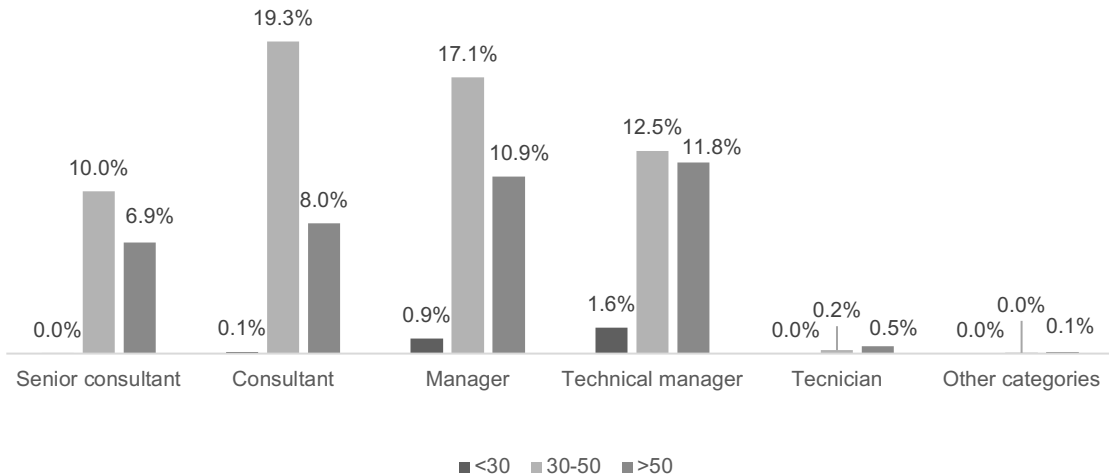
In 2018, 188 employees with special needs (2.18% of total employees) were working in Altice Portugal, wich reveals the Company concerning of integrating workers with special needs into their structure, promoting and adapting working conditions to their specific needs.

7.6 HUMAN RIGHTS ASSESSMENT

One of the fundamental principles of Altice Portugal is respect for the dignity and rights of its employees, customers, partners and suppliers, shareholders and the community in general. The Company is committed to developing an organizational culture based on social and labor policies that promote Human Rights, avoiding any form of violation.

Altice Portugal applies the principles of the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, the ILO Core Conventions on Labor and the 10 Principles of the United Nations Global Compact, integrating transparency, ethics and social responsibility into its management systems.

Thus, all Altice Portugal employees are trained in Human Rights issues, which are integrated into several mandatory training courses, such as the Code of Ethics. We then identify the volume of human rights training in 2018.

Human Rights Training	
Employees trained in Human Rights	100%
Training hours in Human Rights	34,492
Volume of Training in Human Rights	20%

Training in Human Rights policies and procedures is integrated into the host training package and is administered, along with other specific training, to new employees.

Human Rights and Freedom of Expression

The confidentiality and security of customer data, the protection of access and traffic of the information of the databases registered in the Company's, as well as the confidentiality of the communications contents, are areas safeguarded by Altice Portugal, in order to guarantee the freedom and the fundamental rights of each individual. More information on this topic is described in Chapter 7.10 Digital Security and Customer Privacy.

7.7 LOCAL COMMUNITIES

For Altice Portugal it is fundamental to promote support culture to the communities where it operates, essentially through the Altice Portugal Foundation initiatives. In 2018, Altice Portugal Foundation implemented several projects based on social intervention and support to sustainable development goals in several areas, namely:

- **Education:** promotes and stimulates the social use of communication and information technologies, developing programs that promotes school success and combat info-exclusion;

- **Entrepreneurship:** develops programs and supports initiatives that provide useful and relevant information to potential entrepreneurs;

- **Art and culture:** it promotes national artistic expressions and supports the arts and culture of the most vulnerable populations;

- **Social intervention:** contributes to improving the living conditions of the population, promoting knowledge, health, safety and environmental sustainability.

In 2018, Altice Portugal invested around 3.5 million euros in the community and in social projects, focusing on education, social intervention and digital accessibility, and had as beneficiary of its projects 492 entities and about 1.2 millions of individuals. The support of the Altice Portugal Foundation is made available through cash, hours or kind.

In the year 2018, the distribution of the investment by each intervention area as well the kind of support are identified in the following graphs.

Community investment

55%
32%
11%
2%

■ Education ■ Entrepreneurship ■ Culture ■ Social Intervention

Support type

44.7%
54.9%
0.4%

■ In cash ■ Work hours ■ In kind
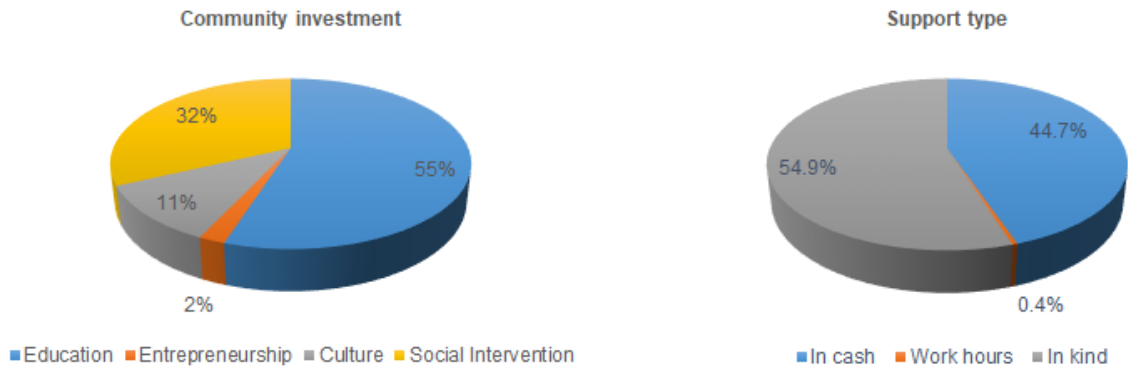
In the year 2018, the Altice Portugal Foundation focused essentially on education, an area that integrates accessibility and digital inclusion. The following graphs identify the number of beneficiaries (institutions and individuals) covered by each of the Foundation's areas of intervention.

Institutions

Social Intervention 174
Culture 20
Entrepreneurship 2
Education 296

Direct Beneficiaries

Social Intervention 326,657
Culture 307,350
Entrepreneurship 0
Education 629,545
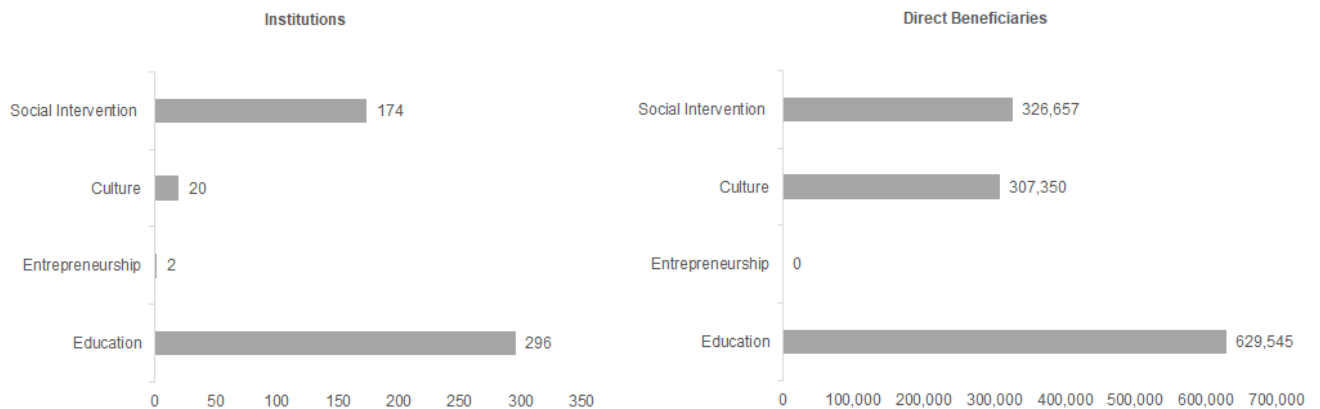
As most Altice Portugal Foundation significant projects, in the course of 2018, we identified the following:

PT Magic Contact

Considering that the use of Android smartphones and tablets is more difficult for users with upper limb motor limitations, the Foundation has developed the PT MagicContact, an innovative and free application that allows to overcome these limitations, especially in cases of fine motor impairment (ex. : cerebral palsy) and lack of mobility of the upper limbs (eg quadriplegics, patients with ALS). Also, to photographs, making voice calls, sending SMS or Internet access, the app also includes tools for Alternative and Increasing Communication of people with speech difficulties (eg, cerebral palsy, stroke victims).

This application was developed through a methodology of a panel of end users feedback with diverse levels of affectation and was launched in the end of 2014, through the online store Google Play, quickly achieved a significant success, having in 2015 more than a thousand downloads.

The Foundation has ensured the continuous evolution of the PT Magic Contact app, resulting in several updates aimed at compatibility with the most current versions of Android and improvement of the Communication Tables and keyboards based on the suggestions of the application users.

Communicate Safely

The Altice Portugal Foundation has been developing, since 2009, a program to raise awareness among students, teachers and educators on the issue of information technology literacy (IT) and the responsible and safe use of the Internet and mobile phones.

This program consists of classroom training sessions, ensured by Altice employees - under the internal rules enabling them to participate in volunteering during normal working time, without any penalty in terms of remuneration and attendance. To this purpose, specific pedagogical content is prepared for each of the different school grades, for educators and also for the senior population, ensuring uniformity in the content transmission, through prior volunteers training and the use of standardized brackets.

During the 2017/2018 school year, these sessions covered 127 schools, for a universe of 26,974 students from various country localities and involved 33 Altice volunteers. Since the 2011/2012 school year, a play has been written and performed, by the actors Pedro Gorgia, Alexandre da Silva, Vicente Morais and Tiago Aldeia, in a more playful approach, aimed at the 3rd cycle students. In the school year 2017/2018 the play "ID your brand on the net" addressed the theme of digital identity and reputation, covering 10,702 students.

The Altice Portugal Foundation has established several partnerships with national entities, which allow a greater coverage and dissemination of this program, namely PSP, ANPRI - National Association of Computer Teachers, RBE - School Library Network, FCT - Science and Technology Foundation - Safe Internet Center and RUTIS - Network of Senior Universities.

Khan Academy: free platform for accelerating learning

Khan Academy is an NGO whose goal is to provide quality education to anyone, anywhere and free of charge, through an educational and interactive online platform. Since 2013 the Altice Portugal Foundation has guaranteed the translation and adaptation of the original videos available on the American platform for Portuguese language and educational contents, with the supervision and certification of the Portuguese Societies of Mathematics, Physics and Chemistry and INOVEDUC.

The Altice Portugal Foundation made available by the end of 2018 more than 2,050 videos, from the 1st to the 12th grade, primarily in the area of mathematics. It also presents some videos of physics, chemistry and biology. The videos are available for free on the Altice Portugal Foundation website, on SAPO Videos, on YouTube and on the MEO Kids platform, with over 2.2 million views. In the 2016/17 school year, the Altice Portugal Foundation, in partnership with the Directorate General of Education and Educom, started a two-year pilot project for the platform in a school environment, involving 5 clusters of schools in the west, 36 teachers and about 1,050 students.

Since 2017, the platform has been available at https://khanacademy.org/ and currently contains over 23,600 interactive exercises and 1,460 elementary school math videos. Allowing each one to learn in a fun and at their own pace, it already has about 20,000 users. To promote and disseminate the project and this tool, the Altice Portugal Foundation has organized workshops aimed at the school community about its use in the classroom and study.

Telephone booths converted into Micro Libraries

Combining art and culture with emblematic symbols of telecommunications, the Altice Portugal Foundation is associated with several projects that bring to life Portugal Telecom's old telephone booths. More than twenty booths have already been converted into micro libraries, , as well as other initiatives that used these equipment once linked only to communications, such as the "Pass the booth" project, promoted by ESAD of the Polytechnic Institute of Leiria.

In 2018, six micro libraries were inaugurated, strategically located in areas of great affluence, both by the local community and tourists, aiming at the promotion of reading habits, with free and unpaid access:

• Laranjeiro Feijó Parish Council (CMET) - Opening March 22, 2018
• Sagres Parish Council (CMET) - Opening May 1, 2018
• Santa Maria Maior Parish Council - 1 booth (CMET model) located in Largo da Severa (Mouraria district) + 1 booth to requalify by Parish Council (blue painted)
• Beja City Council – inauguration on October 4, 2018
• Constância City Council (CCIP) – inauguration on December 5, 2018

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VOLUNTEER

Volunteering is also an important area of the Altice Portugal Foundation, which carries out its activities through various projects and actions that benefit non-profit institutions, such as private social solidarity institutions (PSSI) and non-governmental organizations (NGOs), promoting good social welfare of the most disadvantaged community segments, as well as the protection of the environment. The projects are nationwide and involve employees of various companies of the Altice Portugal Group, as well as friends and family, in order to motivate employees and their families to participate in citizenship activities.

Volunteer programs are organized in corporate volunteering and family volunteering. In the scope of corporate volunteering, employees have the possibility to participate in social development projects, without loss of remuneration or reflexes in attendance, up to 6 days a year during their normal working hours. These projects are usually initiatives promoted by Altice Portugal Foundation, but any Altice Portugal worker can submit proposals, which will be subject to analysis and eventual approval.

Family volunteering aims to encourage the spirit and practice of volunteering through activities carried out after work hours and in partnership with institutions, associations and other organizations that work in the area of social inclusion and emergency, namely the homeless population.
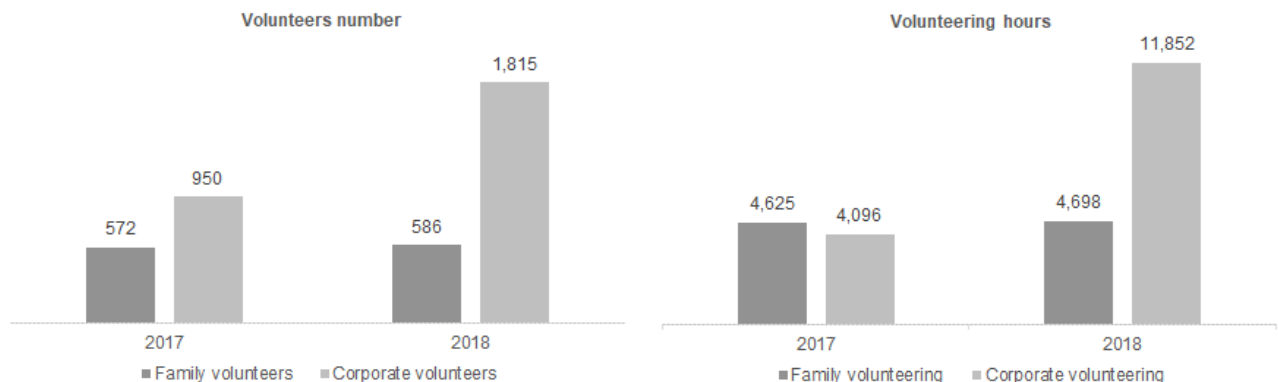
Approximately 254 institutions and 59,000 direct beneficiaries were covered by the Altice Portugal Foundation's volunteer activities throughout the country. The programs that contributed the most in the definition of these numbers were: Communicating in Security, Junior Achievement, Solidarity Call Center, Food Bank Collection, Collection of Food and Hygiene products, Collection of Toys, Program "Are you there, Are you ok?", Reforestation of burned areas and cleaning beaches and forests, among many other actions.

The Altice Portugal Foundation was honored with the Portuguese Volunteer Trophy, awarded by the Portuguese Voluntary Confederation, which honors the work of individuals or institutions that promote volunteering.

7.8 CUSTOMER HEALTH AND SAFETY

The equipment and services marketed by Altice Portugal are subject to previous assessments in order to ensure that they do not negatively impact the health and safety of its users.

MOBILE EQUIPMENT – ELECTROMAGNETIC RADIATION

The increased use of mobile phones has raised public concern about the effects that electromagnetic fields of mobile telecommunications may have on the health of the population. Altice Portugal, over time, has sought to monitor and spread the evolution of existing knowledge on this subject, both with regard to scientific research on the effects of non-ionizing radiation emission on human health, as well as on the conclusions and European and national recommendations on safety limits for radiation levels, maintaining dialogue with various stakeholders, including workers' representatives, suppliers and/or partners and customers.

The European Commission has set limits on the radiation level by recommendation 1999/519/EC of 12 July. It is about identifying the maximum level of energy to be absorbed by the head of the mobile phone user, which is defined by the Specific Absorption Rate (SAR). SAR is the level of energy absorbed per unit mass of body tissue and is expressed in watt per kilogram. Altice Portugal includes the maximum level of telephone exposure for each device in its manual and online store, so consumers can make a conscious and informed decision.

Radiofrequência dos equipamentos comercializados - avaliações efetuadas	(%)
Terminais comercializados pela Altice Portugal que cumprem o valor de radiações recomendado	100
Equipamentos móveis comercializados pela Altice Portugal com informação sobre o respetivo SAR - no manual e/ ou online (site da marca)	100

In addition to this, aspects related to the equipment ergonomics, the materials that make it up and the functionalities at their disposal are checked to ensure that they do not present threats with a likely impact on the health and/or safety of their users.

RADIO STATIONS – ELETROMAGNETIC RADIATION

The National Communications Authority adopted the reference levels set by the European Union through Council Recommendation 1999/519 / EC of 12 July. These reference levels shall apply to all radiocommunication stations to be installed under a network or station license.

According to national legislation, all mobile telecommunications operators must deliver, in the Municipalities, the documentation provided for obtaining the City Council authorization inherent in the installation and operation of the radiocommunication support infrastructures and their accessories. The legislation in force has also adopted mechanisms for setting reference levels for exposure of the population to electromagnetic fields.

Supervision is rigorous, with the national regulatory authority committing itself to verifications and tests that attest compliance with the determinations. Altice Portugal, in addition to monitoring the evolution of the knowledge produced on this subject and sharing the use of stations with other national operators, regularly and randomly monitors its network and clarifies the doubts posed by both competent authorities and users.

In 2018, it monitored the level of electromagnetic radiation at 129 sites (11 terrestrial digital television, 10 hertzian beams and 108 mobile networks). All stations were found to be below the levels established by the International Commission on Non-Ionizing Radiation (ICNIRP) recommendations. However, in the event of any case with values higher than those agreed, Altice Portugal will implement the correction plan defined for this purpose.

NOISE

The World Health Organization considers that regular exposure to high noise levels can have negative impacts on public health, causing variable discomfort depending on its nature and intensity.

Altice Portugal is aware that telecommunication stations cause noise and that they can affect the quality of life of surrounding communities, so they randomly monitor the noise emitted. During 2018, Altice Portugal monitored noise at 23 stations.

Whenever levels of discomfort and complaints have been verified, from values higher than those legally defined, the Company prepares intervention plans to mitigate their impact.

During 2018 there were ten noise complaints, seven of which are already resolved, and three are still being under resolution.

7.9 MARKETING AND LABELLING

MARKETING

Aware of the influence of marketing communication on stakeholders, namely in terms of perceptions, attitudes and lifestyles, Altice Portugal has adopted communication practices consistent with its sustainability and social responsibility commitments.

Altice Portugal has a Responsible Communication Guide and adopts the principles of clarity and transparency in communication and respect for the environment and people, always acting in accordance with the law and with the codes of marketing and advertising, media and telecommunications. It is also a signatory to the Letter of Commitment of the Portuguese Advertisers Association (APAN).

Altice Portugal does not sell products banned from other markets or products or services that have been in public debate or have received high concern from its stakeholders. Therefore, responsible communication is based on assessing impacts at various levels, including the environmental and social risks and opportunities of the media used and the messages it conveys. And so it has been refocused on:

- Privilege eco-designed media and use ecological arguments only when justified and true;
- Refuse to promote behaviors that negatively impact the quality of the environment and social relations;
- Promote the positive evolution of society's ways of thinking and life, and the change in behaviors and attitudes, including sustainable consumption.

Altice Portugal also has a Guide for Communication in Social Networks that promotes the adoption of the following principles:

- Rejection of messages that foment hatred or physical or psychological violence;
- Rejection of racist or discriminatory messages against any particular group;
- Rejection of malicious, subversive or consciously intended messages to denigrate something or someone in particular;
- Respect for copyright;
- Publication of only current and truthful information.

In a world where fake news spread quickly and outnumbered and misinformation circulates at a much faster rate than information, where approximately 60% of the information circulating on social networks is false or confusing and manipulated, Altice Portugal, through the SAPO platform, became a partner of the journalistic project "Poligraph", which presents itself as the first digital newspaper dedicated to fact-checking and where people can verify that the information is true, following the principles of the International Fact-Checking Network.

PRODUCTS AND SERVICES INFORMATION

Over the last few years, the equipment, products, services, solutions and features available to the market have been added with attributes that aim to improve the sustainability of the commercial offer, as well as responsible consumption. This, the successive involvement of the entire value chain, upstream and downstream of the activity, namely suppliers and business partners and customers as subscribers and users, has been essential.

Assessment by area	
Product development	√
Research and development	√
Equipment acquisition	√
Production	Not aplicable
Marketing and promotion	√
Distribution	√
Use	√
Reuse and recycling	√

One of the criteria that Stakeholders value when accessing telecommunications is related to the provision of products and services that take into account the specific needs of each customer. In this way, Altice Portugal offers basic service packages with fixed, mobile and integrated solutions, which may include telephone, mobile phone, internet, mobile internet, TV and various other complementary services at various prices.

Offers	TV			Fixed Internet			Fixed Phone	Mobile	Internet no telemóvel	PC and tablet internet	MEO WI-FI Acess	Complementay Services
	Satélite	IPTV	RF	Fiber	ADSL	4G						
M5O START|GIGA	X	X	X	X	X	X	X	X	X	X	X	**MEO GO Multi**
M4O BASIC|M4O|PLUS|TOP|GIGA	X	X	X	X	X	X	X	X	X		X	**MEO GO Multi M4O GIGA**
TV+NET+VOICE 30|100|200|400|GIGA		X	X	X	X		X				X	
Top | Mega 3P	X				X	X	X				X	
NET+VOICE				X	X	X	X				X	
TV+VOICE		X	X				X					
Top | Mega 2P	X						X					
FIXED PHONE							X					
UNLIMITED E UNLIMITED+								X	X			
TOP | UZO								X	X			
FLEX								X				
PC AND TABLET INTERNET										X		

<u>COMMUNICATIONS ACCESS</u>

One of Altice Portugal's main concerns is to guarantee access to telecommunications services to as many people as possible, regardless of their geographical location, physical capability or socio-economic condition, by ensuring the availability of services and price plans adjusted to all customer profiles.

Network and Infrastructure
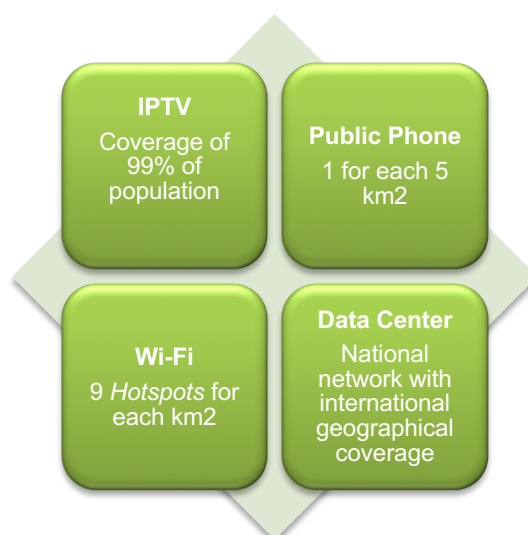
Access to information and communication technologies and using skills are differentiating factors in social opportunities, being a powerful instrument for social and professional inclusion. Altice Portugal offers a differentiating portfolio, with communication solutions adapted to citizens with special needs, with physical disabilities or in circumstances of vulnerability, allowing their access to school, professional and social activity, based on the accessibility of all. These solutions are tailored to each person's specific needs, inducing new degrees of autonomy and self-confidence and facilitating their relationship and more active participation in society and are made available through the Altice Portugal Foundation.

CUSTOMER SATISFACTION

Altice Portugal's residential customer satisfaction assessment methodology refers to the MEO service packages and the Standalone Mobile Voice service. There was no significant change for the consumer segment, and overall satisfaction as an operator for Standalone mobile service continued with its downward trend (this year of 2 tenths). For the business segment, in fixed service, the upward trend continues (in 208, a rise of two tenths) and in mobile service there was a rise of one tenth.

Consumer Market	2017	2018
Global Satisfaction with the MEO Package Operator [1]	7,4	7,4
NPS - MEO Package Operator Recommendation [2]	3,5	3,4
Global Satisfaction with the MEO Operator for the Standalone Mobile Voice Service [1]	8	7,8
NPS - MEO Operator Recommendation for the Standalone Mobile Voice Service [3]	26	17,5

Source: Marktest - Telecommunications Barometer (annual average); [1] Scale from 1 to 10; [2] Varies between -100 and +100

Buisness Market	2017	2018
Fixed Service Business Customer Satisfaction [1]	7,8	8,0
Mobile Customer Service Satisfaction [1]	7,5	7,6
NPS - Operator's Recommendation [2]	-18	-27

Source: DataE - Telecommunications Barometer (values for the 4th Q of each year); [1] Scale from 1 to 10; [2] Varies between -100 and +100

According to ANACOM, in the first half of 2018, MEO was the first choice in all service packages, leading the various types of bundled offers (2P, 3P, 4P and 5P) with 40.5% market share subscribers, which corresponds to a gain of over 111

thousand net clients. The same report shows that in the first half of 2018 MEO reinforced its leadership in total packages from 39.5% (1H 2017) to 40.5% (1H 2018), becoming also the operator leader in the triple play offer (3P), from 32.8% (1H 2017) to 34.5% (1H 2018). At the time of this report, no data were available for the second half of 2018.

RAW MATERIAL

In addition to rationalizing material consumption, Altice Portugal has been pressuring suppliers and partners to obtain clearer and accurate information about the raw materials incorporated into purchased equipment, for their own use or for commercialization, in order to guarantee two essential situations:

- That equipment manufacturers reject and undertake not to use minerals from conflict zones, namely Tantalum, Tungsten and Coltan (usually referred to as 3TG);
- That existing information allows correct indications about the forwarding best suited to each component of the equipment at the end of the respective life cycle.

All suppliers are currently committed to not using materials from conflict zones in the manufacture of their equipment.

7.10 DIGITAL SECURITY AND CUSTOMER PRIVACY

Altice, in the sense of maintaining data protection of its customers, continuously promotes actions against phishing and spam. In addition to the various awareness campaigns Altice Portugal has selected the highest level of security (SSL Extended Validation), allowing customers to visually verify that they are on the legitimate company website and not on a phishing site, created by hackers trying to steal personal information.

Given the growing relevance that ransomware attacks are having at national and international level, Altice Portugal, through its Cybersecurity and Privacy Directorate, has established several actions to mitigate this risk. Internally, it has in its processes the management of incident response of this typology and also has Awareness Programs for Security and Information Privacy as a preventive measure.

Beyond to a cyber awareness pop-up system implemented at employee standard stations to reinforce good security practices and data privacy, the first simulated phishing attack targeting Altice Portugal's internal employees was also conducted, to measure the organization's behavior against such attacks. Out of 9000 employees, the percentage of misbehavior in the mock attack was 9.55%.

Altice Portugal is also collaborating in combating this threat with various national and international entities, such as the National Center for Cybersecurity (CNCS) and EUROPOL. In the latter case, it collaborates in the working group of the "NoMoreRansom Project" of the European Cyber Crime Center (EC3) of EUROPOL, where it is advisor. This project "NoMoreRansom" provides at https://www.nomoreransom.org/ useful information for all citizens, namely, what is ransomware, actions to protect against this type of malware, how to report this cyber crime and also provides tools decryption for certain ransomware families.

During 2017 and 2018, Altice Portugal has devoted a significant part of its effort to verifying and implementing appropriate technical and organizational measures in accordance with the General Data Protection Regulation (GDPR) - Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of individuals with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC and establishing a dedicated program and working group. All employees received specific information and awareness training regarding the impact of GDPR on their daily activities.

Privacy and information security
In 2018, Altice Portugal developed and adopted a new Information Security Policy on Information and Communication Technology Systems, with employees undergoing specific training programs and their contents disseminated to suppliers, employees and customers. Knowing, however, that this is a sensitive topic and where developments are fast, Altice Portugal has participated in discussion forums on this subject and implemented procedures considered as best practices in safeguarding customer data protection and privacy.

Transparency and compliance

Altice Portugal scrupulously follows both national and European legislation. Being one of the largest companies operating in the national territory, Altice Portugal is scrutinized by entities from various sectors. Legal experts and security specialists conduct periodic reviews of all situations that may undermine the protection of personal data. The designation "personal data" refers to any information of any kind, regardless of their respective support, including sound and image, relating to an identified or identifiable natural person. A person who can be identified directly or indirectly, in particular by reference to an identification number or one or more specific elements of his/her physical, physiological, psychic, economic, cultural or social identity, is deemed identifiable.

Privacy policy

Altice Portugal respects the best practices in the field of security and protection of personal data and, for that reason, has approved a demanding program capable of protecting the data provided by all who in any way relate to the Company. Thus, Altice Portugal has a General Data Protection Regulation (GDPR) Committee and a Delegate for the Protection of Personal Data, responsible for the implementation and verification of the Privacy Policy, as well as the definition of clear rules for the processing of personal data, ensuring that all those who entrust Altice Portugal with your personal data, be aware of how the Company treats the data and what rights they have in this regard.

The rules set out in the Privacy Policy complement the provisions on the protection and processing of personal data, as set out in the contracts that customers enter into with the various Altice Portugal companies. The rules set out in the Terms and Conditions also govern the offer of various products and services and are duly published on their websites. Exclusively at the request of the judicial authorities and as defined by national law, Altice Portugal makes available to third parties data concerning customers.

Information Security Operational Management

At national level, participation in the national network is made through Altice Portugal's information security team, called CSIRT Altice Portugal, which is validated by the Trusted Introducer (Europe-ENISA), which ensures the handling and coordination of incidents of computer security and alert dissemination. At international level, Altice Portugal is part of the National Computer Security Incident Response Team (NCSIRTS), which in turn is part of the European Network of CSIRTS, a name that designates security incident management teams.

Altice Portugal defends the idea of an open and inclusive Internet and has great care and respect in the way it conducts its operations. Thus, it has always made efforts to ensure a secure and quality communication service offering.

All services provided by Altice Portugal, in particular those most relevant from the perspective of User Generated Content - UGC (Sapo Videos, Sapo Blogs and Meo Kanal), have well-defined privacy policies and clear and visible terms of use with concern to their service, often providing service tips and advice, best practices, contacts and relevant links. The policy for UGC services is very clear about what users expect in terms of behavior and content, defining the type of content that is not allowed as well as the consequences of behavioral and content deviations that violate the terms of use.

PRIVACY AND SAFETY OF MINORS AND VULNERABLE PEOPLE

Altice Portugal is a founding member of the ETNO Association, sitting on the Executive Board and member of ETNO Sustainable Development WG, as well as coordinator of the ETNO Online Child Protection Task Force. It is also a founding member of the European ICT Coalition for Children Online Industry Self-Regulatory Initiative and a signatory to its ICT Principles (www.ictcoalition.eu). It is a recognized operator committed to the safety of minors online by ICT C, promoting solutions, processes and actions in the following relevant areas: parental control, abuse/misuse, child abuse or illegal contact, privacy and control and education and awareness raising.

Altice Portugal has developed, adopted and promotes an approach to Online Child and Vulnerable People protection based on three pillars:

- **Education and awareness:** Altice Portugal actively promotes knowledge through education/awareness initiatives, such as the "Communicate Safely" program through the Altice Portugal Foundation, and through the provision of online material and targeted campaigns. This program is detailed in subchapter 7.7. Local communities.

- **Safer and better quality products, including youth services:** Altice Portugal makes a continuos effort to make its services safer for young people (development of child-specific services - MEO KIDS, SAPO MAIL KIDS, implementation of security and privacy, provision of reporting options) and development of APP MEO SAFE (Family Location Service, parental control and mobile phone security);

- **Cooperation and self-regulation:** Altice Portugal is committed to self-regulation and has long been involved in several national and international collaborative initiatives dedicated to Child Safety. Altice Portugal was a signatory to the Portuguese Mobile Operators Code of Conduct, developed in 2008 within the European framework for safer use of mobile phones by children. Altice Portugal was also an initial signatory to the new ETNO Letter of Responsibility (2012) which includes provisions in the Online Child Protection area. Altice Portugal coordinates the ETNO Online Child Protection Task Force, is a founding member of the ICT Coalition for Children Online and is a signatory to the ICT Principles developed by it. The company has partnerships, protocols and collaborative experience with relevant entities and authorities (CERT.PT, FCCN, Judiciary Police, PSP, APAV, Safe Internet Alert Line - Portuguese INHOPE member and EUKidsOnline). Altice Portugal, through the Altice Portugal Foundation, has been a member of the Safe Internet Consortium since 2016.

7.11 INNOVATION

Altice Portugal applies tools and methods focused on developing innovative services and solutions that have a positive impact on the lives of customers and the wider community. Innovation is one of the pillars of the Company and, by combining rigorous practices with a culture of agility and irreverence, are developed innovative prototypes, services and solutions.

At Altice Portugal, all employees are sources of innovation, contributing with suggestions on ideation platforms and brainstorming which result in new ways of being, new market approaches and even new products. The partnerships established by the Company also allow us to gather the necessary skills to reach an innovative solution. It is in this collaboration with suppliers, universities, specialized SMEs and research units that Altice Portugal is able to guarantee access to cutting-edge technology and solutions.

The following describes some projects in the two areas where they can have the most significant impact: society and environment.

e-Health, e-Care & e-Learning

As a technology company, Altice Portugal responds to the challenge of incorporating innovation in information and communication technologies aimed at the health and education sector, promoting the improvement of citizens' quality of life. There are several solutions available today by Altice Portugal, following some examples:

- SmartAL
SmartAL is a technology system focused on simplifying and promoting health, social support and safety. It enables eCare services, including vital sign monitoring (eg chronic diseases) and promotes daily support services related to well-being, loneliness of the elderly and active aging. This solution enables the end-user to achieve a high degree of independence, autonomy and dignity, feeling safe indoors and out, with an ICT tool to help manage their daily life, including chronic disease prevention and control or others.

- Formare
Formare is a Learning Management System (LMS) that supports training and educational solutions for eLearning and bLearning contexts. All features provided by Formare directly address users' training needs and are organized into different units. eLearning and bLearning are examples of new training methodologies that create and provide learning and collaboration scenarios, enabling more efficient response to learners' needs and continuous knowledge at their own pace, providing organizations with new training scenarios.

<u>SMARTCITIES</u>

Altice Portugal operates in this area in three aspects - sustainability, citizenship and well-being and economic dynamization of the city, promoting the existence of cities more sustainable, closer, inclusive, innovative, competitive, but above all, people-focused, in its well-being and quality of life. Here are some examples of Altice Portugal solutions:

- <u>Waste management</u>
Urban waste level monitoring solution for the various types of tanks/containers, due to probes that continuously measure the filling level. It also allows optimization of the routes that the fleet must travel to ensure the collection.

- <u>Energy efficiency</u>
Solution that allows monitoring actual infrastructures energy consumption, as well as knowing reactive energy outbreaks. The solution provides the consumption profile and enables energy contracts to be optimized by reducing energy consumption and costs. The desired energy profile may also be defined and the receipt of alerts to avoid overconsumption may be considered.

- <u>Agricultural and green space management</u>
Solutions that allow to control irrigation systems, as well as manage the surrounding water resources (holes, wells and lakes). With this integrated management system it is possible, remotely and in real time, to consult information, to plan activities or to act in the equipment that obtains data of the water resources and irrigation systems of the surroundings.

- <u>APP of Municipalities</u>
It enables, quickly and easily, to share information with citizens, such as news, events, leisure spots or tour guides. The application also allows receiving direct communication to the residents and visitors municipality, through a space for monitoring suggestions and comments, reporting of occurrences and scheduling hearings with municipal services, improving the experience of citizens.

- <u>People Safety</u>
Solution that ensures control over the location and route of people whenever they need supervision. Through a web portal, it is possible to monitor remotely the movement of people, as well as identify cases of falls or prolonged immobilization, ensuring communication and rapid action.

- <u>City Dashboard</u>
Dashboard is an application capable of integrating and centralizing information from all sensors in the city, analyzing it and crossing it for the purpose of acting on the city, offering a holistic view of the urban context at every moment. The information produced by the different systems is exposed in a structured way to both operational and political decision makers, thus facilitating decision making and the general population, enhancing active citizenship and careful observation of municipal governance.

- <u>iMAPARK</u>
Intelligent public parking management and utilization solution, which allows users through an APP to find available public parking spaces on streets or parks, as well as to conveniently and easily manage their use of these spaces. In addition to traditional features, including online payments, this solution is a pioneer in providing an online and physical parking space reservation system.

8. ANNEXES

8.1 INDICATORS TABLEUX

GRI	Social Indicators		
GRI	**Description**	**2017**	**2018**
102-8	Employees fixed-term contract men	0.7%	0.9%
102-8	Employees fixed-term contract women	1.0%	0.7%
102-8	Employees permanent contract men	99.3%	99.1%
102-8	Employees permanent contract women	99.0%	99.3%
405-1	Employees with basic and secondary education	49%	49%
405-1	Employees with university education	41%	41%
405-1	Employees post-graduate/Master's, PhD degrees	10%	10%
403-2	Global rate of absenteeism	4.41%	4.54%
403-2	Rate of absenteeism of men	3.56%	3.34%
403-2	Rate of absenteeism of women	5.78%	6.47%
405-1	Rate remuneration of Men and Women in Top Management	1.2	1.3
405-1	Rate remuneration of Men and Women in Management	1.0	1.0
405-1	Rate remuneration of Men and Women in other employees	1.0	1.0
403-2	Rate of workers with National Minimum Wage	0%	0%

GRI	Environment Indicators		
GRI	**Description**	**2017**	**2018**
301-1	Materials used, broken down by weight and by volume (r) - Toners and cartridges	0.1	0.1
304-1	Own operational units, leased or managed within or adjacent to protected areas and high biodiversity index areas outside protected areas (km2) - Area used in habitats rich in biodiversity	0.01	0.01
306-1	Domestic water discharge (m3)	169,470	173,625
306-2	Total weight of waste, broken down by type and method of disposal (t) - Urban solid waste (undifferentiated)	104	238
306-2	Total weight of waste, broken down by type and method of disposal (t) - Toners and cartridges waste	1	1
306-3	Total number and volume of significant spills	0	0

8.2 CALCULATION METHODOLOGIES

This document contains information gathered from the interlocutors of each Directorate/Department, and all GRI indicators were calculated according to the GRI methodology, in its Standard version. The indicators were followed by international calculation methodologies as shown in the table below.

Environmental Dimension	Conversion factors	Source
Electricity	1KWh= 0.0036 GJ	International Energy Agency
	Emission factor 0.47 kg CO2e/KWh	Order no 17313/2008 of June, 26
Petrol	PCI = 45 GJ/t	Order no 17313/2008 of June, 26
	Emission factor 69.2 Kg CO2/GJ	Order no 17313/2008 of June, 26
	Emission factor 0.036 Kg NO2/GJ	Portuguese Environment Agency - Portuguese Informative Inventory Report 1990-2017 - March, 15 2018
	Emission factor 0.00045 Kg SO2/GJ	Portuguese Environment Agency - Portuguese Informative Inventory Report 1990-2017 - March, 15 2018
Diesel	PCI = 43.3 GJ/t	Order no 17313/2008 of June, 26
	Emission factor 74.0 Kg CO2/GJ	Order no 17313/2008 of June, 26
	Emission factor 0.350 Kg NO2/GJ	Portuguese Environment Agency - Portuguese Informative Inventory Report 1990-2017 - March, 15 2018
	Emission factor 0.00044 Kg SO2/GJ	Portuguese Environment Agency - Portuguese Informative Inventory Report 1990-2017 - March, 15 2018
Plane (Jet Fuel)	Emission factor 71.5 t CO2/TJ	Portuguese Environment Agency - Portuguese Nacional Inventory Report on Greenhouse Gases, 1990-2016 – May, 8 2018
Car	Emission factor 0.17753 kg CO2e/km	DEFRA - Greenhouse Gas Conversion Factor Repository 2018
Motorcycle	Emission factor 0.11529 kg CO2e/km	DEFRA - Greenhouse Gas Conversion Factor Repository 2018
Train	Emission factor 0.04424 kg CO2/ passenger.km	DEFRA - Greenhouse Gas Conversion Factor Repository 2018
Bus	Emission factor 0.07211 kg CO2e/ passenger.km	DEFRA - Greenhouse Gas Conversion Factor Repository 2018
Boat	Emission factor 0.018739 kg CO2e/ passenger.km	DEFRA - Greenhouse Gas Conversion Factor Repository 2018
Tram	Emission factor 0.03967 kg CO2e/ passenger.km	DEFRA - Greenhouse Gas Conversion Factor Repository 2018
Underground/Metro	Emission factor 0.0376 kg CO2e/ passenger.km	DEFRA - Greenhouse Gas Conversion Factor Repository 2018

8.3 GRI INDEX

GRI Indicator	Report Pages	Observations
GRI 102 - General Disclosures		
102-1	3	
102-2	7	
102-3	3	
102-4	7	
102-5	3	
102-6	7 e 28-29	
102-7	7	
102-8	7, 44 e 65	Employees who are not from Altice Portugal but who work on behalf of the Company are not identified in this report.
102-9	30-31	
102-10	30-31	
102-11	10-11	
102-12	15-18	
102-13	17-18	
102-14	5-6	
102-15	10-11	
102-16	11-12	
102-17	12-14	
102-18	10	
102-19		Cross-Group information available at http://altice.net/.
102-20		Cross-Group information available at http://altice.net/.
102-21	16-17 e 21-22	
102-22	10	
102-23	10	
102-24		Cross-Group information available at http://altice.net/.
102-25		Cross-Group information available at http://altice.net/.
102-26	25-27	
102-27		Governance bodies take formal notice of sustainability achievements and challenges where relevant, and at least once a year. Sustainability issues are usually included in the Executive Committee's agenda.
102-28		Cross-Group information available at http://altice.net/.
102-29	29-30	
102-30	10-11 e 19	
102-31	10-11 e 25-27	
102-32	10	
102-33	10 e 12-14	
102-34	12-14	
102-35		Cross-Group information available at http://altice.net/.
102-36		Cross-Group information available at http://altice.net/.
102-37		Cross-Group information available at http://altice.net/.
102-38	n.a	
102-39	n.a.	
102-40	17	

GRI Indicator	Report Pages	Observations
102-41	46-47	
102-42	16-17	
102-43	16-17	
102-44	21-25	
102-45	7 e 29	
102-46	4 e 21-27	
102-47	21-25	
102-48	4	
102-49	4	
102-50	4	
102-51	4	
102-52	4	
102-53	3	
102-54	4	
102-55	4 e 65	
102-56	4	
GRI 103 - Management Approach		
103-1	21-25	
103-2	25-27	
103-3	25-27	
GRI 201 - Economic Performance		
201-1	28-29	
201-2		Altice Portugal makes an analysis of environmental risks and impacts in a comprehensive way, not specifically discriminating the subject of climate change. More specific information available at http://altice.net/.
201-3	30	Information available in the Altice Group Financial Report and the MEO Financial Report.
201-4	n.a.	
GRI 202 - Market Presence		
202-1	65	
202-2	n.a.	Not applicable as this report only refers to activity in Portugal.
GRI 203 - Indirect Economic Impacts		
203-1	28-29 e 53-54	
203-2		Information available in the Altice Group Financial Report and the MEO Financial Report.
GRI 204 - Procurement Practices		
204-1	30-31	
GRI 205 – Anti-corruption		
205-1	11-13	
205-2	52	Integrated in human rights training that includes corruption topics.
205-3	18-20	
GRI 206 – Anti-competitive Behavior		
206-1	20	
GRI 301 – Materials		
301-1	30, 32-33 e 65	
301-2	30 e 32-33	
301-3	30 e 32-33	
GRI 302 – Energy		
302-1	30 e 34	
302-2	34-35	
302-3	35	
302-4	36	

GRI Indicator	Report Pages	Observations
302-5	36	
GRI 303 – Water		
303-1	30 e 36	
303-2		The water consumption of Altice Portugal is negligible in terms of volume since it comes totally from the public network. Therefore, the impact on water resources is not significant.
303-3	n.a	Altice Portugal uses water from the public network, and does not consume any reused or recycled water.
GRI 304 - Biodiversity		
304-1	65	Reports Altice Portugal's websites that lie within protected areas and with high biodiversity value. In 2018 two new sites MEO were installed. Of the total mobile sites of PT Portugal, only 1.5% is installed on protected areas.
304-2	36-37	
304-3	37-38	
304-4	n.a	Altice Portugal operations do not affect species included in the IUCN Red List and in the National List of Species Conservation
GRI 305 - Emissions		
305-1	30 e 38	
305-2	30 e 38	
305-3	39	
305-4	39-40	
305-5	40	
305-6	n.a	Altice Portugal does not produce, import or export depleting substances from the ozone layer.
305-7	40-41	
GRI 306 - Effluents and Waste		
306-1	65	The values of the waste water discharge volume is estimated in accordance with the established in the Regulatory Decree no. 23/95 of August 23
306-2	30, 41-43 e 65	
306-3	65	No significant spills were detected in 2018.
306-4	41	Waste forwarding, collection and treatment is done by operators certified and contracted by Altice Portugal
306-5		Wastewater discharges are mostly carried out in municipal collectors, and are mainly used domestically. The wastewater is treated in municipal systems, and Altice Portugal is not responsible for its treatment. Therefore, Altice Portugal does not make any comments on the reuse of treated water.
GRI 307 – Environmental Compliance		
307-1	19-20	
GRI 308 - Supplier Environmental Assessment		
308-1	30-31	
308-2	30-31	
GRI 401 - Employment		
401-1	44	
401-2	45	
401-3	45	
GRI 402 - Labor/Management Relations		
402-1	46-47	

GRI Indicator	Report Pages	Observations
GRI 403 - Occupational Health and Safety		
403-1	48	
403-2	48	
403-3	48	
403-4	46-47	
GRI 404 – Training and Education		
404-1	48-49	
404-2	49	
404-3	50	
GRI 405 - Diversity and Equal Opportunity		
405-1	50-52	
405-2	65	
GRI 406 – Non-discrimination		
406-1	12-14 e 20	
GRI 407 – Freedom of Association and Collective Bargaining		
407-1	11-12 e 30-31	
GRI 408 – Child Labor		
408-1	11-12 e 30-31	
GRI 409 – Forced or Compulsory Labor		
409-1	11-12 e 30-31	
GRI 410 – Security Practices		
410-1	52-53	
GRI 411 – Rights of Indigenous Peoples		
411-1	n.a	Not applicable, since Altice Portugal is not in any country where the indigenous population is represented.
GRI 412 – Human Rights Assessment		
412-1	52-53	
412-2	52-53	
412-3	30-31	
GRI 413 – Local Communities		
413-1	7-9, 12-13, 36-38 e 53-56	
413-2	36-38	
GRI 414 - Supplier Social Assessment		
414-1	30-31	
414-2	30-31	
GRI 415 – Public Policy		
415-1	n.a.	Altice Portugal does not make contributions to political parties.
GRI 416 – Customer Health and Safety		
416-1	56-58	
416-2	20	
GRI 417 – Marketing and Labelling		
417-1	58-60	
417-2	20	
417-3	20	
GRI 418 – Customer Privacy		
418-1	12-14, 20, 61-63	
GRI 419 – Socioeconomic Compliance		
419-1	20	

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