

SUSTAINABILITY REPORT 2020



Millennium
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Miguel Maya

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



Nuno Amado

Chairman of the Board of Directors

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

In 2020, Millennium bcp's activity was strongly conditioned by the emergence and spread of the Covid-19 pandemic, which limited national and international economic activity and affected the normal functioning of the financial sector. However, the commercial dynamics of Millennium bcp in the communities we serve in the geographies where we are present was reflected in the 3.4% growth of total customer funds and 2.6% in loans to customers, which helped mitigate the negative impact on the bank's accounts of the adverse context and underpinned the consolidated net profit of 183 million euros achieved in 2020.

In a highly complex environment, Millennium bcp's consolidated pre-provision profit grew 1.5%, remaining one of the most efficient banks in Portugal and in the Eurozone, with a cost-to-core-income ratio (excluding non-recurrent items) of 48%, a trend accompanied by an improvement in the quality of the balance sheet, with a significant reduction in non performing exposures (NPEs).

Millennium bcp's economic and financial strength, embodied in a capital structure with a CET1 ratio of 12.2%, above regulatory requirements, and a comfortable liquidity position, with a loans-to-deposits ratio of 85%, contributed to enhancing the sustainability and resilience of the Bank's business model.

The Bank's consistent path of digital transformation has been crucial for the continuous strengthening of customers trust and recognition. Our customer base rose to 5.7 million at the group level, with an emphasis on mobile customers, which grew 22% to 2.7 million, representing 48% of the Group's customer base.

But because we strive to maintain our strong commitment to sustainability and ethical, inclusive and responsible business practices, 2020 also saw Millennium bcp present alongside people, society and local communities in the continued creation of social value and the protection of the environment, climate and biodiversity.

We maintained, through the Millennium bcp Foundation and in a context conditioned by the Covid-19 pandemic, our support for culture, enabling events aimed at various audiences, promoting and recognizing creative merit and contributing to the recuperation of historical buildings and museological heritage.

Education, science and research are areas in which the Millennium bcp Foundation is also present through support for multidisciplinary projects and initiatives that are distinguished for their innovation, as well as their social and environmental impact.

In social support, we strengthened our commitment to the most needy and vulnerable in all the communities we serve. In Portugal, we maintained our long-standing partnership with the Banco Alimentar, supporting, promoting and encouraging participation in regular national food collection campaigns, as well as through internal initiatives in favor of solidarity institutions such as the Gil Foundation, CASA - Homeless Support Center, or the Just a Change Association.

In Mozambique, highlights included support for and participation in the rehabilitation of the Cardio-Pneumology ward of Maputo's Central Hospital of Maputo, and aid for the displaced populations following the attacks in the Cabo Delgado region, within the scope of the social responsibility programme "Mais Moçambique p'ra Mim."

In Poland, the corporate volunteering program "Milantrop" made it possible to support projects involving more than 600 volunteers and benefitting more than 10,000 people.

In Angola, a highlight is “LOGOS - Geração com Valor”, a social transformation project that provides educational support programmes, with a sporting, social and cultural approach, to around 3,000 children and youths from disadvantaged communities.

In 2020, amid sudden uncertainty and adversity, Millennium bcp was agile in responding to the challenges, promptly redefining the priorities for action: protecting Employees and Customers, defending the quality of the balance sheet and the Bank's solvency, adapting models and business processes to the new normality, contributing to keep the economy functioning, supporting families and companies, and reinforcing the social support component to the most vulnerable.

In record time we organized remote working for thousands of Employees, reformulated the service in the branches to make it safe while preserving operational capacity, and we adjusted to be able to manage the great influx of digital transactions, simultaneously responding to liquidity needs with the swift implementation of moratoriums and dedicated credit lines.

Priority was also given to support for the communities we serve, in Portugal, Poland and Mozambique. We supported, directly or through civil society initiatives, the response of public health services, assistance to the most disadvantaged and fragile sections of the population, but also sectors affected, severely and immediately, by the confinement and physical distance measures imposed by the pandemic, such as culture and artistic production. We also corresponded to the initiative promoted by the European Union, which on an unprecedented scale, managed to gather and allocate resources for the development, production and equitable and universal access to vaccines, as well as support for research and development of diagnostic and therapeutic means for Covid-19.

To strengthen our sustainability strategy, Millennium bcp developed a governance model and a sustainability master plan for 2020-2021 that ensures alignment of the value proposal, business processes and practices and the support operations with Environmental, Social and Governance (ESG) principles. In implementing this central pillar, the Bank has also been strengthening the offer of products and services with the inclusion of ESG criteria, in a dynamic transformation that allows us to respond, in an integrated and coherent way, to the increasing requests and needs of Customers, positioning us as the protagonist in promoting sustainable, inclusive and resilient models of economic development.

To ensure accessibility, Millennium offers integrated platforms and innovative electronic banking functionalities, in particular mobile banking, for the digital marketing of products and services. This approach makes a strong contribution to the inclusion of citizens in the banking system, and constitutes a distinctive brand attribute recognized by the Customers of the Group in the geographies in which we are present.

In a world characterized by the continuing accelerated transformation of the banking relationship and the channels that support it, we also consider the improvement of financial literacy levels a priority in the communities we serve. Publicly-recognized programmes such as “Financial ABC” in Poland, designed for children in pre-school education, the “Banking Olympics” in Mozambique, for youths in basic education, or the Money Lab - Financial Education Laboratories in Portugal, for secondary school students, are some examples of initiatives the Bank has developed over the years. These programmes reflect the importance of the widespread adoption of knowledgeable banking behaviour and informed decision-making.

Microcredit, with which we continue to support entrepreneurship and self-employment and which has benefited, as an instrument to combat unemployment and poverty, from cooperation with entities close to socially excluded populations, made it possible to create, in 2020, 154 new jobs. Since 2005, more than 7,100 jobs have been generated by projects financed by Millennium bcp Microcredit.

It is also worth mentioning, within a framework of equal opportunities, diversity and inclusion, the investment made in the professional development of the Bank's Employees, a priority that is reaffirmed in the strategic plan. Millennium bcp is also committed to gender equality, with emphasis on initiatives to support maternity and parenting, reconciliation between dedication to work and family, professional development and leadership opportunities, which have been implemented as part of the Plan for Gender Equality 2020-2021 and which resulted in the inclusion, for the second consecutive time, of the Bank in the Bloomberg Gender-Equality Index. In 2020, Millennium bcp also joined the United Nations Women's Empowerment Principles (WEP), an important international platform for the promotion of gender equality.

In terms of environmental performance, we have deepened the sustainability policy that incorporates and promotes a culture of responsible consumption and investment with the objective of maintaining a consistent reduction in the Bank's ecological "footprint" as a way of protecting the environment, preserving natural resources and biodiversity, climate change mitigation, and adaptation. As a result of this commitment, and despite the uniqueness of 2020 making comparisons difficult, the Group continued to reduce water consumption (-24.5% vs. 2019), energy use (-30.0% vs 2019) and electricity use (-10.3% vs. 2019), having also stabilized the emission of greenhouse gases (excluding the credit portfolio) at around 31,000 tons of CO₂.

Millennium bcp remains committed to the 10 Principles of the United Nations Global Compact, which it joined in 2005, and has invested in measures related to human rights, labour practices, environmental protection and anti-corruption, as well as pursuing Sustainable Development Goals (SDGs) of the 2030 Agenda, having published, in 2020, its first progress report on the "Contribution of Millennium bcp to the United Nations SDGs".

In an environment still marked by uncertainty about the magnitude of the impact of the pandemic caused by the Coronavirus, Millennium bcp renews its commitment to actively contribute to the sustainable development of the communities in which it operates.



Miguel Maya

Vice-Chairperson of the Executive Committee

Vice-Chairman of the Board of Directors



Nuno Amado

Chairman of the Board of Directors

SUMMARY OF INDICATORS



PRINCIPAIS INDICADORES

SÍNTESE DE INDICADORES NÃO FINANCEIROS

	Unid.	2020	2019	2018	2017	2016	Var. % 20/19
CLIENTES							
Número total de Clientes	Milhares	6 667	6 617	5 827	5 429	5 482	0,8%
Número de Clientes Ativos (1)	Milhares	5 705	5 598				1,9%
Juros pagos sobre depósitos e outros recursos	Milhões de euros	188	301	327	343	362	-37,5%
Reclamações registadas (2)	Número	172 674	136 562	108 244	76 918	72 498	26,4%
Reclamações resolvidas	Percentagem	93,0%	92,2%	99,3%	97,7%	93,2%	---
ACESSIBILIDADES							
Sucursais	Número	1 380	1 536	1 101	1 120	1 163	-10,2%
Atividade em Portugal		478	505	546	578	618	-5,3%
Atividade Internacional		902	1 031	555	542	545	-12,5%
Sucursais abertas ao Sábado		167	143	122	118	112	16,8%
Sucursais com acessibilidade a pessoas com mobilidade reduzida		937	875	866	800	828	7,1%
Internet	Nº de utilizadores	2 453 555	2 214 885	1 980 905	1 665 987	1 700 114	10,8%
Call Center	Nº de utilizadores	491 969	431 169	429 982	353 003	261 620	14,1%
Mobile banking	Nº de utilizadores	3 214 664	2 601 401	2 106 289	1 520 378	1 268 804	23,6%
ATM	Número	3 022	2 988	2 952	2 950	2 965	1,1%
COLABORADORES							
Colaboradores Portugal	Número	7 013	7 204	7 095	7 189	7 333	-2,7%
Colaboradores Internacional	Número	10 318	11 377	8 972	8 653	8 594	-9,3%
INDICADORES LABORAIS (3)							
Distribuição por categoria profissional	Número						
Comissão Executiva		28	28	28	28	26	0,0%
Alta Direção		163	221	178	150	146	-26,2%
Direção		1 874	2 157	1 728	1 642	1 669	-13,1%
Comerciais		9 949	10 664	9 446	9 424	9 453	-6,7%
Técnicos		4 067	4 388	3 682	3 531	3 459	-7,3%
Outros		1 250	1 116	1 027	1 061	1 167	12,0%
Distribuição por faixa etária	Número						
<30		2 841	3 350	2 393	2 235	2 225	-15,2%
[30-50[		9 872	10 648	9 318	9 498	9 820	-7,3%
>=50		4 618	4 583	4 350	4 103	3 875	0,8%
Média de idades	Anos	41	41	41	41	41	0,0%
Distribuição por vínculo contratual	Número						
Contrato permanente		15 969	16 840	14 685	14 668	14 876	-5,2%
Contrato a termo		1 362	1 681	1 376	1 168	1 044	-19,0%
Estagiários		275	453	339	208	0	-39,3%
Colaboradores a trabalhar a tempo parcial	Número	230	254	215	187	202	-9,4%
Taxa de recrutamento	Percentagem	6,4%	12,5%	12,3%	9,7%	8,2%	---
Taxa de mobilidade interna	Percentagem	20,7%	16,3%	16,6%	18,5%	18,0%	---
Taxa de saídas	Percentagem	13,8%	11,9%	11,0%	10,3%	9,1%	---
Livre associação (4)	Percentagem						
Colaboradores abrangidos por Acordo Coletivo de Trabalho		99,8%	99,7%	99,7%	99,6%	99,6%	---
Colaboradores sindicalizados		77,0%	76,9%	78,6%	78,5%	78,9%	---
Higiene e segurança no trabalho (HST)							
Visitas de HST	Número	186	184	159	376	194	1,1%
Índice de Acidentes de Trabalho (5)	Percentagem	2,19	2,42	1,99	2,91	2,69	-9,5%
Vítimas mortais	Número	0	0	0	1	0	---
Taxa de absentismo	Percentagem	6,5%	4,8%	4,3%	4,2%	4,0%	---
Salário mais baixo e o salário mínimo local	Rácio	1,3	1,3	1,3	1,1	1,9	0,0%
AMBIENTE							
Emissão de gases com efeito de estufa (6)	tCO ₂ eq	31 018	50 714	50 588	55 683	59 864	-38,8%
Consumo de energia elétrica (7)	MWh	59 214	62 527	59 664	63 131	68 055	-5,3%
Produção de resíduos	t	768	617	677	2 330	2 547	24,5%
Consumo de água (8)	m ³	208 817	276 460	281 666	366 872	372 409	-24,5%
FORNECEDORES							
Prazo de pagamento e prazo contratualizado	Rácio	1	1	1	1	1	0,0%
Montante pago a fornecedores locais	Percentagem	92,2%	91,4%	92,2%	86,4%	91,7%	---
DONATIVOS							
	Milhões de euros	2,0	2,1	2,0	1,9	1,7	-4,8%

(1) Clientes Ativos: Primeiros titulares com, pelo menos, 1 produto com saldo > 50 cêntimos, em valor absoluto e com transações em cartões nos últimos 90 dias, ou com património financeiro ≥ 100 euros.

(2) Inclui efeito de alteração estrutural no processo de tratamento de reclamações no Bank Millennium Polónia, visando a melhoria da experiência do Cliente e a otimização do tratamento imediato.

(3) Informação do número de Colaboradores (e não FTEs) para: Portugal, Moçambique, Suíça e Polónia.

(4) Valor reflete as operações em que estes regimes são aplicáveis: Acordo Coletivo de Trabalho - Portugal e Moçambique -, Sindicato - Portugal e Moçambique.

(5) Numero de Acidentes por milhão de horas trabalhadas. Em 2020 a metodologia de cálculo foi alterada de acordo com o GRI (Global Reporting Initiative), tendo-se efetuado o ajuste retroativo da série.

(6) Dados não incluem Moçambique.

(7) Consumo de energia elétrica da rede. Não inclui o consumo de energia elétrica da central de cogeração em Portugal, nem o consumo de Moçambique.

(8) Dados não incluem Suíça nem Moçambique.

MAIN

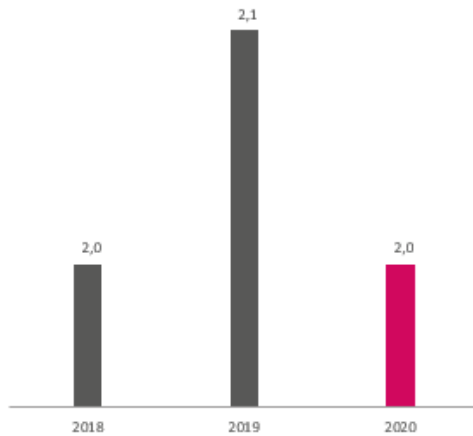
HIGHLIGHTS



Main Highlights

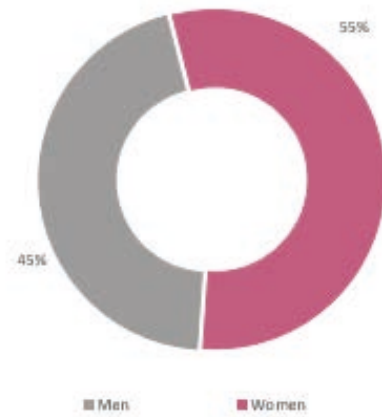
Donations

Donations
(Million euros)



Breakdown of employees by gender

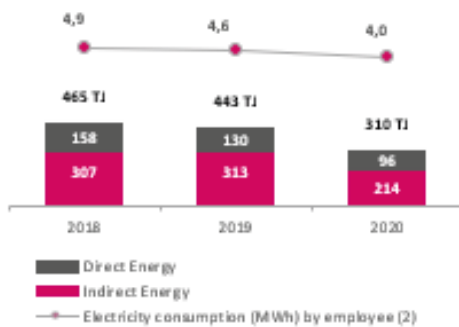
Breakdown by gender
(Percentage)



Total energy consumption ⁽¹⁾

Total energy consumption - GRI 302-1 ⁽¹⁾

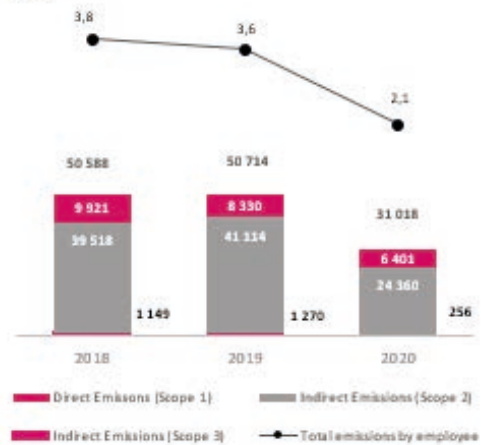
(TJ and MWh/employee)



⁽¹⁾ Includes consumption of cogeneration plant in Portugal. Excludes data center in Portugal and data from Mozambique.

GHG Emissions ⁽²⁾

GHG emissions ⁽¹⁾
(tCO₂e)



⁽¹⁾ Includes data from EuroBank since October 2019. Does not include data from Mozambique.

INTRODUCTION



Introduction

Banco Comercial Português publishes every year, since 2004, Sustainability Reports in accordance with the GRI (Global Reporting Initiative) now in its Standards version.

Material issue: REPORTING AND COMMUNICATION

Sustainability Report

These reports, already in their 17th edition, are a complement to the non-financial information included in the Annual Report of the Bank and enable an integrated vision of the performance of Group Millennium in the Economic, Social and Environmental Areas but also the detail relating to each one of its operations located in Portugal, Poland, Switzerland and Mozambique.

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

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

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

Within the framework established by DL 89/2017 of 28 July, regarding the mandatory annual disclosure of non-financial information and information on diversity by certain large companies, it keeps, since 2017, a dual format based on the summary information included in the Annual Report - Non-financial Statements - and on the detailed information included in the Sustainability Report, a format that the Bank decided to continue to adopt in this 2020 report.

This document, with an international scope, intends to comply with the expectations of the

Stakeholders of the BCP Group identified by means of the materiality tests made regularly and of the ongoing feedback received through the platforms, channels and available communication flows.

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

The scope and methods to estimate the reported indicators and reporting limits are detailed at the end of the report - under Methodology -. Complementary information to that reported, namely the GRI indicator tables, which includes correspondence with the Global Compact Principles, and SASB (Sustainability Accounting Standards Board), is available for consultation in the annexes of this report and on the institutional website of the Bank, at www.millenniumbcp.pt, Sustainability area.

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

Group BCP, subscriber of the Global Compact of the United Nations since 2005, also recognises the significance of Sustainable Development Goals (SDG) and of the 2030 Agenda of the United Nations and, therefore, the most direct contributions of the activity performed by Group BCP to accomplish those objectives are highlighted throughout this document.



Sustainable Development Goals (SDG) of the United Nations

The Sustainable Development Goals (SDG) of the United Nations, approved in September 2015, represent the most significant global voluntary commitment - already formalised by 193 from the five continents - and thrive at improving the quality of life of the world population - in the social, environmental and economical components - until 2030.

Considering that the accomplishment of its 17 objectives imply a joint effort from the States and the civil society and from private entities, namely from companies, the Bank assumes the commitment of actively working towards a sustainable development, featured by social inclusion and responsibility in terms of environment, in all countries where it operates.

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

BCP acknowledges that the SDG represent an unifying and aspirational reference framework that will enable to produce a new “social contract” and enhance changes imposed and required by the current economical, social and environmental situation.

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

BCP identifies, at this stage, as a priority for the implementation of the 2030 Agenda for Sustainable Development, the SDG 1 (End Poverty), 4 (Quality Education), 5 (Gender Equality), 7 (Affordable and Clean Energy), 8 (Decent Work and Economic Growth), 10 (Reduced Inequalities), 13 (Climate Action), 15 (Life on Land) and 17 (Partnerships for the Goals).

Sustainability Policy

The BCP Group pursues dynamic strategies adapted to the new challenges imposed by the several interested parties with which it establishes relations. The main objectives of the adopted sustainability policies, which foster a culture of Social Responsibility, has been to positively influence the organisation's value proposition in the long term, balanced with the well-being of the people, the company and communities in which it operates, while preserving natural resources, climate and the environment.

Within this context, it is possible to divide the Bank's intervention into three major areas of intervention:

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

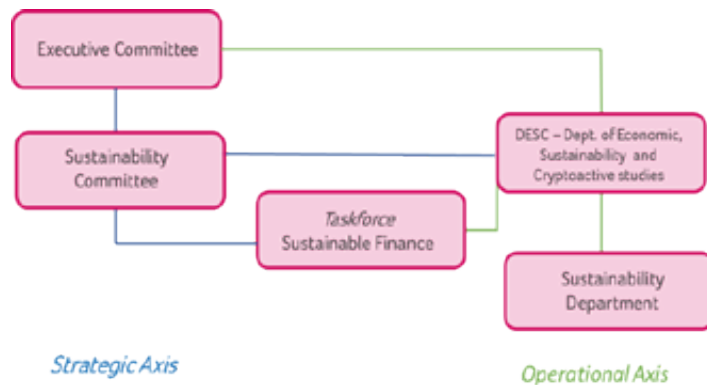
Therefore, as an integral part of its business model, Millennium bcp takes on the commitment to create social value by developing actions to - and with - the various stakeholder groups with the goal of directly and indirectly contribute to the economic and social development of the countries in which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

Governance Model

In 2020 Millennium bcp revised the Bank's governance model, creating a Sustainability Commission ([Regulations of the Sustainability Commission](#)).

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

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



Tax Policy

The social responsibility of the companies requires an increasing adoption of behaviours and the establishment of commitments with the communities of which we are part of, such as the protection of environment, of social well-being and the quality of governance of institutions. More recently, a conscious and fair tax behaviour by the companies is becoming increasingly paramount, playing a key role in the corporate social responsibility of the institutions. The companies face high tax burdens (taxes, charges, and contributions), a fact that often leads to aggressive tax planning, able of jeopardizing the desired fiscal responsibility standards.

The payment of a fair amount of taxes by the companies is becoming one of the main challenges of the European Union (EU (2018) Action Plan for Fair and Efficient Corporate Taxation in the EU) and of the OECD in its recent Report BEPS - (*Base Erosion Profit Shifting*) the action of which includes combating tax avoidance behaviours. Within this context, the concept of tax governance appears as a crucial aspect of the social responsibility of the companies, requiring the adoption by the latter of good tax governance practices such as (i) timely compliance with their tax obligations; (ii) the management of fiscal risks; (iii) a good relationship with the Tax Authorities and with shareholders, investors and remaining stakeholders.

The good practices in terms of fiscal responsibility of the companies also comprise the promotion of principles such as tax transparency, the careful and transparent definition of tax strategies and the disclosure of tax governance practices. Aware of the relevance of this theme, BCP complies with the tax burden it is subject to and adopted a policy of tax transparency based on the good practice of disclosing the amount of its taxes and contributions, as stated in notes 6 to 30 of disclosure of the annex to the financial statements.

It is also through this relevant contribution that BCP assumes itself as an institution that provides a relevant contribution towards the development of a more inclusive, fair, and sustainable society. ([Principles of Millennium bcp on Fiscal Matters](#))

Commitments

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

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

Within the context of sustainable finance, Millennium bcp was, in 2020, one of the subscribers of the Declaration “*Aproveitar a crise para lançar um novo paradigma de desenvolvimento sustentável*” (Take advantage of the crisis to launch a new paradigm of sustainable development) promoted by BCSD Portugal, joining a collective will to, in this turning point and economic recovery imposed by the pandemic situation, contribute for the construction of a development model based on five main pillars: (i) Promotion of growth, (ii) Search for efficiency, (iii) Reinforcement of Resilience, (iv) Corporate Citizenship and (v) Promotion of sustainable and inclusive development.

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

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

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

In 2019, the Bank also joined the “Business Mobility Pact for the City of Lisbon”, a joint initiative from the Municipality of Lisbon (CML) and, WBCSD – *World Business Council for Sustainable Development* and from BCSD Portugal, that aggregates in a public voluntary agreement, companies that operate in Lisbon and have as a common goal to improve and transform mobility in the city, making it more sustainable.

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



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

To further enhance its commitment with human rights and an ethical and inclusive management, in 2020, BCP signed the “Statement from Business Leaders for Renewed Global Cooperation”, from Global Compact of the United Nations, an international statement focused on showing the commitment with an ethical leadership, based on good governance practices, materialised through values, strategy, policies, operations and proximity relations and involvement with all *stakeholders*. This commitment also aims at establishing a partnership with the United Nations, Governments, and civil society to contribute for the straightening of justice and transparency, promoting equality and respect for human rights.

Also in 2020, Millennium bcp joined the “*Women's Empowerment Principles*” (WEP) from *Global Compact* of the United Nations, an important international platform for the promotion of gender equality that translates our long-term view and the will to be part of - and encourage - a collective dynamics based on cooperation and trust.

Within the scope of the Commitment with Diversity and Equality of Gender - already translated in the corporate policy “[Diversity and Equal Opportunities](#)” -, the Executive Committee approved an action plan for gender equality for 2020/2021, involving the regular follow-up of its execution by the Human Resources Commission. The initiatives proposed are aggregated in four major pillars, namely:

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

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

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

Bank Millennium is, since 2018, a subscriber of the Letter for Diversity in Poland, a commitment that reaffirms its determination in respecting and promoting diversity amongst customers and employees.

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Corporate social responsibility increasingly requires the adaptation of behaviour and commitment to the communities in which we operate, such as environmental protection, social welfare and the quality of governance of the institutions.

Partnerships

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

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

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

This way, it is part of the Working Groups on Sustainable Finance from (i) APB – Associação Portuguesa de Bancos, (ii) EBF - European Banking Federation, (iii) BCSD Portugal and (iv) AEM – Associação de Empresas Emitentes de Valores Cotados em Mercado. BCP is also a member of the (v) Technical Debate Group for Sustainable Finance in Portugal from the Ministry of Environment, (vi) the Technical Sub-Commission on Sustainable Finance ISO/TC 322 from APEE – Associação Portuguesa de Ética Empresarial and from ISO - International Organization for Standardization and (vii) the Task Force on ESG Taxonomy from APB.

Environmental and social risk management

Aware of the impact of environmental and social risks on the planet and the Bank, BCP defined in its Sustainability Master Plan an approach to environmental and social risk management based on three areas of activity: the integration of ESG risk in risk management procedures, the identification and classification of customers with greater environmental and social risks and the awareness of clients in sectors of activity with greater exposure to environmental risks.

BCP has been integrating environmental and social risks into the risk analysis process, incorporating policies, standards and procedures for their management. We integrate environmental risk analysis into the evaluation processes of clients in the granting of credit and project finance, taking into account not only the risks associated with the sectors of activity of operations, but also the ESG performance of our Clients. We are developing and implementing ESG risk scoring processes for Large Corporate clients and defining sectoral financing and investment policies for industries with high exposure to environmental risks (positive and negative screening).

BCP also meets the needs of investors who consider it relevant to contemplate, in their investments, social and environmental risk factors, making Responsible Investment Funds available for subscription. We assess the ESG risk of each of the managed portfolios and in the construction of portfolios we integrate information on the ESG risk.

Finally, the BCP also recognizes the existence of sectors of activity or projects that do not meet the defined Environment Policy, preserve the environment, promote sustainable development, combat climate change and preserve biodiversity. This recognition resulted in the definition of an Exclusion List for sectors of activity not financed by the Bank in Poland, and a similar list is being defined in the Portuguese operation.

Evolution of Non-Financial Reporting

The approach to sustainability by Group BCP is based on the most important national and international reporting and performance trends on environmental, social and governance issues.

Thus, in its Sustainability Master Plan, Millennium bcp defined several goals to face the most recent trends in terms of *sustainable finance* and *disclosure* of non-financial information, such as the subscription to the Responsible Banking Principles from the United Nations (UNEP FI) – to be carried out in 2021 – , the compliance with the targets defined within the scope of the Sustainable Development Goals, the adaptation to the new guidelines of the EU on non-financial reporting, including the recommendations issued by TCFD – Task Force on Climate-related Financial Disclosures, the alignment with the Taxonomy Regulations or the Sustainable Finance Disclosure Regulation (SFDR) or the definition of Science Based Targets in line with the Paris Agreement.

The Bank considers that it plays a relevant role in the compliance with the European and international commitments and recognises the importance of the involvement and alignment of the financial sector in the transition into a sustainable economic development model. In terms of climate changes, the Bank assumes the commitment established within the scope of the Paris Agreement and the objective of limiting global warming below 1,5° degrees Celsius. In what concerns an ethical and responsible leadership, we must emphasize the commitment assumed by Group BCP with the principles of Global Compact defined by the United Nations, which comprise 10 Principles within the scope of Human Rights, Working Conditions, Protection of the Environment and Anti-corruption.

In terms of reporting guidelines, the Bank develops its Sustainability Report in line with GRI Standards, also publishing SASB indicators, namely those associated with the financial sector, as well as the recommendations from TCFD and, in Portugal, from CMVM – Comissão de Mercado de Valores Mobiliários.

On issues related with Sustainable Finance, the Bank monitors the evolution recorded in terms of regulations for the financial sector (namely the Plan of the European Commission for Sustainable Finance, the guidelines defined by the European Central Bank and by the European Regulatory Authorities, among other) and, as mentioned before, participates in several work groups on this theme.

The communication of information related with sustainable finance (pre-contractual information on products and services and periodical disclosures on the alignment of the bank's portfolio), namely through the observance of the requirements on sustainability-related disclosures in the financial services sector (Regulation EU 2019/2088) and the classification system for sustainable activities, i.e. an EU taxonomy (EU Regulation 2020/852), will represent a key component for the promotion of transparent information.

In addition, the Group wishes to ensure an increasingly greater alignment between offer, business procedures and operations of the financial sector and the ESG themes (*Environmental, Social and Governance*), by means of the inclusion of social and environmental issues in the activities performed by the company, from risk management to offer and management of internal activities.

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In 2020, Millennium bcp signed the "Statement from Business Leaders for Renewed Global Cooperation", an international declaration of the United Nations Global Compact that attests to its commitment to ethical and value-based leadership.

MAIN EVENTS IN 2020



Main Events 2020

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

JANUARY

- Subscription to the European Green Capital 2020 commitment – Climate Action 2030, contributing for a collective dynamic to help the environment and towards sustainability;
- Inclusion, for the first time, in the Bloomberg Gender-Equality Index, joining the group of companies that, in the world, stood out in terms of implementation of practices and policies on gender equality, diversity and inclusion;
- Bank Millennium in Poland was included in the index WIG-ESG of the Warsaw Stock Exchange as a recognition for the work developed in environmental, social, economic, and corporate governance issues.

FEBRUARY

- Participation in an international paper on Financial inclusion promoted by EFMA - *European Financial Management Association*, gathering experiences and good practices of Corporate Social Responsibility and a group of world banks;
- Attribution of the award Rui Osório de Castro Award/ Millennium bcp by Fundação Millennium bcp (4th edition), distinguishing the development of innovative projects and initiatives in child cancer.

MARCH

- Launching, within the context of the pandemic, of solutions to support individuals and companies, promoted by the Portuguese Government and by APB;
- Millennium bcp was also part of the movement Portugal #EntraEmCena, that joins artists, public and private companies, in the support to Culture.

- Fundação Millennium bcp supports the 13th edition of the StartUp Programme from *Junior Achievement Portugal* (JAP), encouraging the entrepreneurial spirit of university students;
- Fundação Millennium bcp supports the launching of the “Line to Support Families” from CERCICA with the purpose of respond, in Cascais, to the aggravation of the social isolation of people mentally disabled due to the Covid-19 pandemic.

APRIL

- Support to the National Health Service (NHS) through initiatives such as the campaign “United for Survival”, the rehabilitation of Hospital Curry Cabral and the construction of the Contingency Hospital in Lisbon;
- Fundação Millennium bcp supports the Food Emergency Network of the Food Bank, increasing its its annual contribution;
- The foundation Bank Millennium, in Poland, donates 500.000 PLN to the Bio-organic Chemistry Institute from the Polish Academy of Sciences (ICHB PAN) of the city of Poznan for the development of the first Polish tests for Covid-19;
- Bank Millennium in Poland, one of the leading companies in the management of Corporate Social Responsibility policies and practices, is once again in 2020, part of the top 10 ranking of Socially Responsible Companies of the Responsible Business Forum;
- Bank Millennium, in Poland is recognised at the contest *TOP CDR Technologically Responsible Company*, for its project “Banking without barriers” in the categories Digitalisation and Public’s Choice.

MAY

- Participation at the conference of donors, being part of the Portuguese contribution for the initiative of the European Union aiming at developing a vaccine and a treatment for Covid-19;
- Millennium bim, in Mozambique, cancels all the initiatives to celebrate its 25th anniversary to support Mozambique in its fight against the pandemic Covi-19, donating 15 million meticaís for the purchase of equipment for Hospital Central de Maputo, namely of protective equipment for health professionals;
- Fundação Millennium bcp supports the conservation and restoration of the Saint Vicent panels of Nuno Gonçalves, which can be seen at the Portuguese Museum of Ancient Art (MNAA);
- Confirmation of Millennium bcp in the index of the 200 more sustainable companies in Europe, in accordance with the sustainability index "Ethibel Sustainability Index (ESI) Excellence Europe";
- Millennium bcp subscribes to the manifest "Aproveitar a crise para lançar um novo paradigma de desenvolvimento sustentável" promoted by BCSD Portugal.

JUNE

- Fundação Millennium bcp supports, within the scope of the project "Shared Art" the exhibition "Manuel Amado Pintura sem Alibi" at Fundação Arpad-Szenes Vieira da Silva, in Lisbon;
- Millennium bcp, provides once more its support to the campaign "Portugal Chama", an initiative from the Portuguese State

aiming at contributing for the prevention of forest fires and increase public awareness for all risk behaviours;

- Fundação Millennium bcp continues to support the programme GOS - Gestão de Organizações Sociais, developed by AESE Business School in a partnership with ENTRAJUDA (Courses 19th and 20th, in Lisbon and Porto).

JULY

- 12th edition of *Festival ao Largo*, which every year presents on stage, this time at Palácio Nacional da Ajuda, and only with Portuguese artists, a series of shows with the best of opera, ballet, and symphonic music.
- Fundação Millennium bcp supports the 5th edition of Carpe Diem Art and Research, namely the Contest "Young Art Fundação Millennium bcp 2020" for students of visual arts;

AUGUST

- Publication of the 1st Progress Report on the contribution of Millennium bcp for the Sustainable Development Goals (SDG) of the United Nations, within the scope of the Bank's Sustainability Master Plan;
- Bank Millennium in Poland was awarded for the 5th time with the "POLITYKA CSR Silver Leaf 2020", an award attributed to companies that implement Corporate Social Responsibility policies and practices in their daily activities.
- Fundação Millennium bcp supports the 12th edition of Festival TODOS – Caminhada de Culturas 2020, an initiative of the Municipality of Lisbon that promotes an intercultural city, through the contemporary performing arts;



During the year 2020, Millennium bcp was, as always, at the side of people, society and local communities, in protecting the environment, the climate and biodiversity.

SEPTEMBER

- Subscription of the "Statement from Business Leaders for Renewed Global Cooperation", an international statement from Global Compact of the United Nations that shows the commitment with an ethical leadership, based on values and good governance practices;
- "Financial ABC", a financial education programme of Fundação Bank Millennium addressed to pre-school children, which has been adjusted to the social distancing rules imposed by the pandemic and publication of a new manual "How to teach finance to children" in a digital format, providing their parents with a number of videos on this specific theme with a psychologist;
- Millennium bim, in Mozambique, supports the programme "Clube de Raparigas" ("Girls Clubs") from the Clube Empresarial da Gorongosa, an initiative the purpose of which is to fight against the significant number of early marriages and school drop-outs by the promotion of activities addressed to girl's education and training.

OCTOBER

- Donation, following a campaign of migration of paper bank statements to digital ones, of 50.000 Euros to the project eco-ethics from Assistência Médica Internacional (AMI), to rehabilitate 5 hectares of land affected by the 2017 fires in the Leiria pine forest, where 5 thousand trees were planted;
- Millennium bim, in Mozambique, supports the creation of a new service of cardiology-respiratory diseases at Hospital Central de Maputo, strengthening the Hospital's capacity to help the local population under a pandemic context.

NOVEMBER

- "Millennium Solidário – Natal 2020", campaign for the collection of donations, included in the international movement "Giving Tuesday# in favour of Fundação do Gil, of CASA – Centro de Apoio ao Sem Abrigo and Fundação Just a Change;
- Fundação Millennium bcp supports, within the scope of Associação World Monuments Fund Portugal, the conservation of the interior of the Jerónimos Monastery.

DECEMBER

- Millennium bim, in Mozambique provides support to misplaced families in Cabo Delgado by offering 1.000 construction kits and food to those who were forced to move to Nanjua, District of Ancuabe, due to the terrorist attacks in Cabo Delgado;
- Election of Bank Millennium in Poland as the bank with the best performance in the ranking "*Climate Leaders Poland 2021*" from the magazine Forbes, obtaining the 2nd place amongst the Polish companies in the list related with the reduction of greenhouse gas emissions;
- Millennium bcp participates this time in the effort of communication and appeal for the participation in the regular campaigns of food collection promoted by the Food Bank;
- Millennium improves its evaluation in the 2020 edition of "*Carbon Disclosure Project*" (CDP), returning to the classification "A-" and to the performance category "*Leadership*";
- Subscription to the *Women's Empowerment Principles* (WEP) from *Global Compact* of the United Nations, an international platform for the development of gender equality policies and practices.



Through the Millennium bcp Foundation, even in a context very conditioned by the pandemic caused by Covid-19, we maintained the support to culture, education and science.



RELATION WITH STAKEHOLDERS



Relation with Stakeholders

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

Material issue: MANAGEMENT OF STAKEHOLDERS

Identification and integration of expectations

The most recent survey to stakeholders was made in the 2nd half-year of 2019. This process involved, through representative sample, the main interested parties, namely (i) Qualified shareholders, (ii) Clients from all Bank's segments, (iii) Employees, (iv) Community, (v) Suppliers and (vi) Media, obtained a response rate of 66%, enabling to update the identification of themes with greater relevance and impact on the Bank's activity, included in the new Materiality Matrix and in the 2021 Sustainability Master Plan.

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

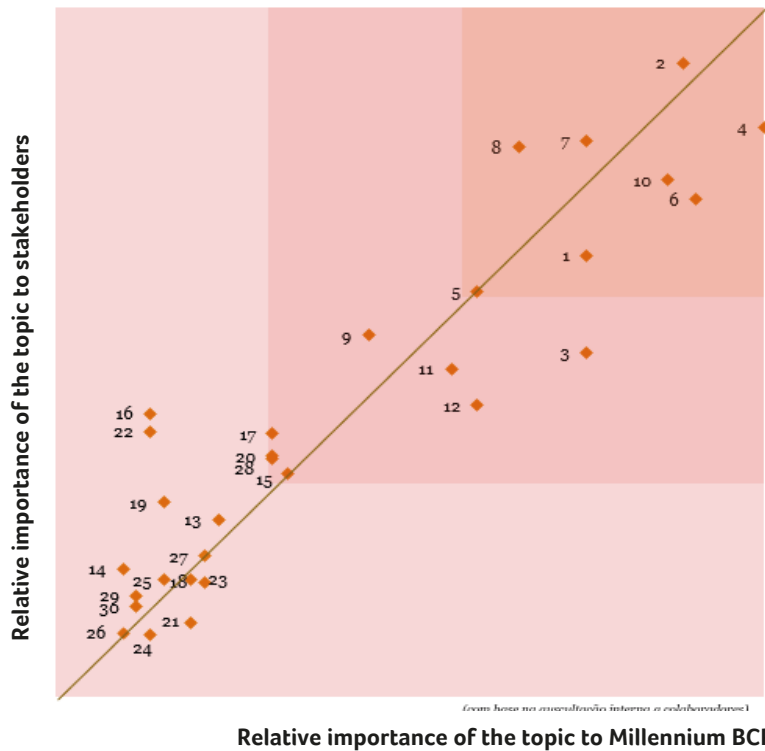
After defining in 2009, for the triennial 2010 - 2012 (afterwards extended to 2013), its first SMP in Portugal, the Bank drew up and approved in 2013 the new SMP for the two-year period 2014 – 2015, which was then deemed pertinent to extend until 2018. In 2020, the new SMP 2021 was developed and approved.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

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

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The 2021 Sustainability Master Plan incorporates the sustainability strategy and the axes Millennium bcp's operations.

MATERIALITY MATRIX



- | | |
|--|--|
| <ul style="list-style-type: none"> 1 – Sustainability Governance Model 2 – Economic performance, business and sustainability strategy 3 – Management of the brand and reputation 4 – Ethics and Conduct 5 – Fight against corruption and money laundering 6 – Risk Management 7 – Quality of service, customer satisfaction, and easy submission of claims and complaints 8 – Safety in information and data protection 9 – Transparency in the information provided to customers on products and services 10 – Innovation 11 – Development and training of human resources 12 – Capture and retention of talent 13 – Diversity and equal opportunities 14 – Occupational health and safety 15 – Conciliation between professional and personal life 16 – Respect for Human Rights 17 – Investment in the community | <ul style="list-style-type: none"> 18 – Corporate volunteering 19 – Financial Literacy 20 – Climate changes, energy efficiency and alternative energy sources 21 – Eco-efficiency 22 – Environmental awareness and education (employees, clients and community in general) 23 – Products/services with social benefits and providing support to companies 24 – Products/services with environmental benefits 25 – Financial inclusion 26 – Accessibility to individuals with a reduced mobility 27 – Integration of environmental and social criteria in the analysis of credit risk and investment management 28 – Preventing over-indebtedness 29 – Responsible management of suppliers 30 – Digital transformation in banking and its impact on sustainability |
|--|--|

It is within this context that the identification and the ongoing follow-up of the themes considered material by the Stakeholders of Millennium bcp – such as the one carried out in 2019 and planned to be carried out once again in 2021 – has been enabling the Bank to know the areas that show better performances in terms of Sustainability, but also enabled it to rapidly detect improvement opportunities representing a strong contribution for the adoption of an appropriate sustainability strategy adapted to new realities, challenges and requirements.

The Sustainability Master Plan (SMP) 2021, is an instrument of integration which, through a close, transparent and consequent relation, intends to meet the main expectations identified during the regular surveys made to the Bank's main Stakeholders and foresees, in its different aspects, the following initiatives and actions:

Material issue:

STRATEGY AND RESULTS

SUSTAINABILITY MASTER PLAN (SMP) - 2021

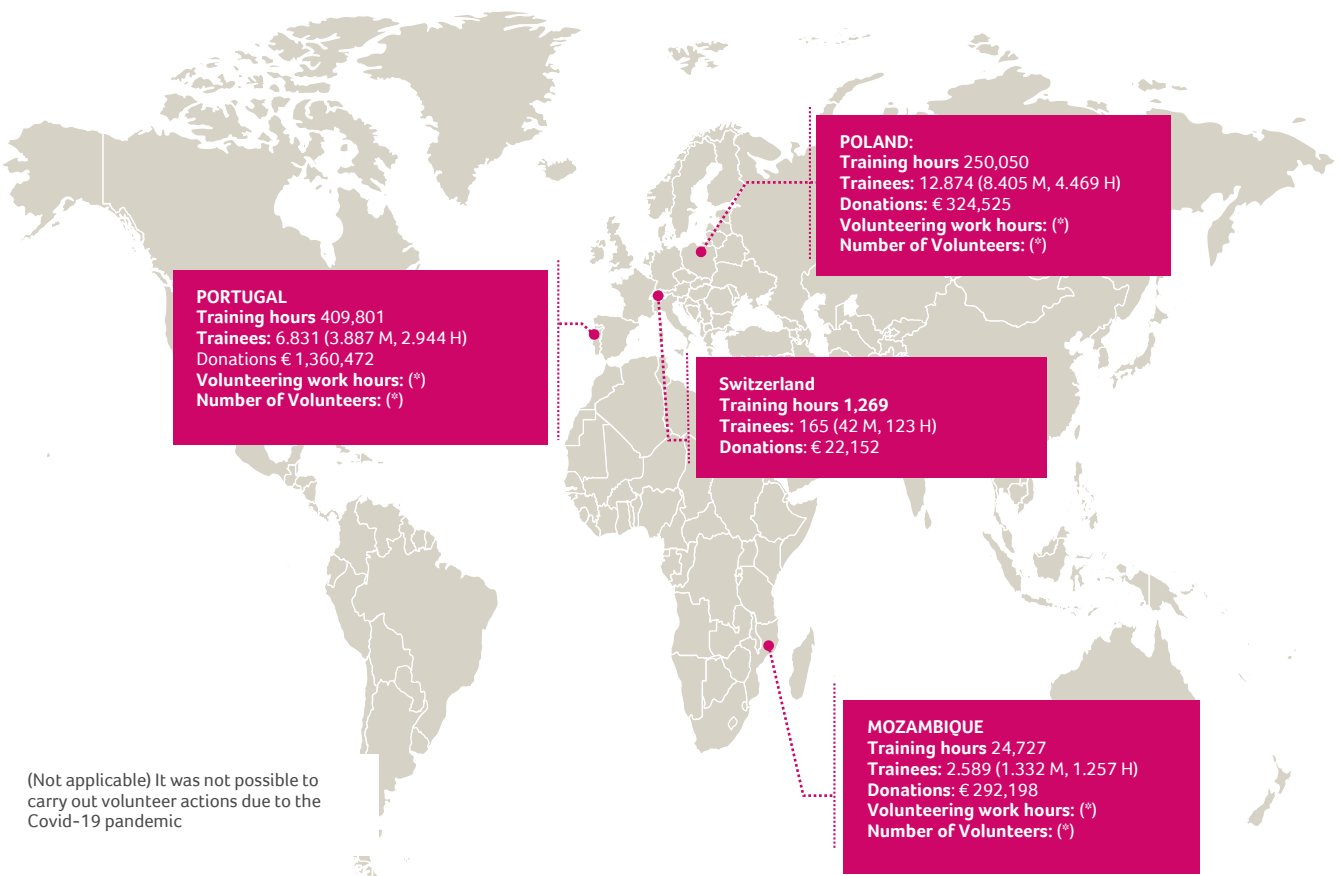
Size	Actions
Governance Model of Sustainability and Corporate Policies	<ul style="list-style-type: none"> - Implement a governance model of the Sustainability Area that allows multidisciplinary action, transversal to the organization, including, whenever justified, the international operations; - Revise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

Investment in the community	<ul style="list-style-type: none"> - Develop campaigns together with non-governmental organizations and charitable institutions to foster a sustainable development; - Reinforce association with Fundação Millennium bcp; - Reinforce and systematize partnerships with entities that promote and develop Entrepreneurship near local communities; - Develop social responsibility actions; - Measure the impact on the community.
Climate changes, energy efficiency and alternative energy sources	<ul style="list-style-type: none"> - Contribute to limit global warming to 2°C (Paris Agreement).
Environmental performance	<ul style="list-style-type: none"> - Minimize the environmental impact of the operations.

We shall present, in the following chapters, the most relevant initiatives carried out during 2020 together with the results obtained and the performance reached by the Bank in the several material issues identified in the materiality matrix. The 2020 Annual Report presents the performance of the BCP Group in the following issues: Governance Model, Risk Management and Shareholding Structure in the respective sections – Governance (and Corporate Governance Report), Risk Management and BCP Share.

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

MAP WITH ENVIRONMENTAL PERFORMANCE EVOLUTION BY LOCATION





ECONOMIC RESPONSIBILITY



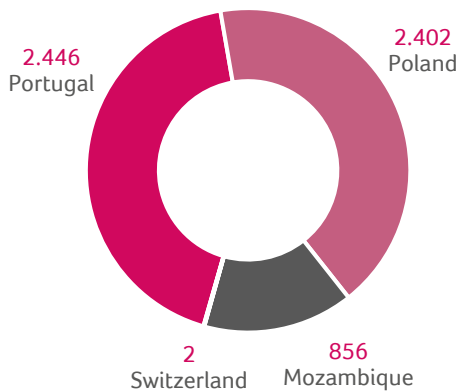
Economic Responsibility

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

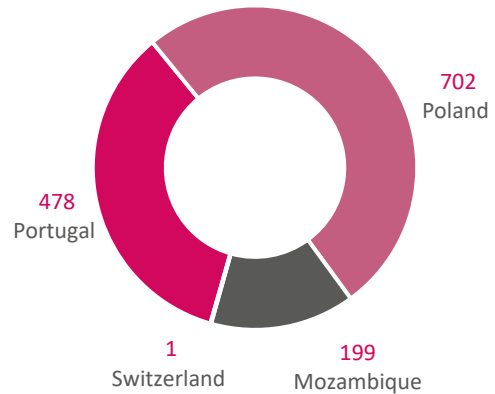
Millennium network

Millennium bcp is a bank with its decision-making centre in Portugal; it is the largest Portuguese private bank, serving, in 2020, approximately 5.7 million Customers with a network of 1,380 branches. The international activity of Group Millennium is carried out by banking operations headquartered in affinity markets and in countries with a recognized growth potential – Poland, Switzerland and Mozambique -, where it operates, under the Millennium brand, with 902 agencies.

Active Customers
(thousands)



Branches breakdown
(Nr. of Branches)

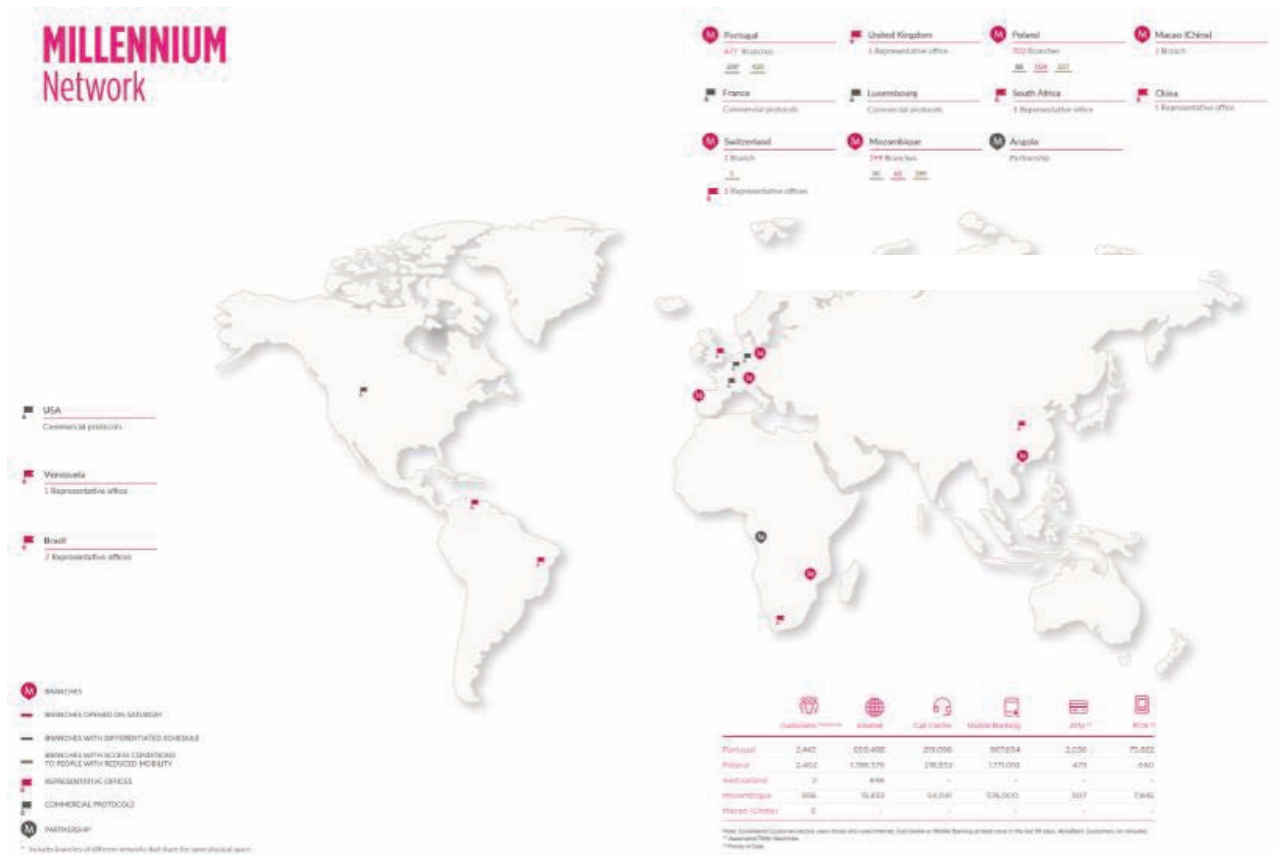


Active clients: First holders with, at least, 1 product with a balance > 50 cents, in absolute value and with card transactions in the last 90 days or with financial assets ≥ 100 euros



In 2020, Millennium bcp registered 5.7 million active customers, of which 2.4 million in Portugal.

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



Accessibilities

Material **ACCESSIBILITIES**

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

REMOTE CHANNELS AND SELF-BANKING

	Internet	Call Centre	Mobile Banking	ATM (*)	POS (**)
Portugal	650,488	219,096	867,654	2,036	75,682
Poland	1,786,578	218,832	1,771,010	479	660
Switzerland	656	-	-	-	-
Mozambique	15,833	54,041	576,000	507	7,945
TOTAL INTERNATIONAL	1,803,067	272,873	2,347,010	986	8,605
TOTAL FOR THE GROUP	2,453,555	491,969	3,214,664	3,022	84,287

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

(*) Automated Teller Machines

(**) Point of Sales (information SIBS)

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

In Poland, the programme “Bank without barriers” is still one of the main social programmes undertaken by Bank Millennium. The idea of a bank with no barriers, with products and services able of being used by all, without exception, is not only a Corporate Social Responsibility programme, but also represents the philosophy of the organisation and a relevant component of the Bank’s business strategy. It is within this reference framework and the use of innovative technological solutions that Bank Millennium has been trying to eliminate the infrastructural barriers, digital and physical, in the access to financial and non-financial services.

The mobile banking solutions which, in the universe of Group BCP already have more than 3.2 million users, represented in 2020, due to the Covid-19 pandemic, an important channel of products, services and financial transactions.

The Branches continue to represent a relevant contact channel for many clients. Thus, the bank in the several countries where it operates, diversifies the servicing hours in an attempt to guarantee and respond to the accessibility needs and requirements of its Clients. Within this scope, one must highlight the Branches that give access to individuals with a reduced mobility, which, in Portugal, already correspond to 88% of the total network and to 57%, in the remaining countries, showing an improvement versus the figures recorded in 2019. In Portugal, 200 branches have differentiated office hours going from 8.30 a.m. to 7.00 p.m., Poland has 85 branches with these office hours and Mozambique has 30.

We must also mention the opening of Branches on Saturday, extended working hours that, abroad, can be found at a total of 167 branches, versus the 143 recorded in 2019, and even represent, as is the case in Mozambique, more than 1/3 of the branches of this operation.

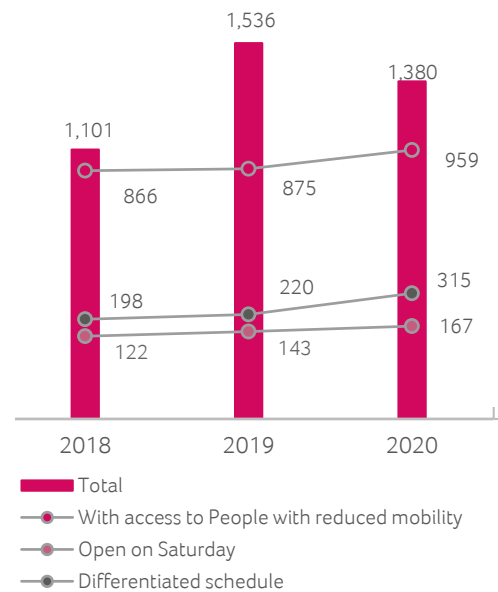
In Portugal, Millennium bcp continues to revolutionize its branch network. The Customer Branch Experience 2.0 of Millennium bcp is an innovative approach focused on the client, made through a cultural change, the re-design of products and processes and the integration of digital channels.

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

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

Within this context, the Bank already inaugurated 44 branches with this new layout in the entire country, a process that, within the context of the global renewal and modernization of the Branch Network, will be pursued during the next few years.

Branches accessibilities
(Number of branches)



Information security

Material issue: ELECTRONIC SAFETY

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

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

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

The information security programme is oriented towards the management of the information security risk and is based on a number of key general principles that aim to protect information, namely the governance of information security, the security of human resources, the awareness on information security, the classification, protection and processing of information, the systems and communication safety, the control on accesses to the information system, the supervision and response to security incidents, the assessment of information security risk and the capacity to recover.

In order to prevent, detect and mitigate intrusion attempts, the practice of illicit acts and new threats to security, the Bank invested strongly on a 24x7x365, with the implementation of a Safety Operations Centre and a service of Threat Intelligence in the incident response procedure, as well as on routine procedures to regularly assess the risk of business supporting information systems. In spite of the high number of security events which are detected every day, in 2020 there wasn't any serious security incident nor signs that the information systems are compromised.

Considering that Information security is a responsibility of all, Millennium bcp promotes a regular process of information security awareness addressed to all employees and Customers of the Bank, covering a set of relevant items, namely the main information security policies and the risks and threats we are all subject to on a daily basis, within an approach based on practical examples of e-mail, Internet and phishing.

Still in 2020, Millennium bcp continued to implement the cyber-security strategic plan, approved by the Executive Committee for the three-year period 2019-2021, with the purpose of putting newly identified safety solutions into practice and enhance the existing ones and mitigate the existing risks, consisting in the following macro-initiatives - *Cyber Risk, Strategy & Assets, Organization & People, Governance & Cybersecurity by Design, Cloud & Infrastructure, Application Security, Digital Identity, Data Privacy & Protection, Cyber Defense* and, within this scope, implemented the project *Integrated Cyber Defense Platform (ICDP)* that added a large set of tools that contributed to increase the resilience of information security in information safety, safety against threats and management of information security.

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

The companies are classified in a scale from 250 to 900, the classifications are updated daily and remain available on the BitSight platform. The higher the classification is, more efficient is the company in the implementation of good practices in cybersecurity. The BitSight security rating enables obtaining an indication on global cyber-security performance of the Bank and to compare it with the one from the Portuguese banking industry. During 2020 the period of time under analysis, Millennium bcp kept, in a consistent manner, one of the best safety ratings of the Portuguese banking industry.

The evolution recorded by the BitSight security rating of Millennium bcp throughout 2020 was the following:



Additional reference to the business continuity management system implemented by the Bank, enabling to ensure the availability of processes and systems to support the most significant business.

Innovation

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

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

In Millennium bcp, the mobilisation of talent and the Bank’s digital transformation, crucial pillars of the strategic plan defined for 2018-2021, has been able to provide the Bank with tools, knowledge and new working methods that, combined, enabled us to act and respond swiftly and efficiently to the challenges that we face on a daily-basis that, in a year such as the one of 2020 where we collectively faced unprecedented adversities, ensured the maintenance of levels of excellence in the quality of the service provided to the client and reinforced proximity and trust.

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

- The transformation of the customer experience in the relation and use of the services and products made available by the bank in digital channels. We include herein a new form of participation of the customer in the design of the product, either through customer research or recurrent tests with customers;
- The use of a new approach for the development of products and services, adopting the agile as a principle for the functioning of the teams, demanding multidisciplinary, new competences and, above all, a time to market more adjusted to the times we live in, launching pilots and testing solutions, creating value in a recurrent manner and using best in class design abilities;
- The re-design of the main end-to-end client events, particularly those handling business deemed as key (e.g. personal loans, investments, etc.);
- NextGen Ops as a new platform for the automation of bank services, resorting to state-of-the-art technologies, focused mainly on automation, Robotic Process Automation (RPA), Optical Character Recognition (OCR) and Natural Language Processing (NLP). It will include also the re-engineering of processes through new work flow solutions;

- New solutions on analytics, using models with machine learning, that are giving the bank the possibility to leverage significantly in areas where it seeks to meet its client's needs;
- A new approach to the distribution model, focused on convenience and on the migration of transactions into digital channels, allowing the physical network to focus on the relation with the clients and on the satisfaction of their most complex needs;
- A strategic plan for the re-definition of the IT function, adopting new approaches more appropriate to the current needs, of which we may emphasize, as main pillars, the use of cloud, the design of API for internal and external consumption, an architecture based on the use of micro services and an increase in investment in cyber-security.

Hence, and to exemplify the developments already made within the scope of the described strategy, we point out (i) the new home loans simulator denominated "How much may I ask", available on the App and on the website that allows Customers and non-Customers to assess the amount of credit they may request against pre-assessment of their risk profile, (ii) the new campaign for the subscription of funds on the App that enables comparing the yield and sustainability ratings of several products, application of several filters, providing all the information required for investing; and (iii) still in investment solutions, the bank also launched a new service to support the investments addressed to Prestige Clients, provided at the Branches by a Manager certified in investment advising, which ends by the issuing of a recommendation based on the Client's objectives and investor profile.

We must also emphasise the increased automation of banking services in internal processes, continuing a project started in 2019 that has been reinforcing the installed digital work capacity, currently based on RPA, OCR and NPL tools. This digital workforce was crucial to support, in due time, our corporate clients within the scope of the lines Covid-19, enabling to, in a short period of time, to process the granting of around 2.3 billion euros in credit.

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

This report is made by experts of Bank Millennium and represents a contribution for the public debate on factors that promote and inhibit the development of the different regions of Poland, contributing also to reduce the gaps that exist between them. In 2020, in the fifth edition of the report, the contents were further developed with the inclusion of comments from an extensive number of corporate experts and scholars.



Shareholders

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

In 2020, 469 discount vouchers were issued, within the scope of the 184 established partnerships, of which 7 are new ones, involving 13 offers.

The access to the space "Millennium bcp Shareholders" is free of charge and the same is a specific area of the website millenniumbcp.pt enabling also to access highlights on events and activities of Group BCP and information addressed to investors. It has a newsletter specifically produced for Shareholders.

Employees



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

Material issue: WORKING CONDITIONS AND HUMAN RIGHTS

GRI 405-1

Group BCP guarantees a fair treatment, with equal opportunities to its Employees, promoting meritocracy in all stages of their professional path, defining their remuneration in accordance with the category and degree of fulfilment of the defined objectives and the wage ratio of 1:1 between men and women with similar functions, levels of responsibility and equivalent professional careers.

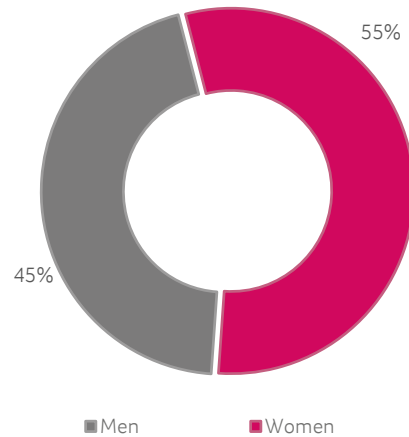
The general principles ruling the BCP Group contain values and performance guidelines applicable to all employees resulting in an express orientation so that, regardless of their hierarchical level or responsibilities, all Employees act in a fair manner refusing any discrimination but also in the reaffirmation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

In the Human Rights area, the BCP Group prevents the risk of violation of these rights, among other mechanisms, through mandatory adherence by its employees and business partners to the Code of Ethics, in which this issue is regulated, and also allowing anonymous communication of violations in this regard. On the other hand, the relevance of this issue for the Group justifies its inclusion in the Organisation's Risk Management, namely in Operational Risk, in the categories of Employee Relations (R3), Breach of Work Health and Safety Regulations (R4) and Discrimination over Employees (R5). In 2020, and as in previous years, the results of the Operational Risk Self-Assessment show the low level of exposure to these risks (level 2 on a scale of 1 to 5), in its main geographies.

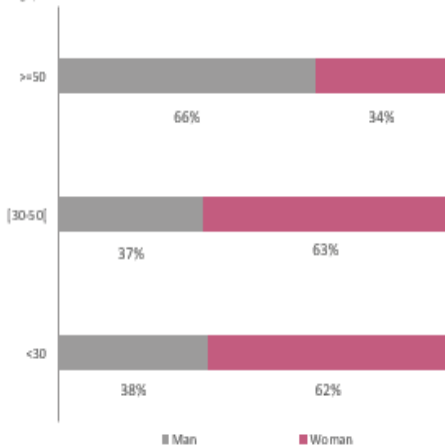
The commitments undertaken by the BCP Group within the scope of human rights, labour conditions and equal opportunities are also enshrined in the corporate policies, of which the policies on (i) Human Rights, (ii) Diversity and Equal Opportunities and (iii) Occupational Health and Safety are an example. These policies are available for consultation on the Bank's website, in the Sustainability area:

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

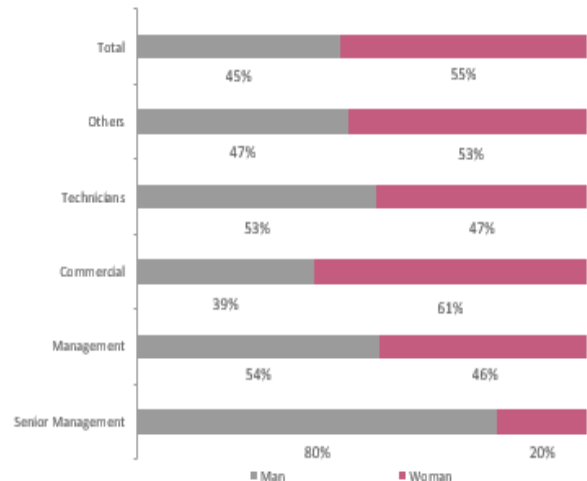
Breakdown by gender (Percentage)



Age breakdown by gender (Percentage)



Professional category by gender (Percentage)



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

Within the scope of gender diversity, in the Board of Directors, in 2020 and in Portugal, 23.5% of these functions were performed by women.

Within the scope of gender diversity in management functions (Executive Committee/Senior Management and Management) in 2020, globally, 44% of these functions were performed by women – 22% in Portugal, 59% in Poland and 27% in Mozambique. In commercial functions, this figure increases to 61% in the Group, i.e. 48% in Portugal, 75% in Poland and 61% in Mozambique.

In 2020, the Bank, in Portugal, published a reviewed version of its plan for gender equality, a document that describes a number of specific actions and practices to implement until the end of 2021 in order to foster diversity and inclusion.

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

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

In 2020, Millennium bcp joined the “Women's Empowerment Principles” (WEP) from Global Compact of the United Nations, an important international platform for the promotion of gender equality that translates our long-term view and the will to be part of a collective dynamics based on cooperation and trust.

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

Already in 2021, BCP was also included, for the second time, in the Bloomberg Gender-Equality Index, joining to the group of companies that, in the world, stood out in terms of implementation of practices and policies on gender equality, diversity and inclusion.

The presence in this index, that puts together companies from 44 countries is a landmark that shows the Bank's commitment with the development of its Sustainability Plan and the recognition of its commitment on matters related with equality of gender and a clear and transparent non-financial reporting.

In 2020, the processes for the management of People were marked by the prevention and control actions developed in the wake of the Covid-19 pandemic declared by the World Health Organisation (WHO) on 11 March, that led the bank to trigger its Contingency Plan, with two clear objectives: (i)

protect people, employees and all the surrounding community; and (ii) keep the Customer service levels.

Within the scope of inclusion and diversity, in 2020, Millennium bcp gave its contribution in terms of ideas and development of solutions in the Inclusion Labs, a new way to involve the community promoted by the Inclusive Community Forum (ICF) from NOVA SBE. It is with a strong sense of responsibility that Millennium bcp is participating in this pioneering group, specifically in the training on social skills and employability for disabled individuals. Five Inclusion Labs (work sessions) were held and 4 interim meetings, totalling 24 hours.

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

Our view is based on the assumption that looking at the disabled person based on his/her potential and on what he/she is able of doing.

We believe that the path to follow is to approach candidates looking at their skills and their competences and not their limitations imposed by their disability, whatever this one may be. If the skills to perform a task exist or are able of being developed in the short/medium term, we shall carry out the necessary adjustments so that their limitations are attenuated or even eliminated.

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

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

Thus, the Bank continued to make, in 2020, the annual survey on the satisfaction with the internal services near the Employees in Portugal, which obtained a global value of 80,6 i.p., above the one recorded in the previous year (79,8 i.p.), being even the best result ever, a fact that, within the pandemic context that we are going through, is particularly appreciated.

The Bank carried out other 26 surveys to Employees, with specific purposes, ones with the objective of improving the operational procedures but, mostly, related with the Covid-19 Contingency Plan, which allowed a close and efficient monitoring and management of issues related with the pandemic (Covid-19 Tests, Vaccination, Disinfectants, the use of masks in Branches, ...)

In Poland, the value recorded in 2020 was 89 i.p., translating an improvement of 2 i.p. *versus* 2019 (87 i.p.). In Mozambique, the value recorded in 2020 was 70 i.p., reflecting a decrease *versus* the 73 i.p. recorded in 2019, and, in Switzerland, the 71 i.p. registered in the reporting year compare with the 73 i.p. obtained in 2019.

Covid-19 Contingency Plan

In 2020, the health and well-being of the Employees within the context of Covid-19 pandemic was one of the priorities of the organisation that, adopted, at each moment, the most appropriate responses, based on the guidelines issued by the public authorities and on the available scientific knowledge.

Protect the health of the Employees, Clients and of all those that contact with us, remained our primary concern.

In that sense, the Crisis Management Cabinet that monitored the themes related with the pandemic, approved the implementation of the several proposed and more relevant measures so as to guarantee a management adjusted to a reality that is constantly changing.

The Human Resources Division, together with the Medical Services has been accompanying the Employees in

everything related with the pandemic and has been able to find solutions for the risk situations that occurred, as foreseen in the Contingency Plan.

The Managers of Human Resources remained even closer to the several areas of the Bank playing an active role in the follow-up of suspicious cases and in the work organisation that is required in each case situation.

Together with this follow-up and within a prevention perspective, we must mention the bank's investment in regular testing to Covid-19, as well as the active role played in the acceleration of vaccination for the prevention of seasonal diseases such as the flu and pneumonia, stressing its concern with the health and well-being of the Employees.

These initiatives and the proximity achieved during this hard times resulted in the trust and expressive recognition by the Employees translated in the replies to a specific survey on the themes related with the Covid-19 pandemic.

Together with the governmental guidelines, the guidelines issued by the health authorities and the demands felt the Human Resources Division promoted the communication of the useful and necessary information in due time and developed, with swiftness and rapidity, measures and tools that it placed at the disposal of the Employees, enabling Millennium bcp to ensure its full functioning.



BCP reinforces its commitment with the ten Principles of Global Compact from the United Nations.

Material issue: CLOSENESS AND TRUST

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

Training

GRI 404-1

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

In overall terms, 3,670 training actions were ministered, corresponding to over 685 thousand hours of training, with an average of 40 training hours per Employee. During 2020, the training effort kept its focus not only on the commercial areas, but also on technical, operational and compliance areas and on team management

In Portugal, in spite of the pandemic context, 2020 saw a significant investment on the development and training of the Employees and the Bank was able not only to maintain the training hours at high levels (409,801 hours), but also to pursue with the development programme s. This training dynamics that enabled to carry out 445 actions - 64 of which face-to-face - was focused on several areas of knowledge, notably Hygiene and Safety at Work, Finance Management, Corporate Management and also Insurance Techniques, Information Technology, Compliance, Audit, Legal, Regulatory and Safety.

The Millennium Banking Academy (MBA), created in 2016 by Millennium bcp in what would be the first internal academy for a Bank in Portugal, adapted to a context imposed by the Covid-19 pandemic, transforming behavioural training, initially planned for face-to-face sessions, into live web courses using the Teams platform.

Due to this context, training through *e-learning* in Portugal increased enormously and new courses were developed, recording a growth in training hours from 2019 to 2020 exceeding 200%.

We also carried out two e-learning trainings aimed at preparing the Employees for the exercise of functions within a context featured by the security measures imposed by the pandemic: the Teleworking Guide and Return Safe and with Trust. The purpose of the Teleworking Guide, launched by the beginning of April, was to present the main challenges of remote work, suggest approaches, methods and tools to follow-up and control activities and suggest performance rules to remain efficient in teleworking. The overall objective of the course Return Safe and with trust launched in May was to disclose the measures necessary for the protection of all in the workplace.

Continuing this training strategy, the Bank launched in October 2019 the Digital Academy that came from the Bank's will to reach a leading position in digital in the market, a will that required a complete cultural and technological transformation, appropriate for the different groups of employees of the Bank : the Tech – of the areas of development, architecture, cloud, safety and data –; the Business – from the areas that develop new business solutions –; the Ingenious – young people from technical areas – and the Millennials – all Employees –.

The behavioural and technical training, supported on different methodologies and channels, was also enhanced. Hence, to broadly increase digital literacy, the Bank launched (i) the item “Digital Shots”, video contents with 1 minute on technological themes, (ii) e-learning courses on how to use and take advantage of digital tools currently available (Smartphones, MS Teams, Office 365) and (iii) tailor-made training actions addressed to fulfil specific needs of the different technological and business areas for the construction and development of a more resilient and digital culture able to respond to current and future challenges.



TRAINING

	2020	2019	2018	VAR.% 20/19
NUMBER OF PARTICIPANTS ⁽¹⁾				
In person	18,231 (W 62,0%, M 38,0%)	31,043	42,906	-41.3%
E-learning	376,977 (W 65,4%, M 34,6%)	311,211	158,845	21.1%
Remote	61,648 (W 45,6%, M 54,4%)	59 592	63,512	3.5%
NUMBER OF HOURS				
In person	128,153 (W 62,5%, M 37,5%)	319,236	298,361	-59.9%
E-learning	421,190 (W 55,6%, M 44,4%)	343,403	121,634	22.7%
Remote	136,504 (M 45,9%, M 54,1%)	184,544	205,998	-26.0%
PER EMPLOYEE	40 (W 55%, M 45%)	46	39	-13.2%

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

“

In 2020, the average number of training hours per Employee was 40.

In the first quarter of 2020, 74 employees participated in the programme DAE-Desfibrilhação Automática Extern, the purpose of which was to teach the participants on how to use a defibrillator. The sessions of this course, part of a DAE Programme, licensed by INEM, focused on practical items and lasted one day.

In the segment Prestige, was lectured a new training program for new Prestige Managers, with the objective of increasing the behavioural and technical competences required for the exercise of the function of Prestige Manager. 2 editions took place – in January (in person) and in October/November (remote) – comprising a total of 67 Managers. The total of training hours/Manager is 30 hours divided between contents with a behavioural nature, of product and service and commercial systematics.

In the Retail Network, the training “Sempre Próximo”, carried out from April to May and addressed to all Employees of Retail Mass Market in teleworking had, as main objectives: to be closer to the Employees; sharing of good practices to be closer to the Client and take advantage of the current context to fine tuning techniques able of improving the service of excellence. The training included 163 Employees and was carried out through the Teams application.

In the second half-year, we carried out the training Teams with Attitude addressed to all Mas Marke, Prestige and Business Branch Managers. The purpose of this training was to enhance key-concepts to improve a Service of Excellence for the Client and reinforce the role played by the leader and the systematic as critical factors for success, within a pandemic context. 583 Employees participated in this training, via Teams.

We also continued the face-to-face training “Vender Soluções” and “Encantar Clientes” addressed to Commercial Managers Mass Market in Lisbon and Porto. It had the participation of 58 Commercial Managers.

The Programme #1 Experience resumed the training addressed to Retail teams. These quarterly sessions, denominated training #1, were assisted by a trainer specialised in communication, the specialist on Portuguese language, Ms. Sandra Duarte Tavares, to approach behavioural themes with impact on the Client experience and the success of the sale, through videos, quizzes and challenges with the involvement, as a team, of the entire commercial structure.

With the purpose of contributing to the well-being of the Employees through personal and emotional development actions all the Bank’s employees were invited to enrol in e-learning courses on the following themes (i) From Stress to Well-Being; (ii) Discover Body Language; (iii) Personal Efficiency.

Around 1.000 accesses were made available to Employees and the course Personal Efficiency became part of the Prestige Onboarding Training.

The publication of the Regulations 6/2019 of 3 September brought new demands in terms of Insurance certification and implied an enormous effort to ensure certification and the update of knowledge on Insurances of all Employees exercising functions of *PDEAD-Pessoa Diretamente Envolvida na Atividade de Distribuição de Seguros e Fundos de Pensões*. (Person Directly Involved in the activity of distribution of Insurances and Pension Funds).

This way, in 2020 were carried out 135.214 training hours and 2.164 achieved their certification in insurances. Also regarding the Prestige Segment, more than 600 Branch Managers got their certification via an online exam (exceptionally authorised by CMVM due to the pandemic context) for the provision of Financial Counselling within the scope of MiFID II, resulting in around 30.500 training hours.

With the purpose of reinforcing written communication skills, in the components: language rigour, clarity and persuasion and respond to the needs of the different areas of the Bank, was developed a training with the collaboration of the Portuguese language specialist Ms. Sandra Duarte using a webinar format on Language Rigour, open to the entire Bank and two more session using the same format, one for employees from the central areas – Writing with Clarity and another for employees from the commercial areas – Writing with Persuasion. Another 15 practical sessions were held via Teams, adapted to each one of the areas involved, comprising 320 trainees.

In Portugal, in 2020, due to the Covid-19 pandemic the training on-job was not a priority and the training actions were channelled to weblive training sessions (18.386 training hours and 5.720 trainees).

In 2021, and pursuing a strategy able of always providing more and better training, but also adjusted to teleworking, our goal is to increase the number of training hours provided through this format in more than 5%.

The Training Academy continued to develop specific training paths of the different functions of the Commercial networks, automatically making available to each through the training platform, courses necessary for the performance of their duties.

Every year, all the employees have the opportunity to contribute for their professional development by filling in a form and having a session with the person directly in charge of his/her area.

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

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

Due to the restrictions imposed by the Covid-19 pandemic, all training sessions, since March 2020, are only available through electronic means.

Bank Millennium continues to organize training programmes and coaching that include all the employees, with actions focused primarily on the response to regulatory requirements, internal and external, such as those on health and hygiene at work, data protection, information safety, also promoting training programmes on leadership, management and holding several conferences.

In 2020, the bank carried out 3,114 training sessions, in a total of 250.050 hours, investing significantly in issues related with Client service, products, compliance, risk, and leadership. Thus, the bank continued to provide commercial training addressed to the retail network that, including the preparation of new employees, also includes carrying out workshops on Client servicing, sales, credit and investment and also e-learning courses on products - new or improved -, procedures, bank apps and digital channels.

In the Prestige network, webinars on the current situation of the financial market were carried out by external experts and were addressed to Prestige Managers. For the newly-recruited consultants, the Bank continued to provide them with the certification programme Prestige Advisers, that includes training contents on financial markets and investments.

Regarding Companies, the bank implemented a similar programme, through e-learning courses and workshops given by external companies. Reference must be made to the course on sales efficiency and stress management, wherein the consultants and products experts were invited to participate in a 2 days training, under a storytelling format, where they developed methods to make a catalogue of their own sales episodes.

The Company Consultants Advisers were also trained by an external company on the financing of national and regional projects and investments with EU support funds.

In 2020, the Bank organized online workshops on teleworking. The Employees with leading position reinforced their competences in coaching and remote management of teams and developed methods to increase the work efficiency of their team members.

In 2020, we continued to carry out lectures within the scope of the programme Campus. This programme that aims to support the growth of an organization

focused on innovation, intends to create a reflection space based on science and business.

Seeking solutions and answers for a reality under a constant change, inspired on a bold and creative experimentation able of representing a long-lasting competitive advantage for Bank Millennium, is the main objective of the online lectures, synchronous or recorded, carried out within the context of the programme.



In Poland, we must point out an initiative especially addressed to the women of Bank Millennium, the 3xM (ille). This project consists in the regular making of conferences with inspiring women of the organization and a special guest. The meetings are followed by debates and networking that, by allowing the exchange of contacts and experiences, help to broaden horizons and personal objectives. Two meetings were held in 2020, one of them on internal motivation. This cycle of debates counted with the participation of 140 women employees of Bank Millennium.

In 2020 Bank Millennium, trained 12.874 individuals (8.405 Women and 4.569 Men). On risk-related issues, 613 Employees received specialized training and 122 employees received training on human rights.

Also in Switzerland, whose training actions virtually include all its Employees, the actions developed, in a total of 1,269 hours, addressed commercial and leadership issues. Reaching 81 Employees, 95% of its staff, they primarily consisted in training sessions especially designed to cope with the needs identified in this operation.

Beside specific programmes, depending on the individual needs of each employee, the trainings transversal to the organisation have the purpose of reinforcing the corporate vision and culture. In 2020, due to the pandemic, the managing staff received training on virtual and management tools.

We must refer, in this country, the reduction in the work hours for employees close to retirement, preparing the organisation for their departure and ensuring a period of personal adjustment to a future lifestyle.

Talent management

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

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

Based on three main pillars: i) ensuring training per functions for the Retail Employees; ii) providing diversified and consistent training to support the Employee's main needs; iii) Creation of a training curriculum per employee, it provided in 2020, a total of 24,763 of general and specialized training hours to 2,589 employees (1,257 women and 1,332 men).

In a year when the major highlights of the training offer were themes such as Leadership, Technical Training, IT Training, Behavioural Training, Compliance, Training addressed to the commercial network, the Bank continued t the Leadership Programme "Líder Millennium bim 4.0". This programme, launched in 2018 with the purpose of aligning the leadership practices of the bank with the 8 core competences defined for Leader Millennium bim, comprised the Executive Committee and all heads of the group, being planned for 2021, its extension to the 2nd and 3rd structure lines.

To strengthen operational rigour practices, we must emphasise the training actions on the Prevention and Fight against Money Laundering and Terrorism Financing addressed to all Employees. These actions are reinforced in the course of the year through retraining and awareness actions during the commercial cycles.



Managing individuals is one of the strategic pillars of the competitiveness of the BCP Group. Simultaneously with the valuing of general and specific skills, it is crucial, in an organisational enhancement perspective, to identify Employees with potential and talent, so that in future they can perform duties of higher complexity and responsibility.

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

Within a perspective of the bank's sustainability and the ongoing objective of upgrading and develop the Employee's skills, Millennium bcp tries to identify those with potential and talent to assume functions with increased responsibility and complexity. The adverse context of the pandemic forced the Bank to reassess the entire training process, face-to-face until this date and transform it into a remote one appropriate to the existing need and enabling to maintain the same proximity, always focused on the development of the Employees.

In Portugal, in 2020, the bank resumed the programme M Power, already adjusted to the new format, but with the same ambition of continuing preparing the future leadership of Millennium bcp. The current scenario reinforced the need to prepare and mobilise the leading staff to think and act in an adaptive manner within a challenging context, improving their resilience and reinforcing competences such as emotional intelligence, cooperation, power of persuasion, empathy and creativity so that they become the engine of the ongoing cultural transformation within the organisation.

Millennium bcp, aware of the importance of investing in the management of talent for the success of the organisation and ensure a competitive advantage in the market, continues to be focused on the value proposal of the programme *inGenious*. The training programme for young talents, working in technology and analytics areas, tries to prepare them to face the increasingly complex challenges that they have to face and develop their critical thinking, increase teamwork and cooperation.

We must once again point out another edition from the *inGenious* Trainees Academy that consisted in the integration of a group of 46 young individuals within the culture and strategy of Millennium bcp, providing them with training on core business issues, with a strong technical and behavioural component and involvement in appealing projects which are fundamental for the bank's activity.



In Poland, we continued to cooperate with student's associations. In 2020, we focused on the cooperation with the Scientific Circle of Statistic Students, pursuant to a protocol signed in 2017.

Bank Millennium is also an official member of the SGH's Partners Club, through which it participates in the development of strategic projects and educational plans proposed to the students.

In 2020, the bank was distinguished with the Training High Quality Certificate due to its traineeships.

In 2020, Bank Millennium faced the global challenge of Covid-19 and re-organised its activities to attract talent to be able to ensure the highest level of safety for its employees and remaining participants, an example being the digital Week with Career Counsellors organised by the Faculty of Economics of Warsaw wherein the students had the chance of meeting the career opportunities in the Bank and also the regular attendances (4 in 2020) at job fairs

with the purpose of bringing closer the potential work specifications of the candidates and the career development possibilities offered by the Bank.

To reach branch professional groups, the Bank uses efficiently the social media *LinkedIn* and *Goldenline*, actively promoting its brand as an attractive employer and successfully communicating with potential candidates. Regarding IT and digital, the communication via *LinkedIn* is the most used by the candidates.

Bank Millennium, concerned about its Employee's experience, launched the on boarding project for the IT and central services areas, within a project to be extended to the commercial areas that comprises a welcoming pack for the new employees and a e-guide with information for managers.

In 2020, Bank Millennium received for the 7th consecutive time the award Reliable Employer (Solidny Pracodawca). The distinction of Reliable Employer is a special award for the best employer in Poland, featured by their reliable employment policy, solutions especially envisaged for their employees and fair and inclusive human resources processes.

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

It is a place to hold meetings, carry out online work and debates/conversations with specialists from the University and from Bank Millennium.

In Mozambique, considering the additional challenges imposed by Covid-19, the bank implemented changes in the recruitment process with the introduction of the technological component and re-designed the experiences of the new employees.

In 2020, at Millennium bim, were also consolidated the partnerships established with the major most important universities of the country and signed cooperation protocols to attract the best graduate students.

Assessment and recognition

GRI 404-3

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

The performance evaluation cycle, completed in 2020, maintained a level of involvement of the participants in all the countries where Group BCP operates and evaluators and evaluated, in line with the figures of past years (100%) and the results regarding the satisfaction with the process show an increasing trend *versus* previous years, namely in the segment of the evaluated who are very satisfied.

In Portugal, the 3rd edition of M Desenvolvimento reached an end; this is a programme that enables the employees to share, voluntarily, their professional aspirations and contribute in an active manner for their fulfilment. The Employees may, if they feel the need to develop any specific skill or intend to do any special training may express that will in the Personal Development Plan. 62% of the Personal Development Plan made by the Employees in 2019 M Desenvolvimento were satisfied and it was possible for the Bank to attend 64 requests to change the function and organic unit.

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

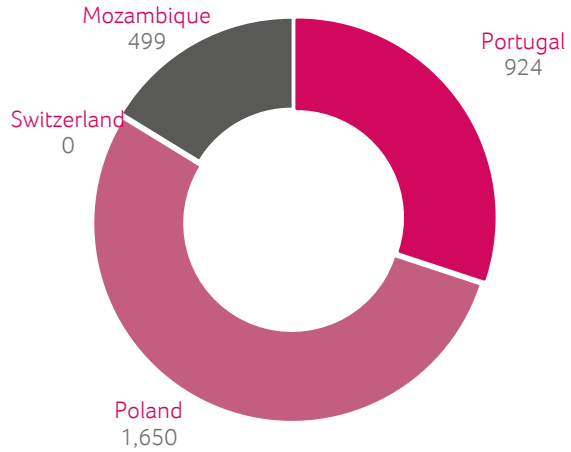
This incentives system is specifically applied to the Commercial Networks (Retail, Private, Companies, Corporate, Large Corporate and ActivoBank) as well as to employees from other Divisions of the Bank who comply with the established criteria (Investment Banking, Treasury, markets & International, Credit Recovery, Specialized Recovery, Real estate Business and Specialized Monitoring) and consists in the attribution if a variable remuneration based on a contribution above expected for the results achieved.

In addition, and together with the incentives systems of the commercial networks associated with business results, Millennium bcp has a transversal recognition programme, denominated Millennium People. In its different components and individual and collective categories, this programme enables recognising, per year, more than one thousand Employees, by means of an evaluation matrix that joins attitude and results and ensures recognition, visibility and sharing of good practices. In 2020, the main annual categories became five, with the creation of a new award that intends to distinguish the best trainers (Millennium Trainer); a distinction aiming at rewarding the significant contribution given by many Employees of the Bank for the development others, which has a particular meaning at a moment when the enhancement of competences and the acquisition of new ones is on the agenda.

The recognition model of Millennium bcp is transparent and has clear rules, which may be easily consulted by any Employee on an online platform - and the intention is that the same is an inclusive one. Thus, and within the scope of the annual categories (Millennium Líder, Millennium Impacto, Millennium Excelência, Millennium Formador and Millennium Equipa), the programme enhances the interaction with the award winners through a system that is similar to the social networks.

In Millennium bim, in Mozambique, the performance evaluation and management process is based on a culture of meritocracy, namely of high performance. For the Employees who distinguished the most in the performance of their functions, there is a special moment, at the annual objectives meeting, when these performances are recognised. In 2020, 16 employees were distinguished with the award Excellence, in five categories, namely: Young Talent, Best Trainer, Backstage, Customer Servicing and Best Team.

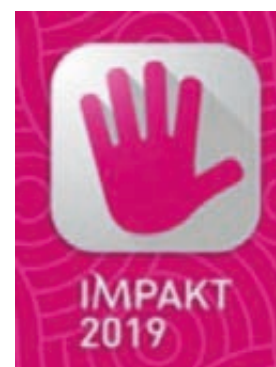
Promotions
(Number of Employees)



In Poland, the Bank launched the 4th edition of the programme IMPakt, an innovative initiative wherein the Employees appoint and vote for their colleagues. In this programme, 55 Employees were recognised for their performance. Quality, Ethics and responsibility, Efficiency and Innovation.

In this operation, 12 Employees were also recognized with a distinction awarded by the Chairman of the Board of Directors for their participation in key projects.

Bank Millennium implemented in 2020 a new technological tool to manage the evaluation of employees and the process of bonus granting. The implementation of the new system enabled reviewing the evaluation processes and criteria and promote their standardisation and simplification.



In Switzerland, the Bank launched the Programme "Mores" that invites the employees to play an active role in the internal changes processes, be through the "More Voice" and the possibility of, with external advisers, express their opinions on the internal processes and projects, the "More Recognition" to emphasise a particularly positive attitude or action of a co-worker, the "More Debate", for the sharing of experiences on themes related with customer interactions, or within the scope of the "More Green", in which a team of volunteers discloses, every month, ideas, suggestions and good practices to protect the environment and nature.

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

The internal programmes for the generation of ideas – Mil Ideias (One thousand Ideas) , with 20 suggestions in Portugal, - Call 2 Action -, in Poland and the recent programme – Ideias que Contam (Ideas that Matter) in Mozambique are based on the recognition that the Employees are a creative force that generates ideas of value, representing a means to value and increase their individual abilities through the direct participation with an idea and indirect through comments or votes.

In Mozambique the "Fórum - Ideias que Contam" (Ideas that Matter), a space for sharing and discussing ideas which, throughout the year, counted on the participation of 574 Employees, was responsible for more than 925 ideas, two of them were adopted in 2020, and 110 are being implemented.

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

Staff

In 2020, the number of Employees of group BCP decreased 6.7%, (1,250 Employees less vs. 2019), mostly justified by the rationalisation of the operation in Poland due to the purchase of Eurobank in 2019. Around 60% of the Employees of the Group worked in the international business and 40% in Portugal.

EMPLOYEES

	2020	2019	2018	Var. % 20/19
TOTAL IN PORTUGAL	7,013	7,204	7,095	-2.7%
Poland	7,645	8,615	6,270	-11.3%
Switzerland	82	82	77	0.0%
Mozambique	2,591	2,680	2,619	-3.3%
TOTAL INTERNATIONAL	10,318	11,377	8,966	-9.3%
TOTAL FOR THE GROUP	17,331	18,581	16,061	-6.7%

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

In Portugal there was a reduction in staff, with less 191 employees *versus* the previous year. 132 new employees were admitted to service (52% were women) mostly for the performance of technical functions in digital banking (54%) and for commercial ones (39%) and 322 employees left the Bank, 73% by mutual agreement and/or retirement plans and 18% by initiative of the employee. Among the Employees who left, 53% worked in the commercial areas and 22% in management functions.

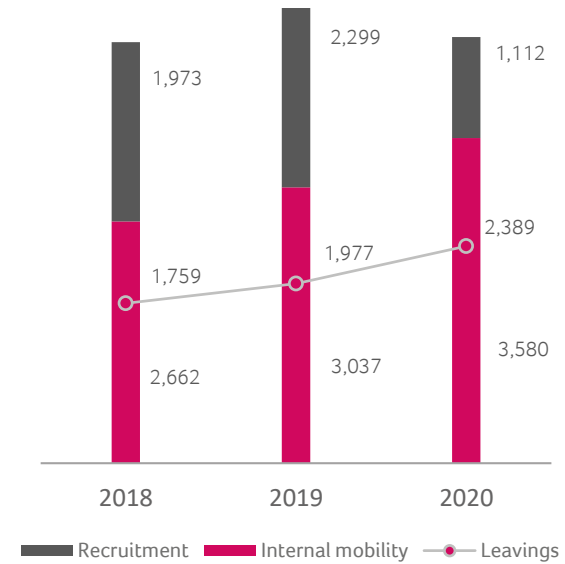
In Poland, the number of Employees fell around 11% (less 970 employees *vs.* 2019) due to the reorganisation of the operation motivated by the purchase of Eurobank, achieving a number of 7.645 employees, of which 67% are women.

In Mozambique there was also a decrease in staff (-3.3% *versus* 2019), with the engagement of 45 new employees, 56% for the performance of technical functions. 130 employees left the Bank, 51% of which performed commercial functions.

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

In 2020, 20.6% of the Group's Employees were involved in internal mobility processes, particularly in Portugal and Mozambique where, respectively, 25.1% and 41.0% of its Employees moved from their areas/ departments.

Employees turnover and mobility
(Number of Employees)



Ethics and professional conduct

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

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

Compliance Office

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

Within the scope of the detection and prevention of situations of money laundering and terrorism financing (ML/TF), the Compliance Office developed its activity based on a risk approach, adjusting its procedures and information systems to the best practices in terms of prevention of ML/TF and complying with its legal and regulatory requirements, continuing to promote an improvement in the efficiency of allocation of resources in the assessment of the risk factors associated with the business relations. Within this context, we emphasise:

- Reinforcement of the account opening processes and filtering of transactions, in order to guarantee the compliance with the sanctions and embargoes declared by the national and international competent authorities, as well as their monitoring to detect and prevent potentially irregular situations;

- We must also point out the development of new solutions, more efficient, based on automated processes, to analyse the risk factors inherent to new business relations and the development of existing ones;
- Implementation of new AML/CTF in determined commercial processes;
- Strengthening and specialisation of the teams of the Compliance Office within the scope of AML/CTF and its several components.

In 2020, the Bank revised and updated its regulations on governance and compliance policies, a process that, partially, already intended to achieve compliance with the provisions of Notice 3/2020 published by Banco de Portugal on 16 July, 2020 that defines the minimum standards upon which the organisational cultural, the governance and internal control of financial institutions must be based upon. In that sense, the Bank updated the Code of Conduct, the Policy for the Prevention and Management of Conflicts of Interests and the Policy for the Appointment of the Statutory Auditor and for the engagement of services other than audit ones.

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



- Reinforcement of the mechanisms to monitor conflict of interests by developing a new platform for the registration of transactions and entities;
- Reinforcement of the sub-contracting process in what concerns the identification of situations of conflicts of interests;
- Revision of the recruitment process to include a statement of conflict of interests by the employee involved in the selection and recruitment process;
- Launching of an e-learning course on The Prevention of Money Laundering and Terrorist Financing for all the Bank's Employees.

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

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

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

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

In 2020, the reinforcement of the culture of compliance was one of the priorities of the Bank, either through the normal development of the Training Plan or through proximity communication programmes addressed to all areas of the bank, especially the commercial networks. The "100% Compliance", the "Compliance A to Z" and the "Culture of Compliance" are the most visible faces of the transformation initiated in 2019 where, through regular actions it tries to convey information, explain and provide support on the most important aspects to consider in the component of financial crime risk and in all the remaining compliance and regulatory compliance risks, with a simple but informative and formative language. In addition, the bank continued to publish a monthly newsletter with a modern and appealing image approaching practical and current issues related with the management of compliance risks and with the rules of good conduct. Together with the Communication Division Bank - Sustainability Area and within the scope of the 2021 Master Sustainability Plan, were also developed a number of communication actions on issues related with the Code of Conduct.

Regarding the most significant training actions, we must point out the following:

- Launching of an e-learning course on the Code of Conduct for all the Bank's employees;
- Innovative communication and training initiative focused on specific AML/CTF risks addressed to the Bank's Commercial networks, under the themes Trade Finance and Law 58/2020;

- Training of the Employees of the Compliance Office:
 - i) Holding of internal and external training sessions aimed at reinforcing and update the knowledge on regulations, legislation and internal regulations on themes related with the functions performed, from among which we point out the Advanced Training in Compliance, Prevention of ML/TF and the Notice 3/2020, among other;
 - ii) The employees of the Macau Branch received training on AML/TF.
- Integration training and programme InGenious: participation in the programme for the training of newly admitted employees and young talents in the areas of analytics and technology, wherein 103 employees received training on compliance issues.

TRAINED EMPLOYEES ⁽¹⁾

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

GRI 406-1

	2020	2019	2018	VAR.% 20/19
Activity in Portugal:	25,828	5,798	30,300	345.5%
International Activity	28,507	20,733	2,219	37.5%
TOTAL	54,335	26,531	32,519	104.8%

⁽¹⁾ Attendance in training sessions.

The Compliance Office continued to play its role in the governance of the process for the development of new products, namely validating the compliance with the requirements set forth by the Service Order that regulates the process, the sending of creation proposals, alteration, re-introduction and elimination of products/services.

It promoted the review of the regulation on the approval of new products/services and management of conflicts of interests.

Pursuing the alignment of strategies and priorities in risk management of the Group's subsidiary companies, apart from the update of several Group Codes published and monitoring of their application in the several international operations, the Compliance Office reinforced its compliance function regarding the activities of those operations by implementing a number of initiatives, namely:

- Implementation of new management structures for the follow-up and monitoring of risk ML/TF, denominated ML/TF International Commissions, with the participation of several management and compliance bodies of the subsidiary companies aiming at assessing and monitor the specific risk factors in terms of compliance of each country, as well as of the business segments that exist in each operation;
- Development of joint Compliance Office projects with teams from branches and subsidiaries abroad with a view to analysing and improving the effectiveness of existing controls to mitigate the main risks in the area of ML /TF;
- Definition of a new ML/TF risk assessment for the Group's subsidiary companies.

In 2020, the Bank joined the Work Group AML from Associação Portuguesa de Bancos (Portuguese Banking Association), wherein it contributed for the identification and development of several initiatives and actions aimed at strengthening the ML/TF prevention system of the Portuguese Market. We must especially mention the development of innovative proposals of partnerships with public and entrepreneurial entities to enrich the cooperation ecosystems to increase the efficiency of the ML/TF preventive controls.

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

Relations of cooperation and loyalty have also been maintained with the judicial authorities and with national and international conduct supervision authorities. Within this scope and by its own initiative, it made a total of 1,925 communications to local Judicial Entities and replied to 3,124 requests.

COMUNICACIONES TO LOCAL JUDICIAL ENTITIES

	2020	2019	2018	VAR.% 20/19
OWN INITIATIVE				
Activity in Portugal:	338	306	432	10.5%
International Activity	1,587	2,196	352	-27.7%
RESPONSE TO REQUESTS				
Activity in Portugal:	241	103	364	134.0%
International Activity	2,883	3,359	2,038	-14.2%
TOTAL	5,049	5,964	3,186	-15.3%

Internal Audit

The Audit Division is a component of the internal control system of Banco Comercial Português and its main mission is to assess the effectiveness and adequacy of the organizational culture, of the risk management process, the internal control system and of the governance models.

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

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

The internal audit function adopts integrated/ end to end methods in the carrying out of audits to processes. The audit programmes include the assessment of behavioural issues, the compliance with the legislation and with all the remaining rules and codes of conduct, the proper use of the delegated competences and the respect for the performance principles in force in what concerns the relations established with the Clients, internal and external.

Throughout 2020, as part of the execution of its Activities Plan, the Audit Division also assessed the issues related with the management of environmental and social practices resulting from or related with the object of each audit in particular. Especially in what concerns the audit programmes addressed to networks, we must point out the procedures for the prevention and detection of practices eventually showing signs of money laundering.

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

DISCIPLINARY PROCEEDINGS DUE TO RULES INFRINGEMENT

GRI 419-1

	2020	2019	2018	VAR.% 20/19
Activity in Portugal:				
Internal Rules	32	27	13	19%
External Rules	0	0	6	0%
TOTAL	32	27	19	19%

In 2020, the preventive controls carried out and the subsequent individual assessments of potentially irregular situations as well as of situations reported by other organic units of the Bank originated 157 preliminary investigation proceedings. That same year, 32 disciplinary proceedings brought against Employees of the Bank in Portugal were completed. By the end of the year there were 19 proceedings underway. None of the cases involved situations of corruption.

The Coordinating -Manager of the Audit Division is also the individual in charge for coordinating the internal audit function in all the subsidiary companies of Group BCP, with its own audit team. He participates in the respective Audit Commissions, appraises their proposals for the Activities Plan and executes a regular monitoring of their execution and implementation of the recommendations issued based on the audits made, promoting the harmonisation of procedures and analysis criteria and sharing of knowledge, namely by cooperating in the preparation and execution of audits on matters that are common to the several institutions.

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

Within this context, in 2020, the Bank's Audit Division carried out audit actions in all subsidiary companies, selecting their scope in view of the most relevant themes and risks for the bank, for which he gets the support from joint audit teams from the Bank and from its subsidiary companies.

Service quality

Material issue: SERVICE QUALITY

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

Satisfaction surveys

GRI 102-43, 102-44

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

In 2020, the indicator NPS (Net Promoter Score), that translates the level of recommendation of the Bank recorded, in the case of Prestige Clients, an increase to 66,1 points, 1,2 points than in 2019; the Mass Market segment, that improvement showed an increase of 2.4 points, to 74.1. Regarding the NPS of Business Clients, it also recorded an expansion, improving to 64.3 (62.4 in 2019). Based on these results per segment, the global NPS of Millennium bcp stands at 71,8 points, an indicator that has been recording a positive performance since the process was initiated in 2013, reaching, this year, the highest value ever (69,8 points in 2019).

Another issue dealt with was the recommendation of the service provided by the Employee / Account Manager. This indicator also recorded the highest NPS value of all times in all segments and, consequently, the NPS Global Servicing with 83,4 points in 2020, reached the best score ever, continuing to record an ongoing positive evolution.

The Bank assessed over 120,000 experiences of Clients who visited Branches of Millennium bcp or were contacted by Client Managers.

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

Globally, in 2020, the Clients evaluated more than 215.000 experiences with Millennium.

In 2020, only two of the four actions of the “Mystery Customer” foreseen for the Mass market Branches, took place. The 1st wave was carried out until March, involving 421 visits to branches of Millennium bcp and a global result of 74%. The study was interrupted due to the pandemic and only resumed in October with the carrying out of 432 visits to Branches of Millennium bcp, recording an improvement of the global result to 76%. Also 60 branches from other institutions were visited, reaching an average result of 69%, a fact that reinforces the positioning of Millennium bcp in the application of best practices in Customer servicing.

In order to be able to assess branches servicing during the pandemic, the bank carried out in August a sample study on 127 branches (50 Millennium bcp and 77 from other institutions) and Millennium bcp obtained a result of 78%, comparing with the the 75% average reached by the remaining evaluated institutions.

The bank also carried out, in November, a study on the quality of the phone servicing of the branches Mass Market with 44 contacts to branches of Millennium bcp and 204 to other institutions. Millennium bcp achieved a result of 70%, which is quite positive if compared with an average result of 48% in the remaining institutions.

To improve the Employee’s competences and the service provided to the Customer, the Bank continued to implement the “Programme #1” extending the same to the business sector. In the 1HY of 2020 the Bank made a complete diagnosis of the segment and defined an action plan to be implemented in 2021. In the segments Mass Market and Prestige, we re-designed the “Programme #1” and called it “#1 no Coração do Cliente” (#1 in the Customer’s Heart).. The customer service behavioural training launched in the last quarter is now composed of quarterly training modules made by external experts.

We continued with the project “Moment #1”, that intends, in a simple manner, to transmit practical knowledge with a direct impact on customer servicing. We make and disclose every week short videos on practical issues related with products characteristics, use of tools and best customer service practices.



The Bank carried out 21 surveys, using different approaches, for monitoring the satisfaction of the Clients with the several Direct Channels and Business Networks.

The remote channels satisfaction levels remained high. An example of this are the 89% of the user clients who replied that they are happy or very happy with the Internet Banking - Companies, of which the 80% of Mobile Banking Companies are an example.

The Bank carried out other 26 surveys to Employees, with specific purposes, ones with the objective of improving the operational procedures but, mostly, related with the COVID Contingency Plan, which allowed a close and efficient monitoring and management of issues related with the pandemic (Covid Tests, Vaccination, Disinfectants, the use of masks in Branches).

Millennium bcp participated in an international scientific project coordinated by ISCTE Business School the goal of which is to supply to the community and to each one of the participating banks, relevant information on the management of human resources within the current pandemic scenario. This integrated research intends to assess the type of relation and effects between the several components of the organizational behaviour of the banking sector, within the current "new normal" context.

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

One of these studies is the CSI Banca, carried out by Marktest. It is a reference study for the banking sector, made in 2 annual stages, based on an econometric model that aims measuring the satisfaction and loyalty of the Customer and its perception of the quality of the products and services pursuant to a benchmarking rationale.

Millennium bcp continues to show a very positive performance in the index CSI Banca, reaching the highest score ever in the 2nd half-year of 2020 (78,6pts), placing itself above the average of the sector (75,8pts), and becoming the leader in the group formed by the 5 largest banks operating in Portugal.

The CSI Banca index is a result of two indexes, one which intends to evaluate the satisfaction of the Clients which prefer to use the Banks' branches (Index CSI Branch) and another which intends to evaluate the satisfaction of the Clients who prefer to use internet banking solutions (CSI Internet Banking Index). In these indexes, Millennium bcp ranked 3rd in the ranking of the Clients that use Branches and 1st in Clients using Digital channels where it also reached the best score ever, and also above the sector.

On the other hand, the BFin, made by DataE, focuses on the characterization of the banking industry in Portugal, according to the companies' perspective, concerning the products and services made available by the Banks. In the 2020 survey, Millennium bcp was once more considered the Main Bank for companies in Portugal. It is also referred to as the "Banco Mais Próximo dos Clientes Empresariais" (the bank closest to corporate customer), as the "Banco com os Produtos mais Adequados às Empresas" (the bank with the most appropriate products for companies) and as the "Banco Globalmente Mais Eficiente" (the globally more efficient bank).

In 2020, Millennium bcp was once again recognised, in the wake of its digital channels, with the awards Global Finance "World's Best Digital Bank Awards", in the categories "Best Consumer Digital Bank in 2020" in Portugal and, "Best Corporate/Institutional Information Security and Fraud Management 2020", in Western Europe. Millennium BCP was also distinguished in "Best Homebanking website" in Portugal, within the scope of the awards "Leitor PC Guia 2020."



Millennium bcp was once again elected as the “Best Digital Bank”, for the 3rd consecutive year, with 66% of nominations in the total of Clients of the study Brand Score, another study that we follow, carried out by Scopen, whose primary objective is to assess the impact of the Brand and Communication in terms of notoriety, image, customer loyalty and attraction of new customers. In this study, Millennium bcp é is also recognised as the “The Best Bank for Companies” (with 39% of nominations), by all ages and by the Segment Recent Customers.

We must mention that Millennium bcp has been once again distinguished in Portugal as “the Consumer’s Choice 2021”, in the category “Large Banks”, by Consumer Choice, with a general satisfaction notation of 85,59% and a satisfaction index of 8,57 (from zero to ten). Millennium bcp was also the Bank that obtained the highest recommendation index (to a family member or friend), with 8.52 (from zero to ten).

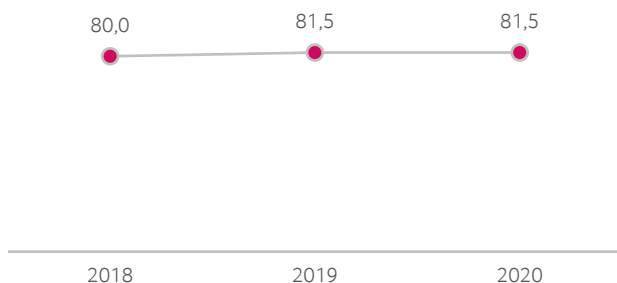
All these results translate the Client’s recognition of the ongoing effort made by Millennium bcp to provide a service of excellence, focused on modernisation and simplification of products and services, the proximity with the Clients, swift operations and in the sustainability of its value proposal.

Internationally, the global satisfaction index did not change and remained at 81.5 index point (i.p.).

In Mozambique, where the value recorded was 74,0 i.p., several studies were carried out to know to opinion, needs and expectations of the clients, of which we point out:

- “Research on the Satisfaction of Corporate Clients of Millennium bim”, that, with a variation of 1pts *versus* 2019, reaches 70 points. The repurchase intention maintained the same level recorded in 2019, 75 points. Regarding the level of recommendation of the Bank, the same decreased 2 i.p. *versus* 2019., reaching 72 i.p.;
- Satisfaction Research for Customers from the Companies Network” that confirms the increase in the satisfaction of these customers with the Bank’s service (+3pts *versus* 2019), reaching now 71 i.p. Repurchase and recommendation also recorded increases *versus* 2019 (3 and 5 p.i., respectively), both indicators reaching 74 i.p.;
- “Satisfaction Research for Prestige customers”, an online survey with the purpose of identifying improvement opportunities in the quality of the services provided, increase *cross-selling* and enhance customer attraction and loyalty in Prestige customers. Global satisfaction increased 2.i.p. If compared with 2019, reaching 77i.p. The intention of repurchase and the Bank’s level of recommendation recorded an increase of 5 i.p. both standing at 79 points. The satisfaction with the Client Manager stood at 78 i.p., a 2 i.p. Increase *versus* 2019;
- “Evaluation of the Satisfaction of Prestige Customers”, a phone survey made to measure the satisfaction of the Customers with the interactions they have with the Bank and the segment’s degree of recommendation. The degree of global recommendation reached 86 points, based on a sample composed of interviews with 654 Customers. The evaluated interaction moments were: (i) Account Opening; (ii) 6 months after the opening of the account; (iii) Contact/Visit made by the Manager; (iv) Financing process (Refused and Granted); (v) Management of Claims; and (vi) 6 months after the transfer into the Prestige Segment.

Customers satisfaction
(Index points)



Information not available for Switzerland.

Regarding internal Clients, in 2020 the following Researches were carried out:

- The bank made the “Suppliers Satisfaction Survey” with the purpose of assessing the quality of the services provided by the outsourcing companies, that recorded a response rate of 62%, and enabled identifying improvement opportunities in the services provided.
- In its 9th edition, the bank launched once again the “Internal Customers Satisfaction Survey” with the purpose of contributing for the improvement of internal service by identifying the main obstacles faced by the Employees that depend on other areas of the bank to perform their functions. This survey recorded a high participate rate of 89%. The global level of satisfaction with the services provided by all the Divisions of Millennium bim was 70 points, +1pts more *versus* 2019.

Continuing with the goal of assessing the satisfaction and commitment levels of the employees with the Bank’s objectives, the Bank carried out the online survey “Organizational Environment Questionnaire”, which is one of the most important instruments of the Employees Satisfaction Management System that had a record participation rate of 87%. The results show a favourable evolution in all indicators of satisfaction and motivation, with satisfaction with the Bank reaching 76% and motivation 79%. The way in which the Bank managed the pandemic, namely its focus on people - Employees and Customers - was also clearly recognised in this questionnaire.

In Poland, Bank Millennium also benefits from robust processes and instruments to assess the quality of the service rendered to Clients. In 2020, with 89 i.p. of global satisfaction, the internet banking and mobile banking channels reached 95% and 97% of positive reviews, respectively. Also branch servicing showed a very positive evolution, showing 94% of satisfaction.

This operation, apart from the regular satisfaction surveys addressed to the Retail (NPS of 53), Prestige (NPS 30) and Business (NPS 31) and Companies (NPS 48) segments, also carries out "Mystery Client" actions by means of an outsourcer.

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

The Actions carried out by Bank Millennium were quite appreciated by the market, as shown by the awards granted to the bank at Bank Stars 2020 or Institution of the Year contests. In 2020, Bank Millennium won the first prize in the category Claims from Clients, in the category Awards in the category Awards from the European Customers Centre.



The monitoring philosophy of Customer surveys in all business lines is based upon two pillars: moments of truth and closing of the cycle. Following this approach i) we measured the Customer experience in carefully selected moments; ii) We follow the client, selecting the method and moment of the evaluation; iii) we concentrate on strengthening the relation with the client; iv) we look for opportunities to improve processes, procedures and products.

Claims

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

	2020	2019	2018	VAR.% 20/19
CLAIMS RECORDED				
Activity in Portugal:	44,474	32,811	26,648	35.5%
International Activity	128,200	103,751	81,596	23.6%
CLAIMS SOLVED				
Activity in Portugal:	32,245	28,706	24,296	12.3%
International Activity ⁽¹⁾	128,123	97,185	83,157	31.8%

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

In Portugal, the claims are managed by the commercial areas and by the Customer Care Centre (CAC). In this operation, the total number of claims recorded an increase *versus* 2019, with a total of 44.474, mostly explained by claims related with cards, namely for the purchase of products and services through the digital channels. The effort to rapidly solve the claims has been a constant concern of the Bank, which has been able to improve the average response time from 6 to 4 business days.

In Poland, were recorded 113.182 claims, showing an increase of 30,2% *versus* 2019, mostly due to the mortgage loans, current accounts and transactions with cards. To improve the measured satisfaction with the claims resolution, Bank Millennium has been developing a programme for the continued improvement and simplification of this process and the average resolution deadline reached 6 days.

In Mozambique, the number of claims stood at 15.017, representing a decrease of around 10% in comparison with the same period of last year, mainly due to a decrease in the number of sundry claims. The average resolution term worsened from 5 to 7 days.

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

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

CLIENT OMBUDSMAN'S OFFICE

Activity in Portugal:	2020	2019	2018	VAR.% 20/19
RECORDED CLAIMS	2,670	2,339	1,848	14.2%
Claims	2,249	1,776	1,342	26.6%
Requests	364	512	458	-28.9%
NEW CLAIMS	57	51	48	11.8%
Concluded	56	49	45	14.3%
Upheld	20	25	22	-20.0%
Not upheld	36	24	23	50.0%
Average Response Time (days)	12	11	14	9.1%

Thus, and looking at the activity developed in 2020, the Ombudsman Office received 2,670 claims (2,339 in 2019), a figure representing, in accrued terms and year over year, a 14.2% increase *versus* 2019.

The Ombudsman Office analysed 2,249 Claims (1,776 in 2019), that were forwarded to the Customer Care Centre, the area responsible for ensuring the analysis and final response to the claimants; 364 Requests (512 in 2019), were forwarded to the respective services of the Bank which are responsible for ensuring the claims assessment and final response to the claimants and 57 Appeals (51 in 2019) which, for their nature, were analysed and replied by the Ombudsman Office.

The acceptance rate regarding Appeals was 36% and the average response time was 12 days (11 days in 2019).

The issues - from a product or financial standpoint - that raised the greatest number of claims from the Clients, were those related with "Deposit Accounts" (33% vs 25% in 2019) "Servicing" (13% vs.13% in 2019) and "Cards" (13% vs 14% in 2019).

When one assesses the business areas with a greater number of claims, the one showing the highest number is Retail Banking, with 87% followed by Activobank with 8%.



SOCIAL RESPONSIBILITY



Social Responsibility

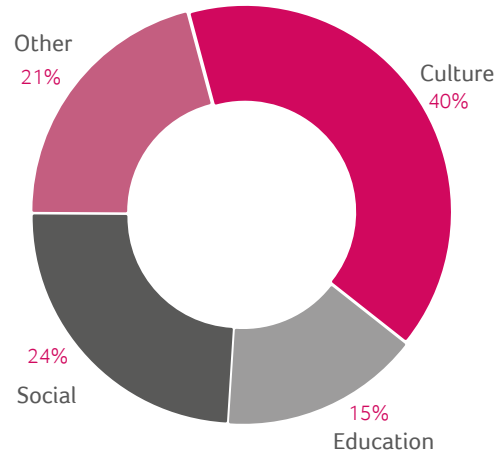
The BCP Group's strategy is the promotion of a culture of social responsibility, developing actions for and with several groups of Stakeholders aiming at, directly and indirectly, contributing to the social development of the countries where it operates.

It is in this context of proximity to the community that its policy of social responsibility has developed, giving priority to its intervention on cultural, educational and social initiatives.

In 2020, as a result of the Covid-19 pandemic, the Corporate Social Responsibility initiatives, especially those including volunteering work on the field were, for public health reasons, significantly reduced and the majority was rescheduled to an opportune occasion, in all countries where Group BCP operates.

Within this conjuncture, we proceeded with the necessary adjustments, namely the use of electronic means, to develop the solidarity initiatives that, and responding to the needs enhanced by the sanitary, economic and social crisis experienced in 2020, would enable us to carry out actions able of adding social value, show a spirit of citizenship, collective and individual, active and participative, with impact on People but, most of all, showing a true commitment with causes and values.

Donations allocated per intervention area (Percentage %)



In 2019, the number of volunteer hours reached 1.202 in Portugal and 2.939 in the Group. In 2020, and as a consequence of the Covid-19 pandemic, a significant number of the planned volunteering actions did not take place.

Thus, the objective of achieving a 10% growth in the volunteering hours in Group BCP was not fulfilled.

In 2021, if the public health conditions so allow, we will continue to materialise a strong social commitment that will enable us to (always) remain close to the communities and People and we propose to increase in 5% the number of volunteering hours in Group BCP.

Participate and sharing

Material issue: PARTNERSHIPS WITH NGO/PUBLIC CHARITABLE ORGANIZATIONS AND VOLUNTEER WORK

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

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

- “Millennium Solidário – Natal 2020”, a campaign for the collection of donations that within the scope of the international movement Giving Tuesday, we initiated in December 2020 and extended until January 2021, established an association with Fundação do Gil, ao C.A.S.A - Centro de Apoio ao Sem Abrigo and with Associação Just a Change, with the objective of aiding those who place themselves at the service of the most vulnerable, needy and fragile. This campaign involved donations from the Bank to each one of the beneficiary institutions but also the solidary support from may employees, making possible, in a particularly challenging year when the work developed by these institutions assumed, if that is possible, an increased criticality, to raise funds to maintain the social skills addressed to children with incapacitating diseases, homeless individuals at risk of social exclusion;

- Within the scope of the six-month campaign for the collection of food of the Food Bank, in 2020, since it was impossible to ensure the usual participation of volunteers from Millennium, we participated by resorting to the communication corporate platforms of the Bank, in the national campaign of disclosure and appeal to the solidary participation of our employees, clients and social media followers;



Material issue: SOCIAL AND ENVIRONMENTAL AWARENESS

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

- Regular support to institutions through the donation of IT equipment and office furniture that is no longer used, but is in condition to be reused. In this context, the agreement established with Entrajuda, has been maintained. The Bank donated over 1,058 items of IT equipment and furniture to 25 institutions during 2020.
- Pursuant to the termination of PNCB - Plataforma de Negociação Integrada de Crédito, the bank delivered IT equipment and other goods to Associação EPIS, which will deliver the same to schools and social institutions included in the initiative Jovens Especiais (Special Young People), aimed at developing the professional inclusion of young people with special needs.
- Culturally speaking, we must point out the 12th edition of Festival ao Largo, which every year presents on stage, this time at Palácio Nacional da Ajuda, and only with Portuguese artists, a series of shows with the best of opera, ballet and symphonic music. The purpose of this action is to take art to increasingly inclusive audiences, thus contributing for the cultural enrichment of Portugal.
- Support to external solidarity initiatives, namely the project “Vela Sem Limites”, an initiative from Clube Naval de Cascais which enables 60 disabled individuals to regularly practice sailing and many other to have their first sea experience.
- Millennium bcp participates once again in the campaign "Portugal Chama", a prevention campaign launched by the Portuguese State to avoid forest fires, protecting the people, the forest and minimising the environmental, economic and social impact of fires;
- Were also carried out, within a logic of proximity, some internal sector corporate social responsibility campaigns, of which the Solidary Day promoted by ActivoBank, an monthly initiative wherein the Bank gives 1 euro for each sharing of the post on the beneficiary entity published on its facebook (Ex. Academia do Johnson, Missão Pais, among other organisations, is a fine exemple).
- The Bank disclosed and promoted by resorting to its communication channels, initiatives from the programme Oeiras Solidária (POS), an organization of which it is a member, but also from entities of the social sector, such as CERCI Oeiras or CERCICA;
- The Bank, pursuing a usual practice, also disclosed through its corporate communication platforms, the possibility of assigning 0.5% of the income tax to a charitable organisation directly chosen by the taxpayer, suggesting around 25 social institutions of the most varied types, with which the Bank established partnerships or cooperation relations.



In 2020, Millennium bcp also gave its contribution in terms of ideas and development of solutions in the Inclusion Labs, a new way to involve the community promoted by the Inclusive Community Forum (ICF) from NOVA SBE. This is an initiative devoted to the lives of disabled people with the purpose of promoting a more inclusive community.

It is with a strong sense of responsibility that Millennium bcp is participating in this pioneering group, specifically in the training on social skills and employability for disabled individuals. Globally, from 21 February to 11 December, five Inclusion Labs (work sessions) were held and 4 interim meetings, totalling 24 hours.

Concerning the qualification work developed, the Bank created a training programme denominated “Vencer no Mundo do Trabalho”, wherein the following Associations are represented as beneficiaries: Novamente, Somos Nós, Pais em Rede and Centro de Medicina de Reabilitação de Alcoitão.

The development of the training plan implied obeyed 4 stages:

- Construction of contents with the making of a standard training module and response to the challenge considering the diagnosis made, the objectives and the target-audience;
- Tailor-made solutions, with their presentation to those in charge of the association and holding of a prior session with technicians to adequate the exercises to carry out;
- Promotion via Teams by two Employees of Millennium bcp, with training sessions carried out from 16 to 23 November, totalling 4 hours for pairs (9 disabled individuals and 7 technicians);
- Post- training exercises with the provision of two textbooks containing exercises to be made together with the technician between sessions and one month after the training session, for consolidation of concepts.

The pandemic was herein also a challenge in terms of development of technology and place it at the service of the community, allowing reaching participants from numerous associations located throughout the country.

In Poland, Bank Millennium continues to carry out a significant number of actions within the scope of culture and volunteering, notably. Amongst these initiatives, we must point out:

- Since 2013, every year at Christmas the Bank organizes a solidarity auction for the sale of handicraft. This auction, where the offers are made through the intranet, gathers several hundreds of items created and produced by the Bank Employees. The sale proceeds are used in the treatment of disabled children related to the Employees. In 2019, this initiative enabled to raise around 19 thousand euros;
- Within the scope of education, we must emphasise the attribution, within a pluri-annual partnership with the University of Warsaw and Instituto Camões, of scholarships to the best students in Portuguese Studies;
- Within the scope of culture, was once again attributed, with the support from Bank Millennium, the “Golden Sceptre”, an annual award organized by the Polish Foundation for Culture that aims at distinguishing the Polish artists able of standing out in the musical area;
- Bank Millennium provided, once again, support to the modern music festival Sacrum Profanum, this time, online, on the platform Play Krakow. The employees who wished to participate also had the opportunity to access e-tickets and participate at home and free of charge in the 9 concerts;
- Bank Millennium, in a recognition of its cultural promotion activity, was distinguished with the award Golden Lifter of Culture. The award was attributed by the Kraków Festival Bureau (KBF) for the aid given to the festival Sacrum Profanum, as festival that the bank has been supporting on an ongoing basis since 2012;
- Bank Millennium was once again a partner of *Docs Against Gravity*, the biggest and more global festival of documentary films in Poland;



- Joining the action #stayhome, the bank shared, free of charge, during the lockdown period, the films from the festival Millennium Docs Against Gravity shown at previous editions and online versions of the theatre performances broadcasted some years ago by the Polish television (TVP) as part of the programme "Millennium Pearls;
- 17th edition of this film festival, supported by an intense communication campaign and by a number of debates, workshops and side events was held in 2020, in 7 Polish cities, with more than 60.000 spectators in the 150 documentaries and associated events, all organized online and in accordance with the sanitary requirements;
- The strategy for inclusion and reduction of barriers defined for accessing banking services is also extended to the events supported by the Bank. In the case of Docs Against Gravity, an App with audio contents is made available and these contents allow people with special needs to better understand the films exhibited.



In Mozambique, the Bank's social commitment is embodied in the "Mais Moçambique pra Mim" programme, one of the references of the BCP Group under Corporate Social Responsibility aimed at tightening relations with local communities, which, even under a pandemic context, continued to focus on projects in the area of health, education, culture and community development:

- "Mais Moçambique pra Mim" - intervention to improve the attendance and internment conditions of Hospital Central de Maputo, notably by means of the purchase of hospital equipment and works to rehabilitate the ward of cardio-respiratory diseases;
- Clube Empresarial da Gorongosa - Millennium bim started to give a direct support to the programme "Clubes de Raparigas", an initiative aimed at preventing the high number of early marriages and school abandon by promoting activities approaching the education of girls and their personal safety, nutrition and access to family planning;
- "Millennium bim Solidário" support to the displaced persons of Cabo Delgado – development of several initiatives to support the displaced persons due to terrorist attacks that occurred in the region. From among these, we must point out (i) the launching of a digital campaign – "Um Like, Uma Esperança" – that enabled more than 20.000 Mzn, an amount donated, in the meantime, donated to the Platform Makobo, for acquisition of food, hygiene material, among other needs of the refugees; (ii) the promotion of self-assessment in a partnership with the Chamber of Commerce Portugal Mozambique (CCPM), through the offer of sewing machines and sewing kits, containing several material for the beginning of activity and (iii) in the offer of construction and food products, this time within a partnership established with the Insurance Company Ímpar, to the families re-allocated in Nanjua, district of Ancuabe.





In Switzerland, Millennium Banque Privée implemented an internal Volunteering programme under an association established with iAlaya. The Alaya is a platform that promotes the involvement of the employees through social and environmental me/initiatives and through which the employees of Millennium Banque Privée have access to several programmes that promote volunteer actions, donations and goods-raising. Although within a context of a pandemic, it was possible to organize a raising of Christmas gifts for children and donation of clothing.



To promote and support this programme, the employees of Millennium Banque Privée dispose up to 2 work days per year, benefiting also from an additional half day of vacations per each day of volunteer work.

Lastly in Angola, we must mention the programme “Partilhamos Valores para a Vida”, a programme of corporate volunteering from Banco Millennium Angola (BMA), initiated in 2018, which has also helped many thousands of people and involved hundreds of volunteers of the Bank, ensuring many thousands of hours of social work.

In Portugal, where the initiative was held for the first time, Millennium bcp joined the internal campaign "Millennium Solidário 2020", in favour of Fundação do Gil, of C.A.S.A and Associação Just a Change.

We must also mention the programme “LOGOS - Geração com Valor”, a social transformation project of Fundação BMA that provides daily support to around 3.000 children and young people from the poorest communities.

In 2021, the goal is to, in articulation with the entity responsible for its organization, to extend the Giving Tuesday to Millennium bim, in Mozambique and involve once again the Bank Millennium in Poland.

Financial literacy

In all its operations, the BCP Group assumes as one its strategic goal the increase of financial literacy. An example of that commitment are the actions that the Bank has been developing on an ongoing manner to increase the financial knowledge of the individuals, namely young people, always bearing in mind the importance of a generalized adoption of responsible banking behaviours and of a clear, balance and informed decision-making process. Within this context, the Group promoted a diversified group of initiatives throughout 2020, among which we highlight in Portugal:

- The promotion, in its institutional website, of the following instruments – Savings Centre, Finance Managers and the Kit for unexpected expenses which, despite being independent tools, have the same purpose: helping the client balance his/her personal budget. In the M Vídeos area of the website it is also possible to find tutorials and savings suggestions;
- In Portugal, the Facebook page “Millennium bcp” continued with the regular sharing of contents related with financial planning, a practice extended to all operations of Group BCP;
- Also with the goal of stimulating saving habits, the ActivoBank launched a live streaming video App on its Facebook page, called “Conversas Activo” (also available in Youtube), on issues that contribute for an increased knowledge of the subjects related with the provision of financial services.
- The Bank also participated in the Work Group of Associação Portuguesa de Bancos (Portuguese Bank Association), together with several financial institutions and Instituto de Formação Bancária (Banking Training Institute), whose mission is to develop and support initiatives for the promotion of the financial education of all citizens.
- From the activity developed in 2020, we must point out another edition of the European Money Week, a digital competition promoted by the European Banking Federation to test the financial literacy of Europe's young people, aged between 13 and 15 years old. In Portugal, PBA ensured the participation of around 2.000 students from 48 schools throughout the country.
- Already in the second half of 2020, was launched the “Manual de Literacia Financeira para a Europa”, a joint work made by the European Bank Associations and EBF that consisted in a collection of data on the financial literacy initiatives promoted by the European Banking sector. 35 associations of European banks participated in this publication which, together, promote more than 125 financial literacy initiatives at an European level and where Millennium bcp also participates;
- Millennium bcp participates in an international paper on Financial Inclusion promoted by EFMA - European Financial Management Association (within a partnership established with Wavestone and Ecole des Ponts Business School), that was able to gather experiences and good practices from a group of world banks.



Still in Portugal, to provide support for the publication and disclosure of contents on Sustainability issues, especially on Sustainable Finance, the Bank supported the launching of the project ECO Capital Verde. Among the initiatives carried out and materials published, we must point out the presence of Millennium bcp at the “Green Economy Forum 2020” and the *Webtalk* on the 2021 Sustainability Master Plan (SMP).

The Bank also joined, with the same objective, the project of the newspaper *Jornal de Negócios* on Sustainability. From the activity developed in 2020, we must emphasise the participation of Millennium bcp in the *Webinars* on “Communication on Sustainability - What feedback”, “Well-being and Sustainable Cities - How will we live in 2030” and “Sustainable Finance - New Financing Paradigms in the Markets”.

In Mozambique, the pandemic Covid-19 prevented the carrying out of a number of face-to-face initiatives, of which we may point out the traditional ones aimed at celebrating the World Savings Day and the programme “Olimpíadas Bancárias Millennium bim”, whose 11th edition will be carried out as soon as the sanitary conditions so allow.

In 2020, Millennium bim significantly enhanced the publication of financial literacy contents in its pages on the social networks, providing information on new types of transactions, disclosing of good practices on credit and investment and warnings on the importance of maintaining saving habits.

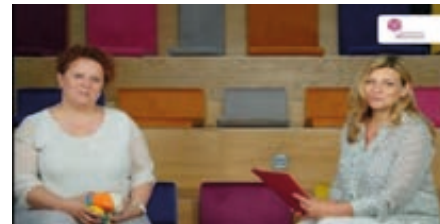
In Poland, we must point out the “Financial ABCs”, a financial literacy programme of Foundation Bank Millennium whose purpose is to give basic financial concepts to pre-school children. In 2020, and since it was impossible to carry out in-person workshops, the bank provided new digital training contents available at the social networks of Foundation Bank Millennium, such as the “How to teach finance to children – A guidebook for parents”, a multimedia content that was able to achieve more than 420.000 views.



The Foundation Bank Millennium presented the result of a survey on financial education carried out with the participation of the parents of pre-school children. In accordance with this survey carried out for the Foundation by Instituto de Investigação GfK, the ideal age to start learning processes on finance is between three and seven years of age. These results enable to prove that concentrating the education on financial literacy, at a national level, on pre-school children is the correct thing to do.

This programme has the Honorary Sponsorship of the Ministry of Education and of the Ombudsman for Children, in 2019, was awarded by the “Golden Banker” with the 1st prize in the category “Socially Responsible Bank”;

Within the scope of the cycle of counselling on financial education, the Foundation of Bank Millennium also produced a cycle of interviews with a psychologist on issues related with the financial education of children of pre-school and their specific themes. This content was especially conceived for the lockdown period imposed by Covid-19. The conversations with the specialist are available on the Youtube channel of the Foundation.



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

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



The BCP Group's strategic objective is to increase levels of financial literacy. To this end, it develops actions on an ongoing basis to increase citizens' financial knowledge for making informed decisions.

Millennium bcp Foundation

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

In the development of its activity, the Foundation tried to favour policies and initiatives able to respond to the challenges placed in aspects such as the social, environment and governance, aligning its performance with the main guidelines of the Sustainability Master Plan of Banco Comercial Português, especially in the areas of influence of the Foundation.



Culture

In that sense, it provided support to projects oriented towards the development of national museums, the recovery of national architectonic and art heritage and the disclosure of modern art and of new artistic talents.

These contributions are part of the strategic line of action of the Foundation that has been actively seeking to contribute for the safeguard, disclosure, promotion and enjoyment of the national cultural heritage and for the disclosure and promotion of Portuguese artists.

In the course of the year, a number of actions were carried out that will enable that, from 2021 onwards, a significant effort is made in the disclosure of significant art and archaeological assets of Banco Comercial Português, with the purpose of sharing them with the community.

From amongst them, we may point out the intervention in Museu do Chiado, in MNAC - Gallery Millennium bcp, creating the required conditions to give practical expression to the cooperation protocol signed with the General-Directorate of Cultural Heritage articulating, namely, the Collection with the exhibition projects of the Millennium bcp Gallery.

Also came to an end the preparations for the re-opening of the Archaeological Nucleus of Rua dos Correios (ANRC), classified as a National Monument, considering the remains of pre-Roman and Roman times.

After deep renovation works in the museum, which were made throughout the year with a project from the art studio Brükner, the ANRC should re-open in 2021 as a place of excellence for the exhibition and enjoyment of the archeological, cultural and art assets of the Bank.

In terms of Culture, the Foundation provided support to the following initiatives:

Conservation and Disclosure of the Bank's Art Assets

- Continuance of the rehabilitation works of the Archeological Nucleus of Rua dos Correios (NARC), closed for that specific purpose on 1 June 2019; the architecture and design project that is currently being implemented has been developed by the art studio Brükner;
- Within the scope of the project "Shared Art" the Foundation inaugurated, on 26 June, the exhibit "Manuel Amado Pintura sem Alibi" which could be visited until 20 September at Fundação Arpad-Szenes Vieira da Silva, in Lisbon. It welcomed 2.030 visitors;
- Concerning the disclosure of the Bank's art heritage and its own cultural initiatives, the Foundation maintains a partnership with the General-Directorate of Cultural Heritage (DGPC) and with the Fine Arts College from the University of Lisbon. This partnership is focused on the promotion and disclosure of the art heritage and cultural activities of the Museu Nacional de Arte Contemporânea (MNAC) (Portuguese Museum of Modern Art). This partnership will enable the Foundation to carry out exhibits in a space from MNAC- Gallery Millennium bcp - , and the museum will remain in charge of programming and curatorship.

Museum Activities:

- Museu Nacional de Arte Antiga (MNAA) (Portuguese Museum of Ancient Art) - support to the conservation and restoration of the Saint Vicent panels, in accordance with the Triennial Patronage Protocol to be in force from 2020 to 2022, signed by the Museum, Grupo de Amigos do Museu Nacional de Arte Antiga, the General-Directorate for the Cultural Heritage and Fundação Millennium bcp;
- Museu Nacional de Arte Contemporânea – Museu do Chiado (MNAC) - support to the museum activities;
- Museu Nacional de Arqueologia (Archeology National Museum) - Support for the making of the inventory and upload in the registry of the collection of item found in the archaeological excavations made in the NARC.

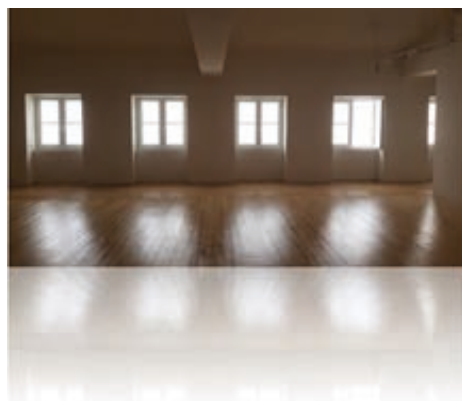
Restoration of Heritage:

- Palácio Nacional da Ajuda: support to the conservation and restoration works of the Throne Room;
- Associação World Monuments Fund Portugal - support to the 3rd stage of the conservation project of the Jerónimos Monastery.
- General-Directorate of Cultural Heritage – Mosteiro dos Jerónimos – Support to the conservation of the cloister involving treating the white limestone walls of the exterior vertical plans, of the two galleries and walls.
- Museu Nacional dos Coches - support for the conservation and preservation of all the vehicles exhibited in the museum;
- Church of Santa Clara – Church conservation and restoration works;
- Museum of Caramulo – support for the rehabilitation of a terrine in the shape of Budai Heshang;
- Church of the parish of São Tiago de Custóias – support for the construction of the organ and restoration of the church's main door.

Other Cultural Initiatives:

- A.I.R. 351 - (Art Residences) - project for welcoming national and international artists in Portugal (visual arts) for the establishment of art residences; Since the beginning of its programme, the AiR 351 welcomed more than 32 artists and curators from 18 nationalities;

- Architecture Triennial - 6th edition 2022 - support granted for the preparation of this 6th edition of this initiative, expected to take place in 2022;
- Church of São Cristóvão (Mouraria-Lisboa) - Restoration of the triumphal arch and of the painting – “Retrato de Cristo por São Lucas”;
- ACEGE - Associação Cristã de Empresários e Gestores: support to the activities of the community of Christian business leaders in promoting the dignity of people.
- A.I.C.A. - Association of Art Critics – AICA/MC/Millennium awards of Visual Arts and Architecture attributed every year in Portugal to one plastic artist and one architect.
- Publication of a book on the Monastery of Santa Maria de Celas - support granted for the launching of the book “Santos, Heróis e Monstros” dedicated to the cloister of the abbey;
- Book store Lello - support to an initiative aiming at the development of children literature;
- DSCH – Associação Musical - Festival e Academia Verão Clássico - 2020 Edition - support to the making of the festival and production of the Beethoven album by pelo DSCH - Schostakovich Ensemble; Within the scope of the Academy, the Masterclasses recorded a participation of 200 young musicians, 100 of them Portuguese and 100 coming from more than 20 countries;
- Tiago Nunes - V edition of the Coimbra Cycle of Concerts - support for the carrying out of the cycle of concerts, broadcasted, in this 5th edition in a digital format.
- Clube de Lisboa - 4th Conference " A Aceleração das Mudanças Globais" - approaching issues that bring the future to everyday life – Climate Changes, Energy Transitions, technological evolution, growth models, demographic trends and geopolitical challenges.



- Escola Superior de Santarém - support to the course on Digital Literacy for the labour market through the development of an immersion room Escape Room with several learning activities within the scope of employability competences for young people with Development and Intellectual difficulties;
- Associação Internacional de Música da Costa do Estoril - support for the making of the 46th edition of the Festival Estoril Lisboa, of Classical Music;
- Carpe Diem Art and Research - 5th Edition of the Award “Young Art Fundação Millennium bcp” for final-year students of visual arts;
- Associação Geração Inabalável - 10th Edition of the Dance International Competition - support for the making of the competition that intends to support the training of young dancers through monetary support and the attribution of scholarships to attend reputed dance schools;
- Associação Portuguesa de Historiadores da Arte (Portuguese Association of Art Historians) – Award APHA / Millennium José Augusto França 2019 - an initiative that intends to distinguish works of excellence in Art History, carried out within the scope of the 2nd and 3rd levels of study of college education in Portugal;
- Municipality of Lisbon - support for the launching of the collection Roman Lisbon / Felicitas Iulia Olisipo;
- BoCA - Biennial of Contemporary Arts - support to the educational programme consisting in a group of three activities to be held in three cities at the same time, Lisbon, Almada and Faro;
- “Drawing Room Lisboa 2020”, that, in this 3rd edition, highlighted the Portuguese contemporary design, by means of an in-person edition, together with international galleries, in an online edition. Within the scope of this initiative, the following awards were granted: (i) Award Aquisição Fundação Millennium bcp Talento Emergente, that aids an artist by acquiring his/her work and including the same in Mbcp collection; (ii) Award Projeto Artístico Destacado, that distinguishes an artist of the edition of the current year; (iii) Award Projeto Curatorial Galeria, that distinguishes a curatorial project from a participating gallery .
- Municipality of Lisbon - support to the 12th edition of Festival TODOS – Caminhada de Culturas 2020, an initiative that celebrates, since 2009, Lisbon as an inter cultural city, through the contemporary performing arts;
- SPIRA and Universidade Nova de Lisboa - completion and presentation of the Research “Património Cultural em Portugal (Cultural Heritage in Portugal): Avaliação do Valor Económico e Social”.

Education and Investigation



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

In Science and Knowledge, the Foundation has been privileging scientific investigation, training and projects particularly on health issues and post graduation programmes at Portuguese universities of reference which may contribute for the internationalization of schools, as well on an university education of excellence in areas connected with financial activities and arts, of which we may point out the following examples:

Scientific Investigation Projects:

- Fundação Rui Osório Castro - *Prémio Rui Osório de Castro / Millennium bcp* - protocol established for the period of 2020 to 2022 aiming at, by means of an award, promoting the development of innovative scientific projects on pediatric oncology, able of encouraging and promote the improvement in health care provided to children with a cancer disease. In February 2020 the award of the 4th edition was delivered to Patrícia Nunes Correia from Instituto de Ciências da Saúde da Universidade Católica Portuguesa;
- Instituto de História da Arte (IHA) da Universidade Nova de Lisboa –Within the scope of the existing protocol established with IHA and the MNAC/Museu do Chiado, attribution of an investigation scholarship in Art History to enable the in-depth study of relevant artists common to the collection Millennium bcp and the one of MNAC/Museu do Chiado, thus contributing for the investigation, disclosure and valuing of art assets;



- Portuguese Olympic Committee - Protocol established for the triennial 2018-2020 with the goal of contributing for the development of investigation in Physical Education in Portugal including the annual attribution of 3 Awards and six Honourable Mentions to the best research projects on Physical Education;
- Instituto de Biologia Molecular e Celular - support to the investigation on Alzheimer's disease;
- Universidade Católica Portuguesa - Health Sciences Institute: support to the Pedipedia project, development of an online paediatric encyclopaedia with the purpose of creating a pedagogical tool to support clinical practices and training in health care; Its recipients are health professionals, parents, caretakers, children and teenagers from Portuguese-speaking countries;
- Casa da América Latina - Invited Professor at Instituto de Higiene e Medicina Tropical (IHMT), with the objective of developing research projects on malaria and the development of training programmes in the area of tropical diseases for post-graduate students and health professionals from the Instituto de Higiene e Medicina Tropical da Universidade Nova de Lisboa;
- Portuguese Centre of Geo-History and Pre-History - support to investigation on palaeobotany;
- Global Strategic Platform – a virtual platform the purpose of which is to foster the debate on relevant themes due to the current context. It counts with the institutional partnership from the University of California in the United States as well as from other institutions from Europe, Africa and Asia.
- A partnership with Millennium bcp so as to give scholarships (in several areas) from Universities of Mozambique to young people that evidenced academic merit and lack economic means; In the course of 6 years of cooperation, it was possible to finance 156 students of several courses from 10 universities;
- IPRI – Instituto Português de Relações Internacionais - Universidade Nova de Lisboa - support for the activities of this institute dedicated to advanced studies in Political Science and International Relations;
- Universidade Católica Portuguesa – Faculdade de Ciências Humanas - attribution of scholarships to two students to enable their participation in the academic programme The Lisbon Consortium (Art Scholarships);
- Fundação Casa de Mateus – Mini-school of innovation – Programme developed through a partnership with the Institute of the Next, from Barcelona and with Universidade de Trás-os-Montes e Alto Douro and addressed to entrepreneurs and other active agents of the region;
- Centro Astrofísica Universidade do Porto - AstroCamp 2020 - Summer Academic Programme on astrophysics providing the 16 students of the 2020 edition with an inspiring and high quality training;

University:

- A scholarship programme of Fundação Millennium bcp aimed at students from Portuguese-speaking African countries and from Timor (PALOP) The management of these scholarships was entrusted to Instituto Camões by means of a collaboration protocol;
- Junior Achievement: StartUp Programme: (13th edition) this initiative aims to undertake entrepreneurial programmes with college students by creating new micro companies.



Basic Education:

- MoneyLab Financial Education Labs – road show the purpose of which is to fill gaps regarding misinformation that young people have on financial literacy, especially high-school students from private and public schools.
- Municipality of Pedrogão Grande -support to “+Future”, a project focused on three aspects: Education and Citizenship, Road Safety and Sustainability. It is based on the approach of contents in schools (1st cycle) located in the municipalities of Castanheira de Pêra, Figueiró dos Vinhos and Pedrogão Grande;
- Fundação Dr. António Cupertino de Miranda - support to the 10th edition of the Financial Literacy project “No Poupar Está o Ganho”, (When you save, you gain) a project to increase the pre-school, basic and secondary student’s awareness on the importance of money, thus contributing for the acquisition of skills on this theme;
- Associação Empresários pela Inclusão Social (EPIS) - support to the promotion of initiatives addressed to the creation of work opportunities and social reintegration of persons, families or groups which are under situations of exclusion or of risk of social exclusion.

Social Action



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

The extension and depth of the impacts provoked by Covid-19, that led to a quite significant aggravation of the living conditions and isolation of the most fragile populations, gave rise to a special follow-up and support to the projects launched in order to mitigate the effects of this pandemic.

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

- Programme GOS – Gestão de Organizações Sociais - this program results from a partnership established between AESE / ENTREAJUDA / CNIS and is intended for the training in management of leaders of entities developing their activities in the social economy sector, exclusively non-profit; trying to provide a response to the training needs in this particular sector. In 2020, this programme had 68 participants coming from 58 entities.
- Portuguese Food Bank – support to annual food collection campaigns and reinforcement of the Emergency Network created to cope with the needs emerging due to the Covid-19 pandemic;

From 19 March and 30 September were received by the Food Emergency Network more than 20.106 requests for food for 60.752 individuals, plus the requests received directly by the Food Banks. In February 2020, the 21 active Food Banks provided support to 332.874 individuals, through 2.399 partner social institutions. Moreover, we have the individuals that resorted to the Food Emergency Network, and the estimation is that, during this period, more than 393.000 individuals received support;

- The additional donation granted by Fundação Millennium bcp to the Food Emergency Network, enabled buying 109.072 kgs of food, representing a total of 272.679 meals;
- CERCICA - Cooperativa para a Educação e Reabilitação de Cidadãos Inadaptados de Cascais - sport to the launching of the “Linha de Apoio às Famílias” , the purpose of which is to respond to the aggravation of social isolation of individuals with mental disabilities and respective families, due to the Covid-19 pandemic ; The support granted by Fundação Millennium bcp enable the carrying out of 639 follow-ups;

- ASSOCIAÇÃO DIGNITUDE – Covid -19 Emergency Fund - created to support the individuals that, due to the context generated by the pandemic Covid-19, present specific needs in terms of access to health care, aggregating, in a coordinated manner, access to medication and to health products and services;
- Caritas Arquidiocesana de Évora - support to the project for the requalification of a space for the installation of the Residential Structure for old people, able of lodging 20 individuals;
- 55 MAIS - Project for the upgrade of inactive people aged 55 or more that, through a human and technological platform, connects the needs of citizens with the services provided by individuals aged 55+ years;
- APSA – Associação Portuguesa Síndrome Asperger (Portuguese Association of the Asperger Syndrome) – support to the programme “Employability”, for young people/adults with Asperger Syndrome (SA), over 18 years of age; its purpose is providing them with the skills for inclusion in the social and professional life; The Employability Programme promoted by APSA, developed in Greater Lisbon, aided in 2020, 27 Young people/Adults with Asperger syndrome;
- BUS Association – Social Utility Assets: support for the development of its activities which consist in the collection of useful goods, forwarding them to individuals/families in need;
- Universidade de Évora – Fund for Social Support to Students – a programme that intends, through the granting of funding to students who are in financial difficulties, properly justified, to fight against lack of success at school and early school leaving and for the acquisition and development of transversal competences able of increasing employability;
- EAPN - Projects ACEDER – pursuant to the serious sanitary emergency caused by Covid-19, support was granted for the purchase of protection kits, hygiene and cleaning for the gypsy communities;
- Lar Crianças Bom Samaritano - Child Psychiatric help for the children of this institutional home;
- APGES - Global Platform for the Syrian Students - a programme for the granting of emergency scholarships to enable students coming from countries at war to pursue their education;
- Project cancer patient at Hospital Central de Maputo - the protocol established supports a project to improve health care for cancer patients in Mozambique. This project contributed to a 53% decrease in mortality in patients in an early stage of breast cancer;
- Ponto de Apoio à Vida – An association the purpose of which is to help, welcome and train teenagers and new and expectant mothers whose socio-economic, family or psychological situation prevents them from ensuring, alone, the birth and education of their children;
- Critical Concrete - attribution of a scholarship for the programme “Sustainable Architecture Programme”, an educational programme of post-graduation studies, with the duration of 1 year, in the fields of sustainable construction, participative design and inclusive town planning;
- Association Help to Newly Born Babies (baby Bank) – support to the project “Ser mais família” that comprises home support to newly born babies with disabilities or under social risk;

- Fundação do GIL - support to the project Paediatric Home Support that, within a partnership established with 5 hospitals, monitors children with chronic diseases at their homes, thus avoiding unnecessary visits to the hospital, through monitoring and use of therapeutics at home and the provision of a psychosocial, emotional and spiritual support;
 - ACAPO Associação de Cegos e Amblíopes de Portugal – Support for the distribution of food baskets to the underprivileged associates;
 - Centro Doutor João dos Santos – Beach House – Contribution for the activities developed by the institution that provides support to children at risk and to their families, in the therapeutic pedagogy component;
 - Associação de Doentes com Lúpus (Association for Lupus patients) – support to activities developed by the association;
 - Ajudaris: support for the edition of the book collection "Histórias da AJUDARIS" – the revenue of which is to be used in favour of needy children and families;
 - Associação Terra dos Sonhos – Support to the activities developed by the association;
 - Association Vida Norte - Associação de Promoção e Defesa da Vida e da Família (Association for the defence of Life and Family) - support to the activities carried out by the institution that helps young mothers in need;
 - Care Centre of the Parish of Santa Maria de Belém - support to the activities carried out by the institution that helps young mothers in need;
 - AMEC | Metropolitana - attribution of a Social Support Scholarship for the course of orchestra direction. In addition, this institution also received, to be used in scholarships of social support, the amount which had been donated to Fundação Millennium bcp by Banco Comercial Português, S.A. Concerning the award attributed by Fósun to the Direct Banking Division and to the Digital Transformation Office of that Bank at the Global Conference carried out in Shanghai;
 - Portuguese Large Families Association (APFN) - support to the "Observatório das Autarquias Familiarmente Responsáveis" with the goal of raising awareness, rewarding and publicising municipalities that adopt family responsible measures.
- Reference, given the role played by Fundação Millennium bcp in the promotion of culture, to the recognition from APOM – Associação Portuguesa de Museologia (Portuguese Association of Museums) that, in the edition of the Awards APOM 2020, distinguished, for the second time (the previous one was in 2018) Fundação Millennium bcp as one of the winners in the Category Patronage.
- For more information, please see the 2020 Activities Report of Fundação Millennium bcp at: https://ind.millenniumbcp.pt/relcontas/2020/files/RCF_undacaoBCP2020.en.pdf



In 2020, the Foundation supported a total of 100 projects, of which 57% in the area of Culture, 20% in Knowledge and 24% in Social Solidarity.

Social aid within a pandemic context

The year of 2020 will remain undoubtedly marked by the Covid-19 pandemic. In just a few months, the new coronavirus SARS-CoV-2 introduced radical changes in our way of living and in our way of work. In companies, the pandemic was a real stress test to management ability, particularly in what concerns Management of People, within a context featured by significant uncertainties.

Since the financial services are crucial for the normal functioning of societies, of companies and of people, Millennium bcp continued to function as usual even during the State of Emergency, in force from 19 March to 30 April. The Bank confirmed its capacity to adjust to unexpected challenges and, rapidly, adapted the way it operates. Even before the first confirmed case of Covid-19 in Portugal, Millennium bcp activated the Contingency Plan foreseen in the Business Continuity Plan, with two clear and prime objectives:

- Protect the health of people - Employees, Customers and of all contacting with Millennium bcp;
- and ensure the continuance of a service of quality in line with the Customer's expectations.

The swift definition and implementation of measures and the strong focus on the direct communication with the Employees, enabled Millennium bcp to protect People and Business and, in spite of the required physical distance, we remained close and stood by those who needed us, internally and externally.

Thus, Millennium bcp was a front-line player in the emergency response to the pandemic caused by Covid-19. The following initiatives stood out in Portugal and in the other countries where the Bank operates:

- Measures to support families and companies, totally amounting, in Portugal, to 4,7 billion euros;
- Participation in the campaign "Unidos pela Sobrevivência" (United for Survival), for the purchase of clinical means to fight against Covid-19;
- Actions to support the Portuguese National Health Service (SNS), like the construction of the Contingency Structure of Lisbon, reconversion of Hospital Curry Cabral and donation of 100 ventilators through APB;
- Contribution within the scope of the initiative from the EU - international donor's conference - and part of the Portuguese effort for the research and development of a vaccine for Covid-19;
- Fundação Millennium bcp support the Food Emergency Network of the Food Bank, increasing its annual contribution;
- Clube Millennium bcp supports social institutions by donating individual protection equipment;
- Associação Dignitude – support to the project Abem: emergency Covid 19 - created to support the individuals that, due to the context generated by the pandemic Covid-19, present specific needs in terms of access to health care, aggregating, in a coordinated manner, access to medication and to health products and services;
- Payment in advance of invoices to Suppliers, particular SME, from 30 days to 1 week.
- Millennium bcp was also part of the movement Portugal #EntraEmCena, that joins artists, public and private companies, in the support to Culture.
- In Poland, Bank Millennium attributed an aid in the amount of 5,000,000 PLN to the academy of sciences for the development of the first local Covid-19 test;
- In Mozambique, Millennium bim gave up from celebrating its 25 the anniversary and donated the respective amount to Hospital Central de Maputo.



Products and Services

Material issue:

PRODUCTS INNOVATION AND SUSTAINABLE SERVICES

GRI FS7, FS8

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

BCP Group is also aware that the implementation of social and environmental criteria and standards in the commercial offer is reflected in more efficient risk management, reputation value and higher quality of the products and services offered to customers, meeting the needs and ambitions of a market increasingly related with sustainability.

Microcredit



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

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

Within a context featured by the Covid-19 pandemic, the institutional activity of disclosure of microcredit was highly conditioned. On the other hand, with the economic activity highly affected particularly the area of services and small retailers – main recipients of this financial model –, the decision of launching new products by the entrepreneurs was extremely weighted, and that had an impact on demand.

In spite of this scenario, in order to establish new types of cooperation and strengthen the existing ones, the microcredit of Millennium bcp carried out, in the course of 2020, face-to-face or via electronic means, 100 work meetings and 79 follow-up meetings with its institutional partners.

Considering its promotion model, based on partnerships with institutional entities that work with entrepreneurship and creation of jobs, it was possible in 2020 to celebrate 21 Cooperation Agreements with Municipalities (4), advising companies (6), entrepreneurial associations (6) entities of the social economy (5).



“

Since 2005, it adds up to 7,164 jobs resulting from projects funded by Millennium bcp's Microcredit, 158 of which in 2020.

The work of promoting microcredit and promotion of entrepreneurship experienced limitations and had to be adjusted to the conditions defined by the Health Authorities. Even so, it was possible to carry out 17 training/information sessions, 8 face-to-face and 9 *webinars*, with the participation of 441 persons. From the 17 sessions, we must point out the ones with the Municipality of Porto (Projeto Cidade das Profissões) and municipality of Lisbon (Project Lisboa Empreende +), with the Escola Profissional Profensino from Penafiel, with the advising companies Atlantic Hub and Eurofranquias and with the Social Development Local Agreements of Albergaria-a-Velha, Tabuaço, Águeda, Peso da Régua and Caldas da Rainha.

From the 17 sessions made, 3 had objectives eminently commercial and 14 were focused on awareness and acquisition of entrepreneurship skills. From the latter, we must point out the *webinars* for young graduates of the Project Cidade das Profissões from the Municipality of Porto, the sessions (face-to-face and *webinar*) for young finalists of Escola Profissional Profensino de Penafiel or the workshops for unemployed individuals carried out under a partnership established with the Social Development Local Agreements.

The alteration of the structure of microcredit in 2018 with the migration of the operation into the Bank's Network, paved the way for a clear approximation of the instrument to its recipients, thus reinforcing the commitment of Millennium bcp towards micro credit as an opportunity to help those with an entrepreneurial mind and a feasible business idea, encouraging them to use this solution to develop their business and create his/her own job. This alteration placed Micro credit near the surrounding community.

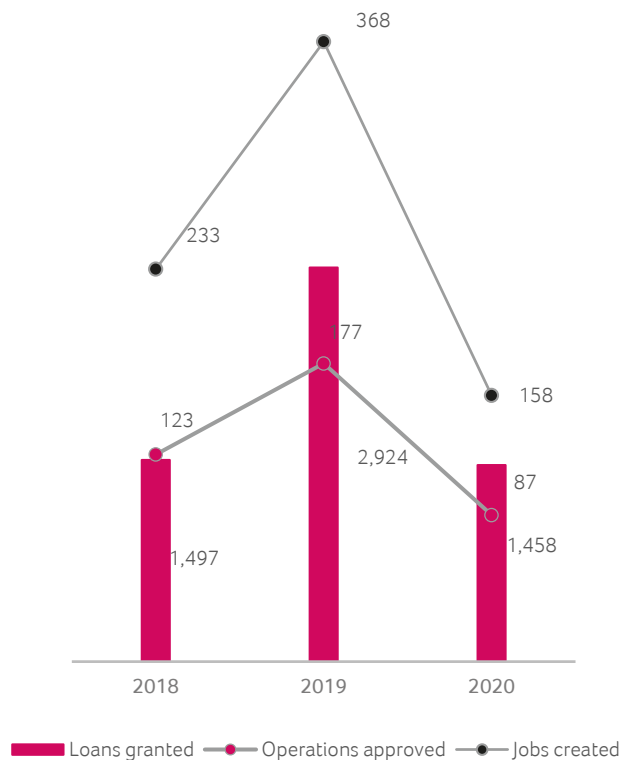
In 2020, Microcredit applied to the Sustainability National Award promoted by Jornal de Negócios.

Also this year, the microcredit of Millennium bcp was included in the online library of case studies of BCSD Portugal - Conselho Empresarial para o Desenvolvimento Sustentável.

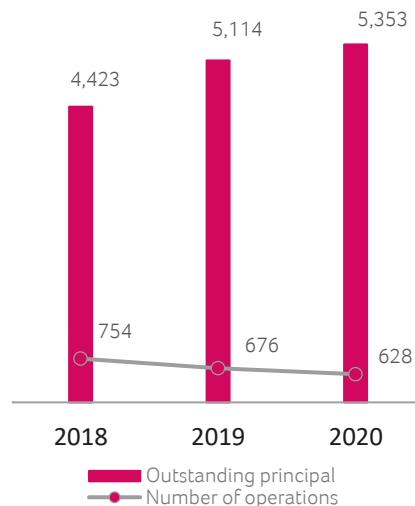
Millennium bcp's Microcredit, created in 2005, is recognised as a comprehensive service providing permanent support to the Customer throughout the duration of the funding contract. Its social responsibility nature is revealed by a permanent focus on the Client's reality, circumstances and needs. Since 2005, it adds up to 7,164 jobs resulting from projects funded by Millennium bcp's Microcredit.

As a result of the work developed, the Microcredit of Millennium bcp financed 87 new operations, totalling 1,485 million Euros of credit granted and the creation of 158 new jobs. The volume of active credit granted to the 628 operations in the portfolio, up to 31 December 2020, totalled 5,353 million Euros.

Microcredit activity
(Thousand euros)



Microcredit loan activities
(Thousand euros)



Some of the operations approved may not have been completed during the 2020 financial year.

In 2020, the Millennium Microcredit proposed to increase in 10%, versus 2019, the institutional contacts established, assuming that the main strategic priorities of Microcredit are based on the disclosure of this funding model and the promotion of entrepreneurship in the different regions of Portugal.

However, the constraints provoked by the Covid-19 pandemic crisis prevented the fulfilment of the objectives.

In 2021, despite the feeling of uncertainty that we are still facing, we remained with the ambition of increasing these indicators in 5%.

Financial Advisory Service

With the objective of continuing to support Customers in financial difficulties and prevent default, Millennium bcp also maintained its focus on the stimulation and applicability of SAF packages (Financial Follow-up Service). The Bank's concern continues to be proposing to Clients the solution which is more adequate to their available budget, so that they can keep meeting their liabilities by reducing costs with credit payments.

In this context, 6,681 contractual amendments were made during 2020 (3,163 mortgage loans and 3,569 consumer credit), with a restructuring value of 284 million Euros (267 mortgage loans and 17 consumer loans) and comprised 7,280 Clients (3,711 mortgage loans and 3,569 consumer loans).

Companies Support Solutions



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

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

- Millennium bcp joined the “2020 Efficient House” programme, launched by the Portuguese Government and co-funded by the European Investment Bank (EIB), with total funding to be made available by the Bank of 50 million Euros (25 million Euros from the EIB and 25 million Euros from the Bank). This programme, the purpose of which is to grant loans under favourable conditions to operations promoting the improvement of environmental performance of private residences, giving a special attention to energy and hydro efficiency, as well as to urban waste is available since June 2018 - 17 operations were carried out, with a total funding of 111 thousand Euros;
-
- Funding lines - SME Growth and SME Invest - aimed at SMEs intending to carry out investment projects or increase their working capital. Completion of 1,089 operations, with total funding of 126,415 thousand euros;
 - Regarding support to companies in the agricultural and/or fisheries sector and through the credit lines with IFAP (Short-term and Medium-Long Term), 154 operations were conducted involving a total financing of 11,238 thousand Euros;
 - Credit Lines to Support Tourism, aimed at supporting, with favourable conditions, companies that develop activities related to tourism. 14 operations were financed, up to a total amount of 3,834 thousand Euros;
 - A credit line - Social Invest - was launched in 2013 to facilitate the inclusion of Third Sector institutions in the financial system. In 2020, the Bank maintained 4 operations in portfolio, with a total value of 75 thousand Euros;

- The Bank also made available the - Linha Capitalizar Mais/SI Inovação -, a protocol established between Millennium bcp, the Instituição Financeira de Desenvolvimento (IFD) and the Mutual Guarantee Societies that created a Credit Line with mutual guarantee to finance projects to be implemented in mainland Portugal to help reinforce the entrepreneurial capacity of the SME for the development of goods and services that are innovative in terms of processes, products, organization or marketing. Millennium bcp financed 139 operations totalling 67,914 million Euros in credit;
- Due to the development of the domestic and international situation originated by Covid-19, Millennium bcp is committed in supporting the families and companies by making available a set of measures aimed at preserving the financial stability of its customers, of which we highlight : i) application of more than 100 thousand moratoriums to families and of 27.436 to companies; ii) Increase of the support given to the economy by means of financings made with guarantees from the EIF in the amount of 429 mio€. iii) Financing of 18.127 operations in an amount of 2.499 Mio€, under the Covid-19 lines (with the support from the State) through which more than 18.127 companies received aid.

In Poland, the support to small and medium-sized enterprises (SMEs) is granted within the scope of energetic and technological development, through PolGeff (Polish Green Economy Financing Facility) and financing instruments such as “Biznesmax” and “MilleSun”. Thus:

- Bank Millennium Leasing, through protocols established with BERD, under the PolGeff (*Polish Green Economy Financing Facility*), ensures financing of projects in the sector of small and medium-sized companies (SMEs) related with energy efficiency or renewable energy, including: projects to improve the energy efficiency of commercial buildings, expenses with hardware or projects promoting the use of renewable energy, among other;

- In 2020, the Bank was particularly active in the development of MilleSun – a programme for the financing of investments in solar energy. The rental of solar panels is a solution for entrepreneurs who like to change and are aware that the environment needs to be protected. In the area of leasing of solar panels, Millennium Leasing has been cooperating with the leading market suppliers, providing financing under preferential conditions for the installation of panels;
- In November 2020, Millennium Leasing signed a protocol with Esoleo, a company of Group Cyfrowy Polsat S.A., that supplies professional solar plants. The objective of this partnership is to ensure a simple and efficient process for clients who wish to rent these sustainable energy solutions;
- The bank offers the Biznesmax Guarantee Programme, within a partnership established with Bank Gospodarstwa Krajowego (BGK). The programme aims at guaranteeing loans granted to finance innovative undertakings by the SMEs, being particularly focused on eco-efficient companies. The client may take advantage of the “ecological path” that the Biznesmax Guarantee Programme intends to foster to finance projects involving at least one environmental category, such as electric mobility, renewable sources of energy, including solar energy plants, technologies to reduce the consumption of energy or to produce alternative fuels, circular economy, installations for the recovery of raw-materials from productive processes, among other;
- The Bank adopted a policies of loans to finance renewable sources of energy for solar energy plants below 1 MW and for wind farms above 1 MW. With this credit policy, Bank Millennium intends to foster the production of renewable energy in Poland and contribute for the achievement of the target of the European Union defined in Horizon 2020;

- As part of the Intelligent Growth Operational Programme (Polish abbreviation - POIR) repayment guarantees are supplied for loans connected with an investment, up to 80% of a loan, in a maximum of 2,5 million euros. The Biznesmax guarantees may be granted as part of the "minimis assistance" or (if the latter cannot be used) as part of the "regional assistance for investment". The period of the guarantee may go up to 20 years. The Biznesmax guarantees are totally free of charge for Customers. What also makes this programme exceptional is the fact that the Borrower of a loan with a Biznesmax guarantee may be reimbursed of a portion of the interests paid during a three-year period (benefit that is part of the "*minimis assistance*");
- Like in previous years also in 2020 Bank Millennium participated actively in the national programme of Credit for Technological Innovation implemented together with the BGK as part of the Intelligent Growth Operational Programme. The objective is to support the investments made by innovative small and medium-sized companies. The Credit to Technological innovation enables obtaining an allowance under the form of a technological award to be attributed by the BGK for the partial repayment of the loan granted by the Bank. The amount of the award is determined by the investment's location and may go to 70% of the costs eligible for projects from micro and small companies, and up to 60% for medium-sized companies, in accordance with the Regional Aids Map;
- The facts that are crucial for the evaluation of the project (for selection purposes) are criteria such as the positive impact in the implementation of the principle of sustainable development, namely if the project has a high environmental value, such as remove, prevent or mitigate pollution for the environment,

environmental damages or promotes the use of natural resources in a more sustainable and efficient manner.

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

- In Mozambique, Millennium bim made available the Credit line AIMO (Industrial Association of Mozambique) aimed at supporting the development of industrial investment projects, treasury, and support to the imports of small and medium-sized companies, part of AIMO;
- Domestic Commercial Credit discount addressed to small and medium-sized companies that provides the discount of invoices with a collateral from Britam Seguro Moçambique, that covers up to 90% of the value of the Invoice, and the Client is, at the moment of the accession, eligible for a 200 days *bullet loan*. The *Bullet Loan* is a *bridge finance* mechanism while the Client is waiting fro the payment from the Large National Buyer for the payment of the policy;
- Credit line FECOP Calamities - created within the scope of the cooperation established between the Government of the Portuguese Republic, the Government of Mozambique and the Mozambican Banking Asssociation. It is aimed at financing investment projects and provide treasury support operations for Mozambican micro, small and medium-sized companies in the regions that the Government decreed as the most affected by the natural disasters. The available tranche comprises all the operations affected by the impact of the Covid-19 pandemic.

Individuals Support Solutions

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

- University Loans - for students who decided to pursue their academic career, the Bank concluded, in the first six months of 2020, within the University Credit Line, 66 new loans totalling 737 thousand euros. The volume of credit granted to the 370 operations in the portfolio amounted to 2,969 thousand Euros;
- University Loans with mutual guarantee - also in Portugal, the Bank makes available to university students, a line with mutual guarantee. In 2020, 442 new loans were attributed, in a total amount of around 5.1 million euros. The volume of credit granted to the 1,751 operations in the portfolio amounted to 9.1 million Euros;
- Within the scope of its Sustainability Policy, Millennium bcp established, within the scope of the campaign for the migration into e-statement, a partnership with AMI - Assistência Médica Internacional, project Ecoética “Vamos todos ser Dinis”, with the objective of participating in the reforestation of the Leiria pine forest. Guaranteeing a contribution of 1 Euro per each statement in paper that migrated to its digital version, Millennium bcp was able to deliver a donation of 50 thousand Euros to AMI, an amount that enable to rehabilitate 5 hectares of land affected by the 2017 fires in the Leiria pine forest, where 5 thousand trees were planted, representing a contribution for local economy and to reach carbon neutrality;
- “Manda Mola” - a type of transfer that enables transferring money to any mobile phone number. This innovation contributes for the financial inclusion process of the Mozambican society since it allows the Bank’s clients to transfer cash to beneficiaries who do not hold a bank account and have access to an Electronic Currency Account (IZI Account), that may be used through the mobile channel (Millennium IZI) or ATMs for withdrawal of cash;
- “Millennium bim Já Já” - is a bank service that allows the population in rural areas to use bank services through the use of POS and Bank Agents (stores, groceries, post offices, etc.) replacing the more traditional means and channels. This service provides to the population a POS that enables executing a significant number of transactions, such as deposits, transfers, withdrawals, consultation of balances or payment of services;
- Credit line Mulher Empreendedora - credit to support individual businesses, small and medium-sized companies managed by Women. This product intends to promote the development of projects related with the entrepreneurial spirit of women in Mozambique and boost the growth and appreciation of the Mozambican women through her involvement in activities that contribute for the growth of the economy;
- Update of data via IZI on Whatsapp - the clients of Millennium bim, in Mozambique, are able to know which are the missing documents (Identity card, Single Tax Identification Number, Income Statement and proof of residence) and to send them through Whatsapp, in a digital version, to the Bank, enabling, this way, the automatic unblocking of the means of payment;



- Saving Plans (Women, Health, Family, Young People) – in Mozambique are available programmed saving products that, apart from the offer of a personal accidents insurance, ensures annual malaria tests to the members of the family of the account holder, automatic credit amounting to 80% of the amount of the savings;
- Micro credit IZI - solution wherein the Client, through the mobile phone (*Mobile banking*), may benefit from a short-term micro credit to cope with emergency situations, purchases or extraordinary payments;
- In Poland, Millennium Dom Maklerski provides accounts and brokerage services to its clients - IKZE (Pension Individual Accounts). The IKZE is a welfare individual programme that enables accumulating savings through a brokerage account;
- Konto 360° Student / Junior - in Poland, having as recipients young people aged 18 to 26 years in the first case and 13 to 17 in the second, enabling the opening of a bank account with special conditions, free of charge, that provides a first contact with the financial and banking services.

Social Inclusion



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

In Portugal, within the scope of Entities that incorporate the social industry, Millennium bcp keeps available the Non Profit Association Account, a current account with special conditions that does not require minimum deposit to open and has no maintenance and overdraft fees. 242 accounts with these features were opened, corresponding to a total of 4,834 accounts in the Bank's portfolio.

So as to ease the inclusion of institutions from the third sector in the financial system, a protocol was signed with Instituto de Emprego e Formação Profissional, Cooperativa António Sérgio para a Economia Social and the Mutual Guarantee Societies, defining a credit line – Social Investe – to support social economy. In 2020, the Bank maintained 4 operations in portfolio, with a total value of 75 thousand Euros.

Regarding the support to enterprise creation investment projects by unemployed persons, through the following credit lines: i) Microinvest Line - which financed 43 entrepreneurs to a total of 624.49 thousand Euros; and ii) Invest+ Line which supported 26 entrepreneurs, to a total value of 929.48 thousand Euros.

Within the scope of the inclusion of individual Clients (resident and non-resident) with low incomes in the financial system, the Bank was one of the banking institutions that voluntarily provided the current account – Minimum Banking Services Account -, without associated costs, this account can be used with a debit card and and the homebanking service. In 2020, 2,873 accounts were opened, presently accruing to 13,023 accounts.

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

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



Charitable cards

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

- Loyalty Programme - gives Customers the possibility of exchanging the points on the card into donations to charitable institutions. Within this scope, the cards from the network Visa/Mastercard (Catalogue of Points) delivered donations (5€ or 10€), in a total amount of around 565 euros to institutions such as Acreditar, Ajuda de Berço, AMI and Associação Portuguesa de Bombeiros Voluntários;
- The credit cards issued by Millennium bcp in Portugal and by Millennium bim in Mozambique continue to allow their holders to take advantage of the partnership with NOS and Lusomundo movie theatres, offering two tickets for the price of one for the chosen film. In 2020, this partnership of aid to access culture was rather affected due to the closing of the movie theatres due to the pandemic.

In Poland, the WWF Millennium MasterCard credit card, available since 2008 and produced with recyclable plastic, takes up an environmental commitment. For each subscribed card, the Bank transfers to WWF Poland (World Wide Fund For Nature) half of the first annuity and a percentage of each transaction made. In 2020, more than 11.0 thousand Euros were transferred, totalling 1.614 cards, 243 of which subscribed to this year.



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

SRI Funds (Socially Responsible Investment)

GRI FS11

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

- In Portugal, these funds are available through: i) an online platform of Millennium bcp – which marketed 3 environmental funds in the area of energy and sustainable investment, amounting to, on 31 December, a portfolio value above 10,009 thousand euros; and ii) ActivoBank – offering 19 investment funds, of which 7 are ethical funds and 12 are environmental funds, with a total portfolio value above 4,558 thousand euros, representing a growth of 218% *versus* 2019 (1.434 thousand Euros) and already around 4% of the total of funds under management. On 31 December 2020 these funds had a volume of subscribed participation units of 3.429 thousand Euros, a positive evolution versus the 436 subscribed in 2019;
- In Poland, Bank Millennium also has a solid offer of SRI (Socially Responsible Investing), funds, fundamentally aimed at Customers of the Prestige and Private segments, reflecting the investment in businesses whose principles incorporate environmental concerns, namely regarding climate change.

Employee benefits

Material issue:

MOTIVATION MANAGEMENT

GRI 201-3, GRI 401-2

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

Health and Safety

GRI 403-3

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

In Portugal, to improve health benefits granted to its Employees, the Bank's Internal Medical Services in Taguspark now include experts on Nutrition (397 consultations vs 920 in 2019) - also available for Employees working in Porto -and Clinical Psychology (866 consultations vs 866 in 2019). A service for posture correction is also available at this stage in Taguspark, the purpose of which is to correct anomalies in the spinal column and nervous system, as well as the remaining symptoms thereto related. The Physiotherapy services are also available in Taguspark and in the head office of Club Millennium in Lisbon. In addition, a service for the collection of clinical tests is also available (41 vs 211 in 2019).

It is important to mention that the reduction in the number of check-ups made in 2020, as well as of the consultations on nutrition, psychology, and clinical tests are directly related with the preventive measures determined by the Bank within the scope of the actions targeted at mitigating the risk of contamination by the corona virus and to protect the employees and the health professionals Covid-19 that, among other things, represented the temporary suspension of the non-urgent activities of the Medical Services. The psychology consultations which were really necessary were made by Skype. Also the Physiotherapy Cabinet was temporarily closed for the same reasons.

Notwithstanding, to respond to the support need in terms of health, at the beginning of April, the Hospital da Luz made available a supporting phone line exclusive for employees of Millennium bcp. Also Médis made available a nursing lines that clarifies doubts and makes recommendations on the most appropriate health care that, during this circumstantial stage, extended to employees who do not have a Médis Insurance.

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

HEALTH SERVICES ⁽¹⁾

	2020	2019	2018	VAR.% 20/19
MEDICAL SERVICES				
Medical appointments made	35,007	26,539	22,507	31.9%
Check-ups made	6,487	9,416	9,142	-31.1%
HEALTH INSURANCES				
Individuals involved	46,737	46,311	47,257	0.9%

⁽¹⁾ Includes active Employees and retired Employees.

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

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

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

In Poland, the “Millennium Active Zone” was created, a programme for employees that aims to promote and incentivise exercise and to disclose concepts, practices and habits for a healthy life.

Within the scope of pandemics or other situations that may severely and broadly impact the health of the Employees, as happened in 2020 with the Covid-19 pandemic, Millennium defines and discloses and implements contingency plans together with the Bank's Medical Services and the local health authority. An example are the flu vaccine campaigns, such as the ones carried out in Poland and in Portugal.

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

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

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

One must also make an additional reference to the internal information flow, which, based on corporate communication platforms, publishes contents regarding business, operational, training and technological issues, but also contents on social responsibility, employee advantages and many other general interest pieces. In Portugal alone, 5,686 pieces were published on the intranet, 427 of which with videos produced by Millennium TV .

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



In addition to the contingency plan implemented, due to Covid-19, the BCP Group offers a diversified set of social benefits to Employees, having been reinforced to adapt the response to the current pandemic context.

Material issue: **PHYSICAL SECURITY**

BCP Group provides a work place that enables its employees to undertake their activities with minimum risk and maximum productivity. So as to guarantee these conditions, the premises are monitored regularly, there are occupational safety and health (HST) visits to the premises, so as to find and correct problems. In 2020, 186 inspections were made in the Group.

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

Following up the needs resulting from the concentration of employees from central services of Millennium bcp from Lisbon in TagusPark, and without damaging increasing parking space with the creation of a new car park, the focus continues on the daily and free use of buses that ensure transportation to and from Taguspark which, since 2020, are managed based on the existing demand, an improvement that enables optimising the number and frequency of the travels.

Credit

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

LOANS TO EMPLOYEES ⁽¹⁾

Million Euros

	2020		2019		2018	
	Amount	Staff Members	Amount	Staff Members	Amount	Staff Members
HOME LOANS						
In portfolio	529.8	7,940	562.1	8,294	607.7	8,747
Granted in 2019	23.1	217	29.8	281	25.8	304
SOCIAL PURPOSES						
In portfolio	9.1	2,199	11.1	2,429	9.7	2,548
Granted in 2019	3.2	265	3.9	981	3.5	870

⁽¹⁾ Includes active Employees and retired Employees.

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

Parenting

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

This programme that began in Portugal in 2015 continued active, even under a pandemic period. The banks sent 111 kits for babies born in 2020 and, notwithstanding the constraints due to the pandemic, was granted the afternoon off on the birthday of their children under 12 years old to celebrate the event with their family, to 1.907 Employees.

Due to the union negotiations for 2020 the amount of the parenting allowance was revised to become 800 euros, corresponding to an increase of 6,7% versus the previous amount granted.



Sharing the rights associated with pregnancy and birth or adoption of a child and ensure their observance in the entire organization are the main objectives of this programme, applicable to all employees of Millennium bcp, exercising functions in Portugal. For that purpose, there is a digital guide on intranet and shared when deemed pertinent with the employees that benefit from this programme that gathers information of laws, rights and also duties, based on a digital system that makes the life of the parents easier and also the one of the teams.

In addition, Millennium bcp also guarantees:

- Offer of the Baby Millennium Kit right after birth or the adoption of a child up to 3 years of age that includes a gift for the baby and a voucher for the opening of a savings account in favour of the newly-born child or newly-adopted child (currently in the amount of 800€). 128 savings accounts were opened, totalling 126,064 thousand Euros;
- The mother and her baby also receive a flower bouquet with a greetings card from the Bank, together with a soft toy;
- Afternoon off work on the birthday of the child of an Employee until the child's 12th birthday (inclusively);
- Use of an outsourcing company, whenever necessary, to ensure the replacement of the absent Employee (in commercial areas);
- Adoption of measures to follow-up the moment the parent returns from the parental leave to ensure a good interaction with the team;
- Follow-up questionnaire: a survey is made to all Employees that take parental leave so as to identify eventual improvement opportunities.

The satisfaction with this programme is very significant standing in some cases, above 90 points as is the case of the offer "Kit Baby Millennium" the offer that receives a better score from the employees, the parental leave and the afternoon off on the birthday of the child of an Employee until the child's 12th birthday. On the other hand, the use of breastfeeding hours continues to be a area that could be improved in the future, notwithstanding the fact that the same has a score of 83 points.

It is a programme that continues to be highly appreciated by our employees not only because it offers several benefits to the employees, but also because the same enables Millennium bcp to be part of a very significant moment in the life of our Employees and respective family.

In Poland, an operation where 67% of the staff is composed of women, most of them mothers, the new Bank Millennium programme "Yes for Parents" helps them to balance their professional life with their personal and family life.

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



Support to education



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

The BCP Group continued to promote academic qualification, providing financial support, under the terms of the regulations in force, to Employees who, by their own initiative, wish to get undergraduate degrees, post-graduate degrees or executive training equivalent to a post-graduate degree or a master's degree, which is relevant for their careers and the Group. 12 employees received financial support, in an amount of 23.096 euros.

In Portugal, in terms of education and through monthly subsidies, the Bank also supports: i) Employees who qualify as Student-Employee, granting a total of 5,178 Euros, to 31 Employees; ii) Employees with children of school age, supporting 3,993 Employees, totalling 1,316 thousand Euros; and iii) children of deceased Employees of school age, The bank supported 124 young people with 282,324 Euros.

In Poland, the pandemic forced the Bank to develop new solutions. For example, in 2020 it was not possible to put into place certain social projects, such as travels and excursions, as well as meetings that have been organized by the Bank for many years. That is why the bank created two new cash benefits in the Company's Social Benefits Fund, the programme "Yes to Parenthood" and the low income benefit. Firstly this is a response to the parent's need related with the remote education of their children, the need to purchase computers and educational tools for home learning. The majority of the funds aimed at financially assist the employees, including support to e-learning of children and young people.

Besides providing attracting working conditions, development and social support, Bank Millennium offers the employee the possibility of returning to work after the parental leave, opportunities to participate in charitable activities, in volunteering actions, in sporting activities and in cultural activities.

Culture and leisure

The year of 2020 was significantly marked by the Covid-29 pandemic and forced us to face a reality that is completely different from the one we were used to.

The behaviours and routines had to be adjusted to new formats, challenging the creativity and implied the search for new solutions. The challenges to face were many and quite demanding but the efforts to overcome them showed the enormous resilience that enabled to maintain the Club's balanced offer, even under a very difficult conjuncture.

This way, a new stage began. Clube Millennium bcp reinvented itself and showed that, regardless of the adverse conditions, the Associates can always count with their Club to improve their daily life. It developed new ways to disclose new contents, new information so that the activities continue to reach its Associates, most of them on an online version. The initiatives or information disclosed in 2020 reached the number of 726. The impressive subscription of these initiatives resulted in 404.197 visits and more than 2 million pages viewed (an average of 5.500 pages viewed per day on the Club's website (www.clubemillenniumbcp.pt), a fact that leaves us proud and certain that, regardless of the adverse conditions, the Associates follow their Club because they are able to find therein solutions that are beneficial for them.



In the last quarter of 2020, alongside with the evolution of the pandemic and in accordance with the sanitary requirements, measures were being adopted to resume the in-person activities and events proposed by the Club.

In an atypical year, strongly impaired by the pandemic, 4 053 employees joined the initiatives disclosed by the Club: 1.778 sporting activities, 1.717 cultural ones, 222 leisure ones and 336 related with requests for sporting equipment, Covid -19 protection masks and face shields and tickets for the Zoo.

MEMBERS OF CLUBE MILLENNIUM BCP

	2020	2019	VAR.% 19/18
Active Employees	5,825	6,005	-2.9%
Retired Employees	5,344	5,438	-1.9%
Sub Total	11,169	11,443	-2.4%
Relatives	23,490	23,864	-1.5%
Total	34,659	35,307	-1.8%
Total of signing up in events on the website	4,053	17,192	-76.4%

Source: Members database and website December 2020

The Club celebrated the 2020 Christmas by distributing 2.531 toys for children and young associates up to 12 years of age and with a special and diversified online programme. We must point out the show "Um Sonho de Natal", on 8 December and the Christmas Concert from the MUSIC School of Clube Millennium bcp on 19 December. The Club's solidarity was also maintained by the donation of 10.000€ to the nucleus of ReFood of Carnaxide and Foz do Douro (5.000€ for each).

By the end of 2020, the Club had 34 659 Associates, 11.169 effective ones and 23 490 relatives. 5.825 of the Associates are still in active duty and 5 344 are retired or left the bank by mutual agreement signed with one of the companies of Group Banco Comercial Português.

For 2021 the Club will continue to maintain its levels of excellence concerning the quality of its products and services, innovation and diversity of its initiatives/activities, as well as the protocols it will sign, requesting the best discounts and services for their Associates and families since they represent its priority and the reason why Clube Millennium bcp exists.

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

In 2020, Bank Millennium was, for the 7th consecutive time distinguished with the "Solidny Pracodawca 2020" (Reliable Employer). This award, that distinguishes the best Polish employers, recognises the quality of management of human capital, translated in reliable employment policies, the promotion of training and management of careers, in solutions and benefits addressed to employees and also in the development of social responsibility actions and in the volunteer work opportunities created by the Bank.



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

The Employees also have preferential access to cultural events and spaces sponsored by the Bank in the various Countries where it operates, for example in 2020 the Concerts of Festival ao Largo (Portugal), the film festival Millennium Docs Against Gravity film festival (Poland) and the Art Nucleus Exhibition (Mozambique).

Suppliers

GRI 204-1

In BCP Group, the process for selecting suppliers mainly obeys criteria of global competence of the company, functionality, quality and flexibility of the specific solutions to acquire and ongoing capacity of providing the service. In all the Group's operations, it is given preference to purchasing from Suppliers of the respective country, registering 92.2% in payments to local suppliers.

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

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

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

BCP conducts assessments of its suppliers, through the application of a performance questionnaire which includes parameters related to the level of compliance with the Supplier Principles. In 2020, 489 suppliers were evaluated and the average score was 4.32.

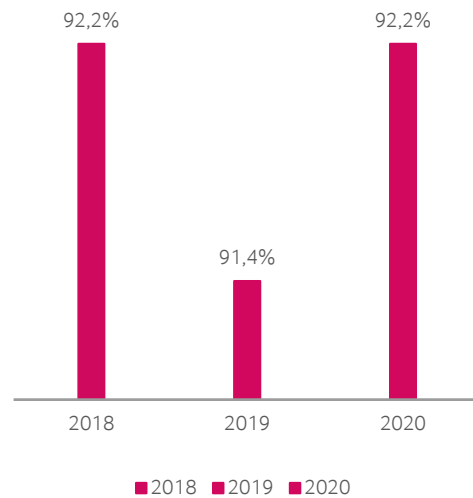
Within the scope of the monitoring, Millennium bcp's suppliers are subject to a permanent evaluation process, based on: i) the relationship they maintain with Technical Competence Centres; ii) performance assessment actions and the identification of areas for improvement; and iii) on existing decision-making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

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

Millennium bcp is a subscriber of the Charter of Principles from BCSO Portugal - Business Council for Sustainable Development. This document establishes the principles that are the guidelines for good corporate management, enabling the subscribing companies to be recognized by their clients, suppliers and by the society in general for the adoption of solid sustainability commitments. The Charter encourages subscribers to go beyond legal compliance, adopting rulings and practices recognized and in line with management, ethical, social, environmental and quality standards in any context of global economy.

Already in 2020, in Portugal, the Bank revised the [Suppliers Sustainability Guidelines](#), which are now part of all the contracts for the purchase of goods and provision of services signed by Millennium bcp. This document includes aspects such as compliance with the law, environmental and labour good practices, but also human rights and the application of these principles in the contracting of third parties.

Supply Chain (Percentage)



SUSTAINABILITY EVENTS AND SOLIDARITY ACTIONS



Millennium bcp signs Lisbon European Green Capital commitment



FOSUN Group delivers medical equipment to the National Health Service in the context of the response to Covid-19 (Portugal)



“Ajude-nos a Ajudar” Campaign promoted by Millennium bim Solidarity (Mozambique)



Millennium bim support to misplaced people from Cabo Delgado (Mozambique)



Special Fund to support Bank Millennium Employees in case of Covid-19 infection (Poland)



Bank Millennium supports local development of the first Covid-19 tests (Poland)



Millennium bim supports the production of individual protection material for Covid-19

SUSTAINABILITY EVENTS AND SOLIDARITY ACTIONS



Millennium Docs Against Gravity Film Festival
Millennium Bank Millennium in support of culture
(Poland)



Bank Millennium's Financial ABCs literacy programme
Millennium adapts to the pandemic situation and reaches to children through digital media (Poland)



Banque Privée's voluntary action supports disadvantaged children (Switzerland)



Millennium bim provides computers to Maputo Central Hospital (Mozambique)



Miguel Maya participates in a webinar on Sustainable Finance (Portugal)



Paulo Neves participates in ECO Capital Verde Web Talk about the Sustainability Master Plan of BCP (Portugal)



ENVIRONMENT

RESPONSIBILITY



Environment Responsibility

The climate approach of Group BCP is based on the promotion of a culture of environmental responsibility and management, involving commitments and goals, action plans, investment and procedures for the management of the several environmental aspects, especially those related with climate changes, energy efficiency and the eco-efficient performance of its operations.

Currently, there are several commitments, tools and indexes with which BCP aligns its environmental responsibility ambition:



In 2020, BCP was given the award A- in CDP Climate Change.

In 2019 the Bank defined its Sustainability Master Plan (SMP) 2021, with the objective of enhancing the creation of value at the economic, social and environmental level. Structured around the ESG lines of action, the three lines of action of this structuring plan is the Environmental one, focused on Sustainable Operations. The environment action plan includes 12 specific actions aimed at containing global warming (in line with the commitments assumed in the Paris Agreement) and minimising the operation’s environmental impact. Among these measures, we may point out the definition of targets to reduce emissions in accordance with the *Science Based Targets Initiative*; and the goal “zero paper”, a consequence of the ongoing increase in scanning and reduction of prints and the disclosure, in line with the recommendations issued by TCFD.

In terms of ownership of the initiatives part of the SMP, the Sustainability Commission, chaired by the CEO, follows-up their implementation. The definition of the sustainability strategy is a responsibility of the Executive Committee and the Risk Committee has the task of defining the global risk management framework (including sustainability risks). The Sustainability Area has been entrusted with the direct implementation of the SMP actions, and also monitors them.

Hereinafter please find a summary of the main environmental actions foreseen in the SMP and to be implemented from 2020 onwards:

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

At Millennium bcp we are committed to communicating and reporting our approaches and initiatives in a transparent manner. In this sense, we prepared a table of alignment with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), an exercise we intend to complement in future reports.

Activities, content and reference sources

Governance

How BCP manages climate-related risks and opportunities

- Participation in the CDP Climate Change, where the management approach to climate-related risks and opportunities is published.
 - Creation of a Sustainability Committee that aims to promote the integration of sustainability aspects (namely environmental) in the Bank's decision and management processes.
- [CDP Climate Change](#): C1. Governance
 - [2020 Report & Accounts](#): Main risks and uncertainties; Risk management
 - 2020 Sustainability Report: Governance model

Strategy

How BCP manages the current and potential impacts of climate-related risks and opportunities

- Development of a Sustainability Master Plan, which includes the integration of ESG risks in risk management procedures and the contribution to limiting global warming to 2°C (Paris Agreement).
 - Implementation of internal initiatives aimed at minimizing the environmental impact of the Bank's operations.
- [CDP Climate Change](#): C2. Risk and opportunities; C3. Business strategy
 - [2020 Report & Accounts](#): Sustainability Master Plan
 - 2020 Sustainability Report: Relation with *stakeholders* – Sustainability Master Plan

Risks and opportunities

How BCP identifies, assesses and manages climate-related risks and opportunities

- BCP's risk commission has implemented formal processes for identifying, assessing and managing over 60 risks (including the climate change risk).
 - Monetization of risks and opportunities carried out as part of the response to the CDP Climate Change.
 - Use of scenario analysis to identify and assess impacts of extreme weather events.
- [CDP Climate Change](#): C2. Risk and opportunities; C3. Business strategy
 - [2020 Report & Accounts](#): Main risks and uncertainties; Risk management

Metrics and goals

How BCP assesses and manages climate-related risks and opportunities

- Definition of metrics and goals published in response to the CDP Climate Change.
 - Definition of other initiatives and goals related to climate action within the scope of the Sustainable Development Goals.
 - Calculation of its carbon footprint (which includes scope 1, 2 and 3 emissions).
 - Creation of conditions for the definition of reduction targets based on Science-based targets.
- [CDP Climate Change](#): C2. Risk and opportunities; C3. Business strategy
 - [2020 Report & Accounts](#): Non-financial information – Environmental impact
 - 2020 Sustainability Report: Environmental responsibility
 - [BCP's Contribution to the United Nations Sustainable Development Goals](#): Sustainable operations

Sustainable Development Goals

Group BCP recognises the importance of the companies' involvement in the compliance with the Sustainable Development Goals (SDG), and identified which are the most significant contributions by Group BCP for the SDG related with environment, as described hereunder.



Our goal

Contribute to limit global warming to 1.5/ 2°C.

Increase the percentage of renewable energy in total consumption of fuel.

Our contribution in 2020:

- In 2020, the energy consumed at the central services of the Bank in Portugal was 100% renewable and, in 2021, the Bank is committed to use 100% of green electricity at the Bank's premises in Portugal.
- 39% reduction in the Group's direct emissions of CO₂
- Commitment to increase the % of energy-efficient vehicles for the entire bank's car fleet, 30% until 2025 and 80% until 2030;



Our goal

Mobilise and increase the financial means for the consternation and sustainable use of biodiversity and ecosystems and for the promotion of a sustainable management of forests, including maintenance and re-forestation.

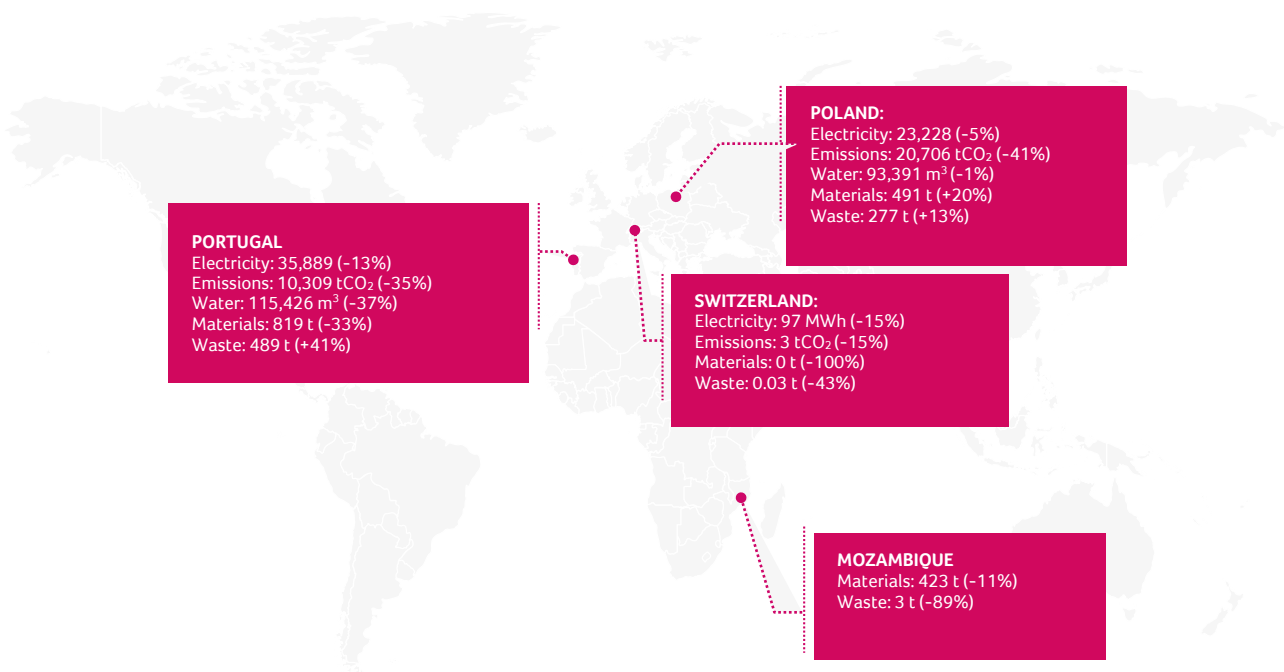
Our contribution in 2020:

- Finance Projects in the areas of energy, forest, farming through the lines "Casa Eficiente" (Efficient Household), the credit lines PRODER/PROMAR and IFAP Short Term, PolGEFF Polish Green Economy Financing Facility, Leasing Eko Energia, MilleSun, among other.
- Financing, through a donation of 50.000 Euros, the plantation of 5 thousand trees, corresponding to the rehabilitation of 5 hectares, by means of a partnership established with Assistência Médica Internacional/AMI, representing an estimate of 102,5 tCO₂ retained^(*) per year.

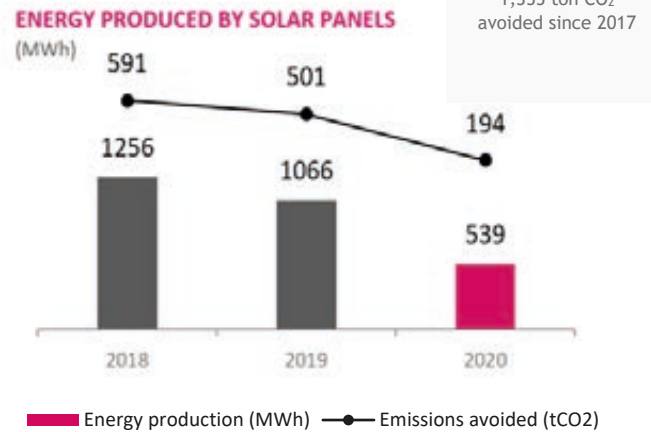
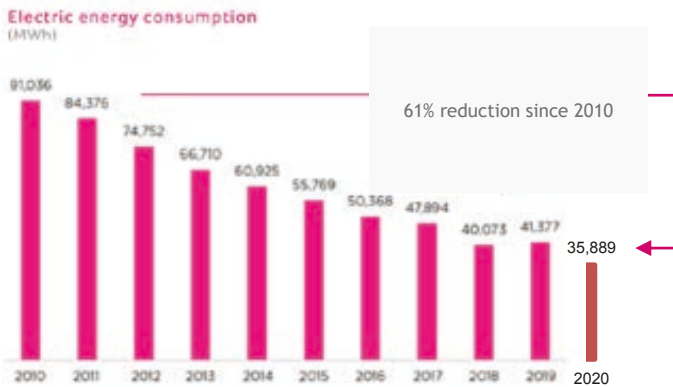
(*) Estimations based on the average of the factors 15-26 t CO₂/ha/year (Source: Florestas.pt <https://florestas.pt/saiba-mais/qual-a-capacidade-de-sequestro-de-carbono-das-principais-especies-florestais-portuguesas/>, Correia, A.V., A. P. Correia e J. S. Pereira (2005), Principais Impactos das Alterações Climáticas na Produtividade da Floresta em Portugal: <https://www.repository.utl.pt/bitstream/10400.5/1032/1/Congress-5-santos%20P..pdf>).

Main Highlights

(2020, % of evolution *versus* 2019)



MILLENNIUM BCP ENERGY EFFICIENCY PATH IN PORTUGAL (2010-2020)



Reduction of consumption of electricity since 2010

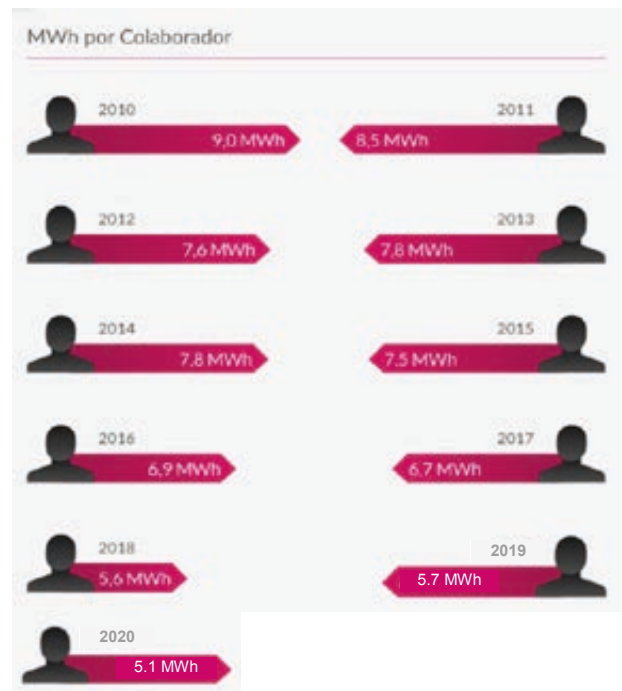
Reduction of **61%**

Reduction of consumption of electricity per employee since 2010

Reduction of **43%**




Energy and interior air quality certification:

Classification B **71%**



Environmental

Main initiatives implemented in the course of the last 10 years

<p>Replacement of traditional light bulbs for LED in all of the Bank's buildings in TagusPark</p>	<p>Programme Go Paperless which, since the same has been put into place, enabled achieving saving around 22 million prints</p>
<p>Mobility pact for the City of Lisbon and the European Green Capital 2020 commitment</p>	<p>Optimisation of the functioning of lighting, HVAC and thermal power station</p>
<p>Commitment of using electricity 100% green in the Bank's premises in Portugal in 2021</p>	
<p>Becoming A- in the CDP Climate Change in 2020</p>	<p>In 2020, the energy consumed by the central services of the Bank in Portugal was 100% renewable</p>
<p>Selection of Bank Millennium as the bank with the best performance in the ranking "Climate Leaders Poland 2021" from the Forbes magazine, reaching the second place amongst the Polish companies of the list in what concerns reduction of greenhouse gas emissions</p>	
<p>Installation of a Photovoltaic Solar Energy Plant with 1 MW capacity, avoiding the emission of 1,355 tCO₂</p>	<p>Renewal of the lighting in the offices of Bank Millennium, reducing the consumption of energy in 54%</p>
<p>Financing, through a donation of 50,000 Euros, for the plantation of 5 thousand trees, corresponding to the rehabilitation of 5 hectares, through a partnership established with Assistência Médica Internacional /AMI, representing an estimate of 102.5 tCO₂ retained (*) per year.</p>	

(*) Estimations based on the average of the factors 15-26 t CO₂/ha/year (Source: Florestas.pt <https://florestas.pt/saiba-mais/qual-a-capacidade-de-sequestro-de-carbono-das-principais-especies-florestais-portuguesas/>; Correia, A.V., A. P. Correia e J. S. Pereira (2005), Principais Impactos das Alterações Climáticas na Produtividade da Floresta em Portugal: <https://www.repository.utl.pt/bitstream/10400.5/1032/1/Congress-5-santos%20P..pdf>).

Material issue: **ECOEFFICIENCY**

Sustainable operations

The Bank regularly monitors a series of environmental performance indicators which measure the Bank's eco-efficiency with regard to its main consumption of resources. 2020 was an atypical year, featured by the pandemic Covid-19 and by its economic, social and environmental impacts; therefore, the assessment of the performance reached is conditioned and must take this aspect into consideration.

The rationalization in the consumption of energy, water and materials, based on a rationale of dematerialisation of processes, protection of the environment and preservation of natural resources, are objectives part of the core of the environmental policies followed by all the operations of Group BCP.

The environmental performance of the Group also suffered the impact of the pandemic in 2020, with the major percentage of its employees working from home, together with the under-utilization of the Bank's premises. Consequently, there were significant reduction in the consumption of energy, materials, water and waste. These improvements resulted not only in a reduction of the environmental impact of the Bank's operations, but also in a significant reduction of the associated costs.

In 2020, apart from the monitoring of the environmental indicators, BCP has reinforced its action in terms of assessment of risks related with climate changes and the incorporation of, standards, policies and of defined procedures in order to ensure the Bank's ongoing activity in case of natural disasters able of discontinuing it. These themes are under the supervision of the Sustainability Commission and of the Risk Office (ROFF). The Bank also continued to manage indirect environmental risks, during the credit and project finance evaluation and granting process and carries out environmental impact studies, in accordance with the applicable legislation in effect.

Summary of Environmental Performance - Group BCP

	Unit:	2021	2020		2019		2018		Var. % 2020 versus 2015 5 years
		Targets	Var. % 20/19	Values	Var. % 19/18	Values	Var. % 18/17	Values	
ELECTRICITY (*)	MWh	-5%	-10%	59,214	-0.3%	65,989	-11%	66,181	-25%
ENERGY									
Total	TJ	-7%	-30%	310	-5%	443	-15%	465	-45%
	Direct TJ	-9%	-26%	96	-18%	130	-25%	158	-52%
	Indirect TJ	-5%	-32%	214	2%	313	-8%	307	-41%
WATER	m3	-7%	-24%	208,817	-2%	276,460	-23%	366,872	-9%
PRODUCTION OF WASTE	t	-20%	25%	768	-9%	617	12%	677	-35%
MATERIALS									
Total	t	-10%	-18%	1,732	-1%	2,107	-8%	2,140	-32%
	Cardboard/paper t	-10%	-17%	1,692	-1%	2,046	-9%	2,071	-32%
	Plastic t	-10%	-33%	41	-10%	60	10%	67	-23%
CO₂									
Total	tCO ₂ eq	-7%	-39%	31,018	0%	50,714	-9%	50,588	-47%
	Direct Emissions tCO ₂ eq	-7%	-23%	6,401	-16%	8,330	-23%	9,921	-50%
	Indirect Emissions tCO ₂ eq	-7%	-42%	24,616	4%	42,384	-5%	40,667	-42%

(*) Domestic context – Portugal

MAIN INITIATIVES AND SUSTAINABILITY COMMUNICATION

The Bank committed to foster the individual awareness concerning the adoption of environmentally responsible behaviours in **Portugal**. This theme remains a significant concern for the Bank and, in 2020, the Bank continued to launch initiatives to increase environmental awareness and disclose good practices. The Bank also initiated the development of an e-learning training on sustainability, to be provided in 2021, including subjects on environmental dimension.

The action of communication and awareness “*push yourself, not the button*” encouraged the employees in **Poland** to use the stairs instead of the elevators, with benefits not only in terms of energy saving but also in the well-being and health of the employees.

The Bank developed a contest on environmental knowledge on the employee’s intranet. The awards consisted of gifts made with biodegradable materials with the logo of Bank Millennium. In addition, the Bank disclosed information on changes in garbage collection, namely through marketing campaigns and new selective garbage containers, with the appropriate logo.

Millennium bim, in **Mozambique**, signed in July 2017 the protocol to join the Clube Empresarial da Gorongosa, and started to give a direct support to the programme “Clube de Raparigas” (“Girls Clubs”), an initiative aimed at preventing the high number of early marriages and school abandon by promoting activities approaching the education of girls and their personal safety, nutrition, access to family planning and also environmental sustainability. The two projects that currently are taking place at Parque Nacional da Gorongosa have, as main purpose, to restore the ecosystem, support local communities in their socio-economic development and create, in a sustainable manner, a tourism industry, a prime example in nature conservation and creation of opportunities for local communities.

In **Switzerland**, some of the measures put into place in 2020 include: automated lighting outside working hours, promotion of an internal message to print only the required documents and encouragement for the use of video conferences. It was also created, in 2020, the work group called “The Green Team”, to promote awareness in sustainability themes. This group writes an internal monthly newsletter on the theme and expects, in the future, to be able to organize sustainability awareness events.

Material issue: CLIMATE CHANGES

De-carbonisation



A 47% reduction in the total consumption of energy in the course of the last 5 years.

The commitment of Group BCP is based on minimising its carbon footprint and on supporting its clients in the transition into a low carbon economy so as to contribute for the achievement of the objectives defined by the international political agenda. In 2020, the Bank has been enhancing this effort to mitigate its carbon footprint, not only by minimising the emissions deriving from its activity but also through initiatives to compensate the emissions, such as the plantation of trees within a partnership established with AMI and the compensation of emissions related with the way according to which the Bank’s Managing Staff meeting was held in 2020, in Lisbon. At the moment, the Bank is assessing its commitment towards carbon neutrality in its operations in Portugal, similar to what has been made in Poland.

In addition, BCP identifies the risks related with climate changes and the incorporation of standards, policies and procedures in order to ensure the Bank’s ongoing activity in case of natural disasters able of discontinuing it. The Bank also manages indirect environmental risks, during the credit and project finance evaluation and granting process and is able to carry out environmental impact studies, in accordance with the applicable legislation in effect. Within this context, the goal of the Bank is to improve reporting in this area by implementing the recommendations from the “Task Force on Climate-related Financial Disclosures” (TCFD).

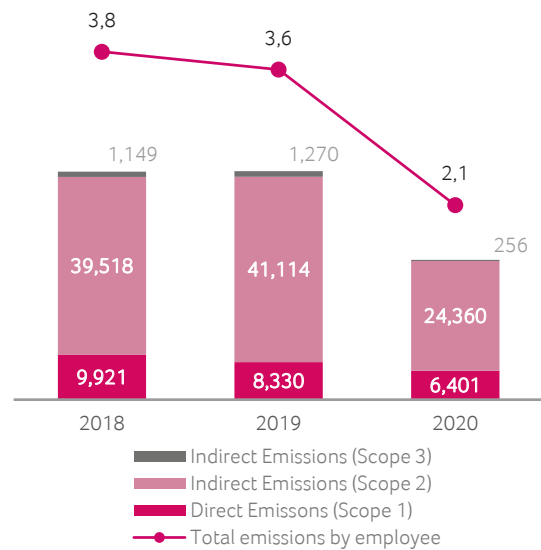
Every year, the Bank participates in the CDP (Carbon Disclosure Project), and reached, in 2020, a Classification A-, Leadership band.

Within the scope of the commitment of adjusting to climate changes, BCP estimates every year the Group’s carbon footprint in order to be able to contribute for the reduction of Greenhouse Gas Emissions (GHE).

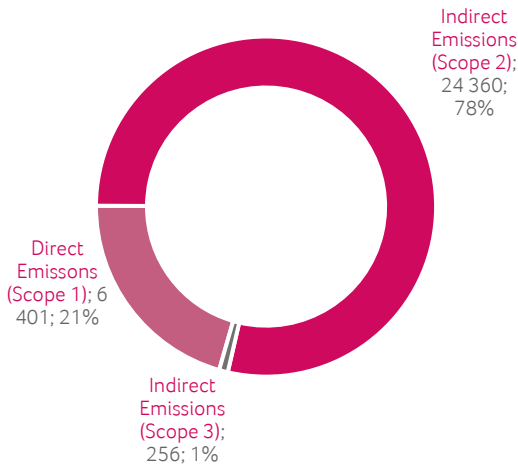
In 2020, the downward trend in the GHG emissions associated with the Group’s banking activity continued and there was a decrease of approximately 39% *versus* 2019, due to the pandemic effect that minimised the use of offices and decreased the number of travels and also due to the ongoing implementation of several energy efficiency measures in the several countries where the Bank operates.

In overall terms, in Group BCP, the emissions associated to fuel consumption (scope 1) recorded a decrease of 23% compared to the previous year, mainly caused by a reduction in emissions associated with the consumption of natural gas. Regarding the emission associated with the consumption of electricity, there was a reduction of 41% *versus* 2019. In emissions associated to service mobility (scope 3), the same decreased around 80%, imputable mainly to the drastic reduction in employee’s travels. In line with the Sustainability Master Plan (MSP), the Bank is committed in enlarging the estimation of scope 3, both upstream and downstream of the Group’s activity; There was also a reduction of approximately 1,5 tCO₂, (41%) in the emissions per employee, *versus* 2019.

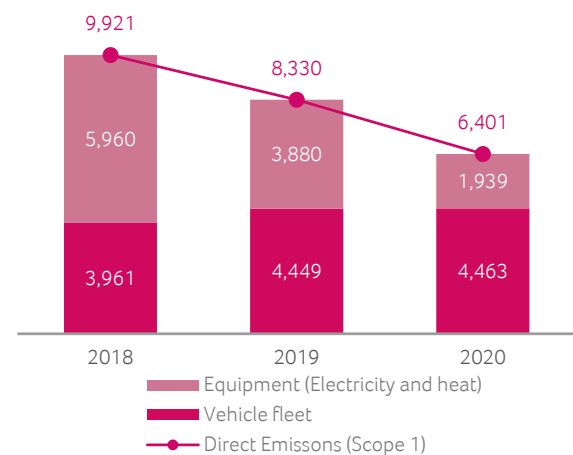
GHG EMISSIONS ⁽¹⁾
(tCO₂e)



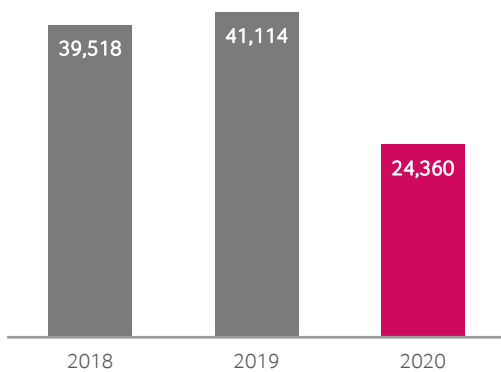
TOTAL EMISSIONS (SCOPE 1, 2 AND 3) IN 2020 ⁽¹⁾
(tCO₂e AND %)



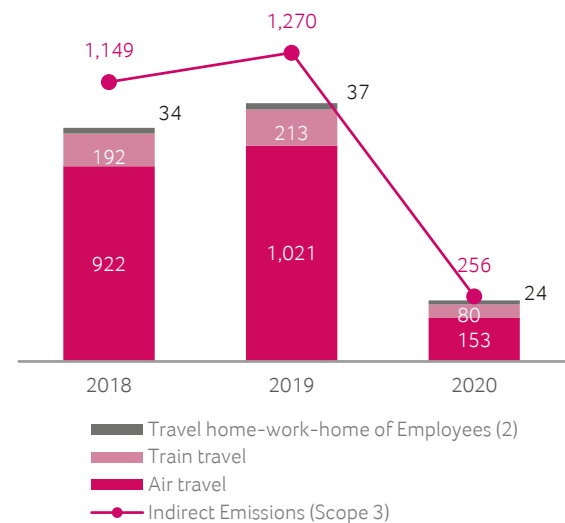
DIRECT GHG EMISSIONS (SCOPE 1) - GRI 305-1 ⁽¹⁾
(tCO₂e)



INDIRECT EMISSIONS OF GHG (SCOPE 2) - GRI 305-2 ⁽¹⁾
(tCO₂e)



INDIRECT GHG EMISSIONS (SCOPE 3) - GRI 305-3
(tCO₂e)



(1) Data does not include Mozambique. Includes figures from EuroBank since October 2019.

Concerning domestic activity (Portugal), Millennium bcp recorded a 35% reduction in its greenhouse gas emissions *versus* 2019, largely exceeding the pre-defined goal (-5%). Direct emissions decreased 41% year-on-year, due to the decrease in the consumption of fuel, particularly of natural gas.

The indirect emissions associated with the consumption of electricity decreased 26% due to the reduction in the consumption of electricity from the public grid *versus* the previous year, while the indirect emissions associated with mobility (scope 3) also recorded significant reductions, of around 96%, due to the reduced number of employee’s travels made in 2020.



In 2021, all the electricity used by Millennium bcp in its premises in Portugal will be 100% green, through a mix of energy produced at the bank’s photovoltaic solar energy plant and energy acquired with a renewable origin energy certificate.



In 2020 trees were planted in the region of Leiria. In a partnership established with Assistência Médica Internacional (AMI) five hectares of pine forest destroyed in the 2017 fires were rehabilitated, with the use of a donation amounting to 50 thousand obtained via the commitment of donating one euro per each client that subscribes to the e-statement instead of the paper one. This campaign enabled not only reduce the emissions by means of the reduction in the use of paper but also through the carbon storage achieved by the planted trees.



Millennium BCP, within the scope of its environmental policy and the Lisbon European Green Capital 2020 commitment **compensated the emissions of GHE associated with an internal event**, which accounted 67,0 tCO₂e, through the certified forestation of an area in Portugal. This event was held in Pavilion Carlos Lopes (Parque Eduardo VII), in February 2020, with the presence of 1.560 employees.

Bank Millennium was the bank with the best score in the ranking “Climate Leaders Poland 2021” published by the magazine Forbes, occupying the 2nd place among all the Polish companies in the list of reduction of greenhouse gas emissions.



Within the scope of the **Mobility pact for the City of Lisbon** and the **Lisbon European Green Capital 2020 commitment**, Millennium bcp committed to de-carbonise its car fleet in accordance with the following targets: 30% until 2025 and 80% until 2030.

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

Mobility

- There was a reduction in the consumption of fuel in Poland due to the replacement of cars with traditional engines by hybrid ones, that took place in the period comprised between 2017 and 2020 and due to the pandemic and employee’s teleworking. In Poland, the use of bikes is encouraged and the infrastructures for bikes has been expanded (bike parking and additional showers).
- In **Portugal**, by the end of 2020 there were 19 electric/hybrid cars, comparing with the 9 that existed by the end of 2019. To accelerate this process, the Bank adopted the following measures: Increased the number of cars available for selection by the employees, 22 in 76 (corresponding to 29% of the total), when, by the end of 2019 the figures were 7 in 75 (9,3% of the total); **and installed 4 double charging posts in its premises in Taguspark.**



Energy efficiency

To continue to decrease this consumption, BCP Group continued to invest in operating efficiency measures, in the various operations, by optimizing processes and equipment's, reinforcing a set of measures to decrease consumption, giving way to not only technological gains but also financial and environmental ones.

Another priority of Group BCP in this area is the production and consumption of renewable energy and the Group assumed, in the 2021 Sustainability Master Plan, commitments related with increasing the number of solar energy plants and the consumption and purchase of renewable energy. In that sense, in 2020, it was already ensured that all the electricity to be used by Millennium bcp in its premises in Portugal will be 100% green, through a mix of energy produced at the bank's photovoltaic solar energy plant and energy acquired with a renewable origin energy certificate.

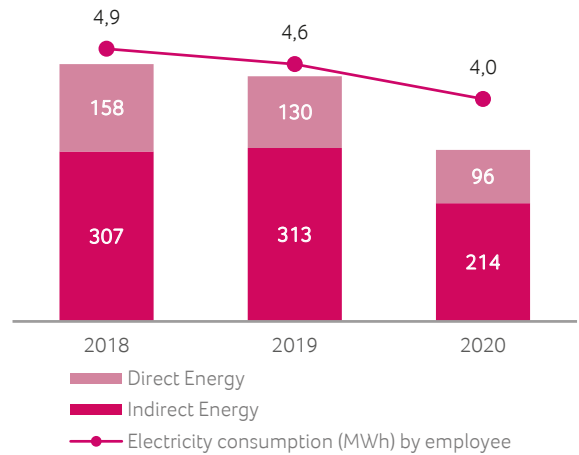
In 2020, the Bank recorded again a year of improvement in the eco-efficiency levels due to the minimisation of the use of the Group's infrastructures due to the pandemic context in 2020 and the optimization of the thermal power stations, the installation of the photovoltaic plant, the ongoing investment in the optimization of procedures, focusing on dematerialization and on the alteration of the daily behaviour of the Employees regarding the rational use of resources.

The Bank's consumption of energy is mostly of indirect origin (electricity and thermal energy) and meets 69% of the Bank's energy needs. In 2020, the Bank continued to reduce its consumption of direct and indirect energy, both falling around 30% *versus* 2019.

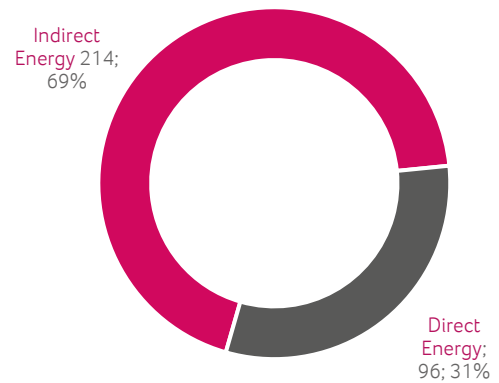
Internationally speaking, there was a 49% decrease of indirect energy in Poland and a 25% increase of direct energy due to the increase in the consumption of natural gas and GPL. In Switzerland, there was a 15% decrease in the consumption of indirect energy.

A 45% reduction in the total consumption of energy in the course of the last 5 years

TOTAL ENERGY CONSUMPTION - GRI 302-1 (2)
(TJ and MWh/employee)



CONSUMPTION OF DIRECT AND INDIRECT ENERGY IN 2020 (2)
(TJ and %)



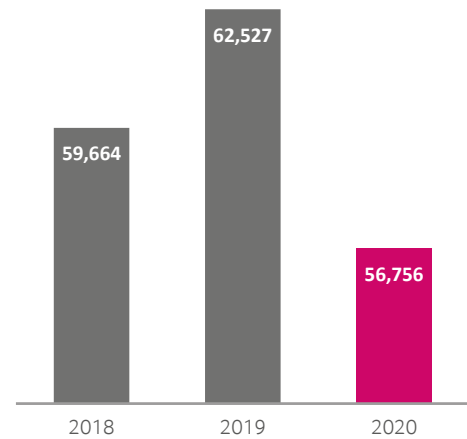
Concerning the domestic activity, BCP in Portugal reduced all types of energy consumption by 25% in total, and succeeded in attaining its annual target (-4%). The consumption of electricity from the public grid recorded a reduction of 13% *versus* 2019.

Millennium bcp, in Portugal, decreased its electricity consumption in 3% *versus* the figures recorded in 2019. The co-generation plant in Tagus Park produced 7% of the electricity consumed by the Bank, a decrease of 29% in the consumption of own-production recorded in the previous year.

In 2017, the Photovoltaic Solar Energy Plant began operating in Taguspark. The same is composed by 3,703 panels installed in 3 buildings. In 2020, the production recorded reached 539 MWh, showing a 49% decrease *versus* 2019, justified by a lesser consumption due to the fact that most of the employees have been placed in teleworking in 2020.

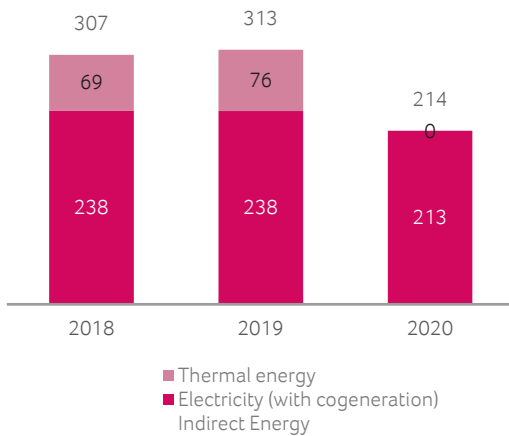
In 2020, the energy consumed at the central services of the Bank in Portugal was 100% renewable and, in 2021, the Bank is committed to use 100% of green electricity at the Bank's premises in Portugal.

CONSUMPTION OF ELECTRICITY ⁽³⁾
MWh

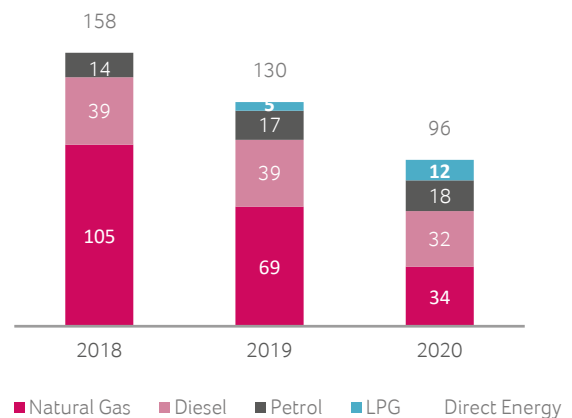


⁽³⁾ Does not include the co-generation plant and the installations with data centres in Portugal. Does not include figures from Mozambique.

INDIRECT ENERGY CONSUMPTION ⁽²⁾
(TJ)



DIRECT ENERGY CONSUMPTION ⁽²⁾
(TJ)



⁽²⁾ Does not include the co-generation plant and the installations with data centres in Portugal and does not include figures from Mozambique. Includes figures from EuroBank since October 2019.



The consumption of materials with greater expression, such as paper and cardboard, showed a reduction of 17%, compared to 2019.

MAIN INITIATIVES AND ENERGY EFFICIENCY HIGHLIGHTS

Installation of LED lighting in Taguspark in 2020, the Bank completed equipping the garages of Taguspark with LED lights.

The solar energy plant continues to operate: In 2020, the plant in Taguspark, with 1 MW of power, enabled to generate 539 MWh of energy for self-consumption, cutting CO2 emissions by 194 tons.

The installation of a second 1 Mwh solar photovoltaic plant in Taguspark and the development of a study for the installation of solar photovoltaic panels in a group of 20 branches is planned.

Monitoring of energy and water consumption In 2020, the Bank initiated the pilot scheme consisting in the regular monitoring of electricity and water consumptions in a building in TagusPark. This initiative enables to closely monitor variations in consumptions and act swiftly on any anomaly, avoiding excessive consumptions and consumption costs. In 2020, the project was extended to the remaining buildings of TagusPark and the number of monitoring points in the buildings increased so as to enhance the detail given by the existing energy management system and, consequently, increase efficiency in the management of resources.

Adjustments to the lighting and heating systems in Poland:

In all Branches, the external bank logos with traditional LED light were replaced and a lighting timer was introduced. In 2020, were installed LED bulbs in 4 Branches, contributing for a total of 117 branches with LED lighting. At the registered office 1,200 traditional light bulbs were replaced by LED technology, leading to a 54% reduction in energy consumption;

Due to changes in opening hours imposed by the pandemic, the consumption associated with lighting and functioning of the branches, decreased. In the registered office, the office lighting hours, of functioning of the ventilation devices, and air-conditioning and the changes in the configurations of temperature on the individual areas were changed.

The Branches with the highest consumption of energy are examined and the recommendations for the building management companies are implemented.

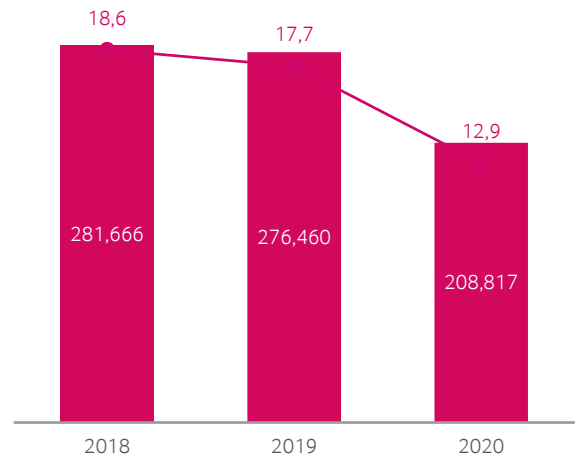
Management of resources (water, materials and waste)

Globally, the total consumption of water of Group BCP continued to fall, and decreased 24% *versus* 2019, due to a lesser use of the BCP's premises, causing also in a reduction in the total consumption of water per employee of 27% *versus* 2019.

In Portugal, Millennium bcp recorded a decrease of 37% in the consumption of water if compared with the same period of 2019, reaching the proposed annual reduction target (-3%).

Within the scope of consumer goods, globally, Group BCP recorded a 18% decrease in the consumption of its principal materials (paper and cardboard, plastic and toners) *versus* 2019, thus keeping the trend of previous years as a result of processes optimisation measures.

WATER WITHDRAWAL - GRI 303-1 (4)
(m³)



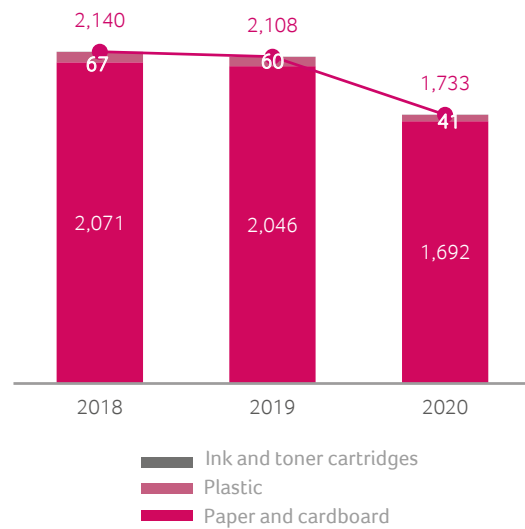
■ Total water withdrawal —●— Total water withdrawal by employee

The most consumed materials in terms of weight and quantity continue to be paper and cardboard, which, in overall terms, fell by 17% in relation to 2019, as a result of the dematerialisation initiatives that are being implemented in all the countries where the Bank operates. Ink and toner cartridges also showed a significant reduction of 64% due to measures adopted to decrease printed documents and promote scanning.

In Portugal, in 2020, the reduction in materials continued, recording - 33% *versus* 2019 and it was possible to reach the defined annual target (-2% in materials consumption). We must point out that the A4 and A3 paper brand used by the Bank has an Eco-label certificate of the European Union which certifies that the paper manufacturing process is environmentally sound.

With regard to waste production, by 2020, there was an overall increase in waste, at around 25%. Portugal also recorded a 41% increase in the waste produced, especially paper (+ 46%). This increase is mainly caused by a faster destruction of paper stored. In Portugal, the plastic and ink and toner cartridges waste materials recorded a reduction of around 27%.

MATERIALS CONSUMPTION - GRI 301-1 (t)



	Unit	Paper and cardboard			Plastic			Ink and toner cartridges		
		2020	2019	2018	2020	2019	2018	2020	2019	2018
Waste produced										
Activity in Portugal:	t	471.3	323.3	322.7	17.1	23.6	28.5	0.3	0.4	0.7
International Activity	t	272.3	249.6	298.4	7.3	25.6	26.4	0.0	0.5	0.8
Total	t	743.6	573.0	621.1	24.5	49.2	54.9	0.3	0.9	1.5

MAIN INITIATIVES AND RESOURCES MANAGEMENT HIGHLIGHTS

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

The Bank pursued the "GO Paperless" project which focuses on the dematerialisation of operations to innovate and optimise processes, using solutions of electronic production and signing of documents. During 2020 the Bank was able to save 3,317,687 prints of cashier transactions, corresponding to 28% less prints made using the Branch's equipment if compared with 2019, resulting in a monthly savings of 552,948 prints.



Aiming at decreasing the CO₂ emissions, in the course of 2020, although an atypical year due to the Covid-19 pandemic, with the consequent adjustment to new circumstances, in what regards productivity and cooperation tools MS Teams and Skype, the Bank recorded a value of 296,778 in what concerns the number of meeting sessions, 6,523,163 instant messages sessions, 1,774,743 audio sessions and 662,286 video sessions. Concerning Skype, the usage values translate an increase of 2,444% in the number of video session minutes *versus* the same period in 2019 (second half-year of 2019) and a 3,128% increase in the number of participations in Skype sessions.

These results enable the Bank to pursue a culture of sustainable consumption habits, to the extent strictly required for functional needs, optimising the capacity installed, reducing costs and waste, and optimising the resources consumed.

Clients who subscribed to the e-statement in 2020: 91% of accounts in Portugal; 73% of clients in Poland; 317,308 accounts in Mozambique (24%); and 96% of clients in Switzerland

To reduce the use and circulation of paper, at the beginning of June, an E-Statement campaign was launched, in an association with the project of AMI – Assistência Médica Internacional, of re-foresting the Leiria pin-tree forest, named "Vamos todos ser Dinis". The success of this campaign, which lasted until the end of September, enabled to deliver to AMI a donation amounting to 50.000 euros, an amount that enabled to re-forest 5 hectares of the Leiria pine-tree forest, partially devastated by the 2017 fires. It is estimated that the number of subscriptions to the e-statement due to this campaign will enable to save around 1 million of sheets of paper per year.

The Programme Kaizen which promotes, daily, a set of practices related with an ongoing improvement of the tasks developed by teams, based on lean approaches, contributing to processes with a higher value-added for the client and with direct impact on the sustainability of the operations. During the year 245 improvement initiatives were implemented, of which 9% represent savings in consumer goods amounting to 2.979€ (ex. paper, prints, internal mail seals, among other), and recovery of non-charged fees of around 120,000€.

In **Mozambique**, transactions made at cashier only print the customer's slip and the copies for internal archive are digital. At the level of account opening, all the procedures are totally digital and there isn't any physical circulation /archive of any document.

Millennium GO!
NEWS
Março 2021

Crédito Pessoal Energias Renováveis | Seguro Vida e Seguro TDU | Desconto de 15% em Viagens

Millennium GO!

O PLANETA NÃO PRECISA DE PROBLEMAS, PRECISA DE SOLUÇÕES

O QUE VAI SER DO PLANETA AMANHÃ, SE NÃO FIZERMOS NADA AGORA? NO MILLENNIUM, ESTA É CADA VEZ MAIS UMA QUESTÃO CENTRAL, QUE NOS LEVA A PENSAR, DESEMPENAR E IMPLEMENTAR SOLUÇÕES QUE VÃO AO ENCONTRO DAS RESPOSTAS QUE O AMBIENTE PRECISA, CONSCIENTES DE QUE A SUSTENTABILIDADE É UM CAMINHO DE TODOS, E ENVOLVER A JORNADA AJUDA AQUELES QUE DESEJAM CONTRIBUIR PARA UM PLANETA MAIS VERDE.

Por isso, optamos por uma estratégia de sustentabilidade com foco na prática do Crédito Pessoal Energias Renováveis - CRÉDITO PER - criando a oportunidade de gerar soluções sustentáveis, tal como:

Desconto de energia renovável por meio de uma contratação de energia que se renova automaticamente de acordo com o consumo de energia elétrica mensal, permitindo ao cliente ter uma tarifa mais sustentável. Poder de compra de energia elétrica renovável.

Parcela de CRÉDITO PESSOAL (Parcela de 200€) com Taxa Fixa de 7,99% (Taxa de 10,99% para o cliente de 65 anos ou mais).

Adotar soluções sustentáveis ajuda a reduzir o consumo de energia elétrica, o que ajuda a diminuir a emissão de CO₂ e a melhorar a qualidade do ar.

Quer saber mais sobre o CRÉDITO PESSOAL ENERGIAS RENOVÁVEIS? Acesse o link <https://www.millenniumbcp.pt/energia-renovavel> ou ligue para o nosso atendimento ao cliente 808 20 20 20.

Quer saber mais sobre o CRÉDITO PESSOAL? Acesse o link <https://www.millenniumbcp.pt/credito-pessoal> ou ligue para o nosso atendimento ao cliente 808 20 20 20.

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Millennium bcp
AQUI CONSIGO

Informe-se no Site do Millennium bcp

Crédito Pessoal Energias Renováveis | Seguro Vida e Seguro TDU | Desconto de 15% em Viagens

Março 2021

Millennium NEWS PRESTIGE

LIGUE-SE AO FUTURO COM A TESLA

Se se imagina ao volante de um automóvel que reúne a alta tecnologia e confia no futuro mais sustentável, no Millennium, não há problema. Por isso, damos-lhe acesso à mais solução de mobilidade elétrica chata de veralguma. Uma oportunidade única para si e um contributo para o planeta.

Tesla Model 3 - Long Range AWD Dual Motor
15.200€ - 15.200€ (Parcela de 200€) com Taxa Fixa de 7,99% (Taxa de 10,99% para o cliente de 65 anos ou mais)

838€
Renda Mensal (IVA)

Prazo: 60 meses
50.000 km totais, 10.000 km ao ano
(Inclusos 100€ de gastos até 300 km de extração)

Descontos: 1000€, com entrada total e com todos os serviços incluídos.

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Millennium bcp Prestige
AQUI CONSIGO

www.millenniumbcp.pt

ADRENALINA 100% ELÉTRICA

Soluções de Leasing Automóvel
Contribuir para um planeta sustentável nunca teve tanto estilo.

Conheça todos os veículos em Campanha no millenniumbcp.pt
Campanha válida até 31/03/2021

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Crédito Pessoal Energias Renováveis | Seguro Vida e Seguro TDU | Desconto de 15% em Viagens

Março 2021

Millennium NEWS

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QUE PLANETA VAMOS DEIXAR AOS NOSSOS FILHOS? NO MILLENNIUM, ESTA É CADA VEZ MAIS UMA QUESTÃO CENTRAL, QUE NOS LEVA A PENSAR, DESEMPENAR E IMPLEMENTAR SOLUÇÕES QUE VÃO AO ENCONTRO DAS RESPOSTAS QUE O AMBIENTE PRECISA, CONSCIENTES DE QUE A SUSTENTABILIDADE É UM CAMINHO DE TODOS, E ENVOLVER A JORNADA AJUDA AQUELES QUE DESEJAM CONTRIBUIR PARA UM PLANETA MAIS VERDE.

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SUSTAINABILITY

INDEXES



Recognition - sustainability indexes

Material issue: **BANK'S REPUTATION**

In 2020, the BCP Group was listed in several Sustainability indexes.

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

Result of the evaluation carried out by the analyst - Standard Ethics - was also included in the "European Banks Index". In its most recent surveys, the analyst MSCI gave an overall rating of "A" to the BCP Group's ESG performance, while Gaia analyst Gaia Rating gave an assessment of 78%.

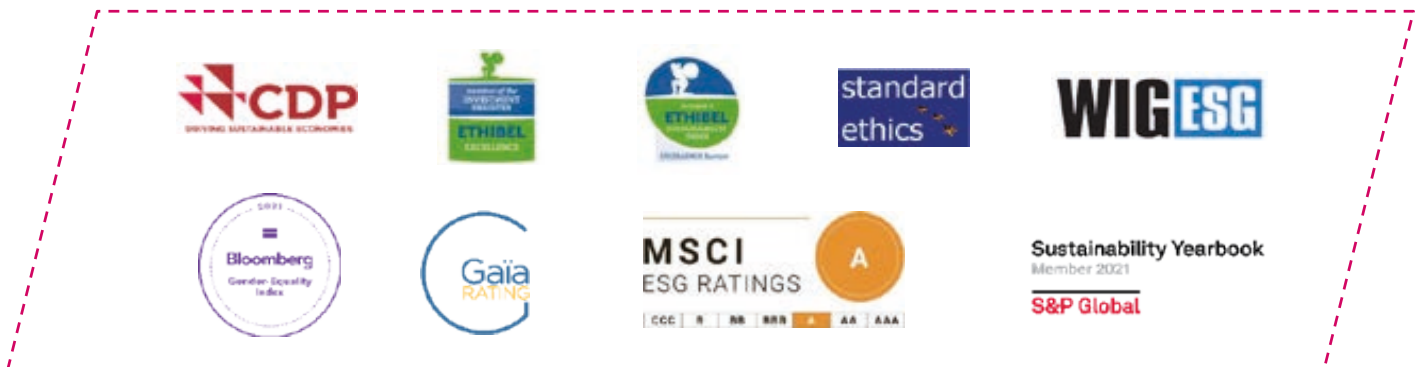
In Poland, bank Millennium was included in the index WIG-ESG of the Warsaw Stock Exchange as a recognition for the work developed in environmental, social, economic and corporate governance issues;

In the 2020 edition of CDP - Carbon Disclosure Project, BCP Group was classified under “Leadership”, with an “A-”.

Concerning the analyst MSCI, it renewed, in its most recent evaluation, to the sustainability performance of Group BCP, its “A” notation.

Already in 2021, Group BCP was included, for the second consecutive time, in the Bloomberg Gender-Equality Index, joining to the group of companies that, in the world, stood out in terms of implementation of practices and policies on gender equality, diversity and inclusion.

Also in 2021, Group BCP returned to the Sustainability Yearbook, a reference publication in the area of Sustainability and edited every year by the analyst RobecoSAM based on the information gathered in the response to Dow Jones Sustainability Indexes.



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METHODOLOGICAL

NOTES



Environmental Indicators

GRI 301-1

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

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

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

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

GRI 302-1

The figures shown include the operations in Portugal, Poland, and Switzerland. Concerning Switzerland, we only present the figures related with consumption of electricity.

Consumption of natural gas and of liquid fuels – Total calculated based on the purchase of these fuels. The FHV (Fuel Heating Value) of the fuels used to compute energy is based on the Global Reporting Initiative, available at www.globalreporting.org, and APA (Portuguese agency for the environment), available at www.apambiente.pt.

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

The conversion factors used are the following:

Energy - Fuel (source: GRI)		
	Lower Heating Value (LHV)	Density
Natural Gas	0.03901 GJ/m ³	
GPL	44.00 GJ/ton	1.96 l/kg
Diesel	43.07 GJ/ton	0.835 ton/m ³
Gasoline	44.00 GJ/ton	0.748 ton/m ³
Litres - M ³	1000 Litre = 1m ³	
Litres - Tj	(litres/1000)*43,33*0,825	Diesel
Litres - Tj	(litres/1000)*44,80*0,825	Gasoline
Litres - Tj	(litres/1000*46/(1,96*0,001))	GPL
M ³ -Tj	((m ³)*0.03901)/1000	Natural Gas
Electricity		
1 kWh	3.60 MJ/kWh	

GRI 303-3

The figures presented include the operations in Portugal and Poland. The total withdrawal of water in Portugal is calculated based on the assessment of the costs with, using to estimate the water consumption in m³ the pre-defined average cost per unit of 4.93€/m³.

GRI 305-1 to 305-3

The figures presented include the operations in Portugal, Poland, Mozambique and Switzerland. The emission factors used are the following:

Portugal	Factor – 2018	Factor – 2019	Factor – 2020
Energy and Total Heat - Without disaggregation (CO2/ Kwh)	0.22896 kgCO2/kWh Source: Total – EDP Comercial	0,24854 kgCO2/kWh Source: Total – EDP Comercial	0,19237 kgCO2/kWh Source: Total – EDP Comercial

Poland	Factor – 2018-2020	Source – 2018-2020
Coal/peat (CO2/ kWh)	0,87422 kgCO2/kWh	http://www.ghgprotocol.org/calculation-tools/all-tools (consumo em 2012)
Electricity		
Oil (CO2/ kWh)	0,48401 kgCO2/kWh	http://www.ghgprotocol.org/calculation-tools/all-tools (consumo em 2012)
Gas (CO2/ kWh)	0,33734 kgCO2/kWh	http://www.ghgprotocol.org/calculation-tools/all-tools (consumo em 2012)
Energy and Total Heat - Without disaggregation (CO2/ Kwh)	0,75584 kgCO2/kWh	http://www.ghgprotocol.org/calculation-tools/all-tools (consumo em 2012)

Switzerland	Factor – 2018-2020	Source – 2018-2020
Energy and Total Heat - Without disaggregation (CO2/ Kwh)	0,02804 kgCO2/kWh	http://www.ghgprotocol.org/calculation-tools/all-tools (consumo em 2012)

Emission factors - Fuel (source: UNL, EDP, IPCC)

Gasoline	CO2	69300.0 Kg/TJ
	CH4	25.0 Kg/TJ
	N2O	8.0 Kg/TJ
Diesel	CO2	74100.0 Kg/TJ
	CH4	3.9 Kg/TJ
	N2O	3.9 Kg/TJ
GPL	CO2	63100.0 Kg/TJ
	CH4	62.0 Kg/TJ
	N2O	0.2 Kg/TJ
Natural Gas	CO2	56100.0 Kg/TJ
	CH4	1.2 Kg/TJ
	N2O	2.3 Kg/TJ
HVAC - PAG	HFC-22	1810.0 kgCO2/kg
	R407	1774.0 kgCO2/kg
	R410	2158.0 kgCO2/kg

Emissions Factors – travels

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

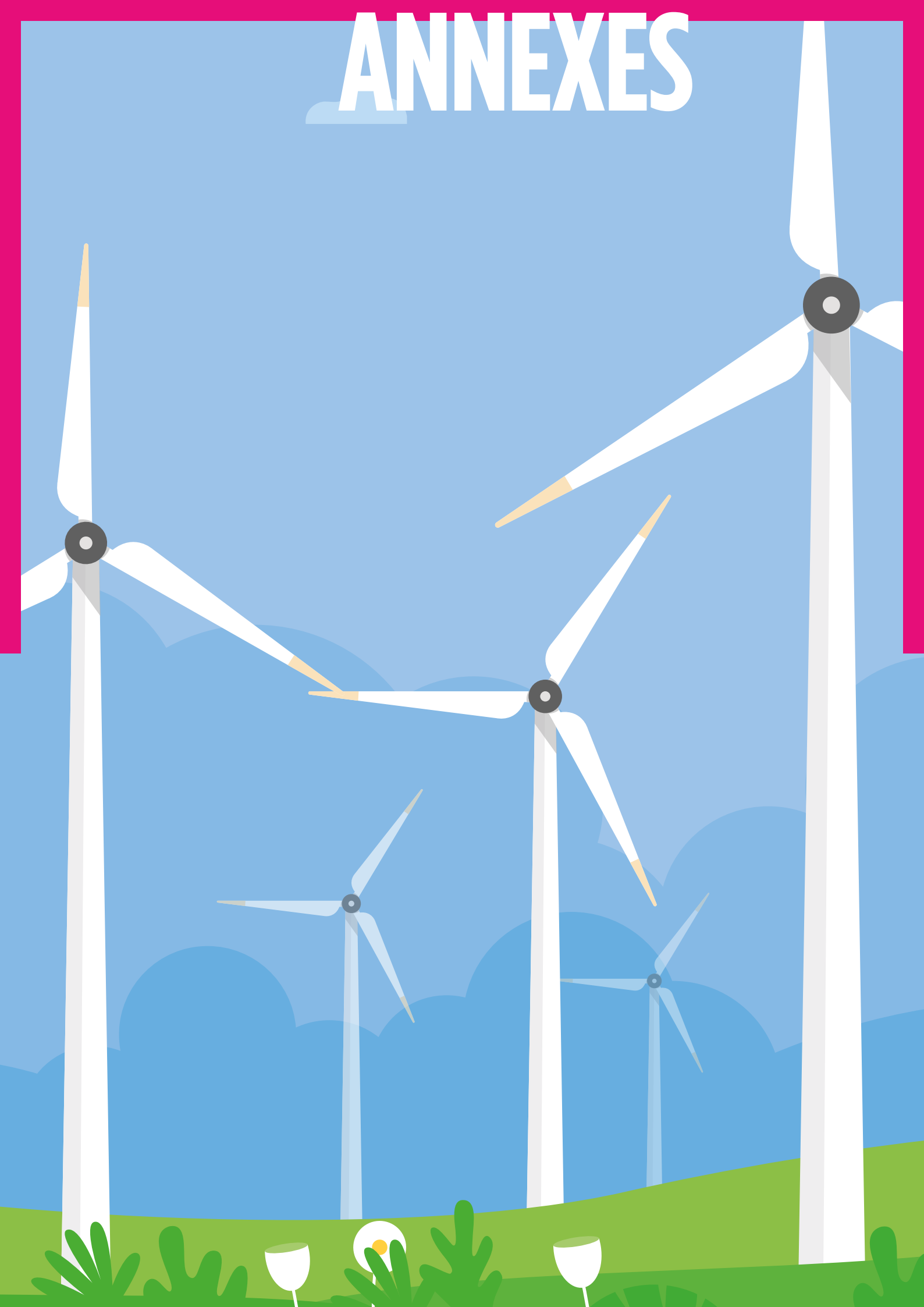
GRI 306-3

Paper and cardboard - the total quantity of paper and cardboard waste is obtained by adding the recycled paper and recycled cardboard.

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

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

ANNEXES



GRI TABLE – Sustainability Report 2020

Information sources:

AR – Annual Report 2020

SR – Sustainability Report 2020

Site – [millenniumbcp.pt – Sustainability](http://millenniumbcp.pt-Sustainability)

General Standard contents

In the present table, an additional analysis was made regarding the alignment of BCP's report with the CMVM Report model for the disclosure of non-financial information by companies issuing securities admitted to trading on a regulated market was carried out. The general GRI disclosures respond in part to the Introduction, Business model and main risk factors defined in the Non-financial information model.

GRI STANDARDS		Content, page or link	UNGC Principles	CMVM
GENERAL DISCLOSURES				
102-1	Name of the organization	Banco Comercial Português, S.A.,		X
102-2	Activities, brands, products, and services	SR – Page 75-82 AR – Page 35-40		X
102-3	Location of headquarters	SR – Page 113 AR – Page 841		X
102-4	Location of operations	SR – Page 29; 32-33; 96-98 AR – Page 42-43		
102-5	Ownership and legal form	AR – Page 14-17		
102-6	Markets served	SR – Page 29; 32-33; 96-98 AR – Page 42-43		
102-7	Scale of the organization	SR – Page 9 AR – Page 11-13		
102-8	Information on employees and other workers	SR – Page 9-11; 38-40; 47-48 AR – Page 13	6	
102-9	Supply chain	SR – Page 9; 89 AR – Page 13; 186		
102-10	Significant changes to the organization and its supply chain	SR – Page 13; 111-112 AR – Page 11-13; 18-19		
102-11	Precautionary Principle or approach	AR – Page 113-123		X
102-12	External initiatives	SR – Page 13-15; 109		
102-13	Membership of associations	www.millenniumbcp.pt Institutional > Sustainability		
STRATEGY				
102-14	Statement from senior decision-maker	SR – Page 5-7 AR – Page 5-8		X
ETHICS AND INTEGRITY				
102-16	Values, principles, standards, and norms of behaviour	SR – Page 48-50	10	
GOVERNANCE				
102-18	Governance structure	AR – Page 764-771		X
STAKEHOLDER ENGAGEMENT				
102-40	List of stakeholder groups	www.millenniumbcp.pt Institutional > Sustainability > Stakeholders Engagement SR – Page 26-27		
102-41	Collective bargaining agreements	SR – Page 9 AR – Page 13	3	
102-42	Identifying and selecting stakeholders	www.millenniumbcp.pt Institutional > Sustainability > Stakeholders Engagement SR – Page 26-27		

102-43	Approach to stakeholder engagement	www.millenniumbcp.pt Institutional > Sustainability > Stakeholders Engagement SR - Page 26-27, 52-57 AR - Page 158
102-44	Key topics and concerns raised	www.millenniumbcp.pt Institutional > Sustainability > Stakeholders Engagement SR - Page 26-27, 52-57 AR - Page 158

REPORTING PRACTICE			
102-45	Entities included in the consolidated financial statements	AR - Page 211-212	X
102-46	Defining report content and topic boundaries	SR - Page 13; 26-27	X
102-47	List of material topics	SR - Page 26-27	X
102-48	Restatements of information	SR - Page 13-14	X
102-49	Changes in reporting	SR - Page 13-14	X
102-50	Reporting period	SR - Page 13-14	X
102-51	Date of most recent report	SR - Page 13-14	X
102-52	Reporting cycle	SR - Page 13-14	X
102-53	Contact point for questions regarding the report	RS - Page 113	X
102-54	Claims of reporting in accordance with the GRI Standards	This report was prepared in accordance with the GRI Standards: Core option (essential)	X
102-55	GRI content index	Present GRI content Index	X
102-56	External assurance	AR - Page 731-733	X

GRI STANDARDS	Content, page or link	UNGC Principles	CMVM
CATEGORY: ECONOMIC			
ECONOMIC PERFORMANCE			
201-1	Direct economic value generated and distributed	AR - Page 10-11; 47	
201-2	Financial implications and other risks and opportunities due to climate change	AR - Page 187-193 https://www.cdp.net > Search responses > Banco Comercial Português SA	
201-3	Defined benefit plan obligations and other retirement plans	SR - Page 83-88 AR - Page 168-169	
MARKET PRESENCE			
02-1	Ratios of standard entry level wage by gender compared to local minimum wage	SR - Page 9 AR - Page 13	6
INDIRECT ECONOMIC IMPACTS			
203-1	Infrastructure investments and services supported	SR - Page 60-82 AR - Page 174-185	X
203-2	Significant indirect economic impacts	SR - Page 60-82 AR - Page 174-185	X
PROCUREMENT PRACTICES			
204-1	Proportion of spending on local suppliers	SR - Page 9; 89 AR - Page 13; 186	
ANTI-CORRUPTION – MATERIAL ISSUE			
103-1; 103-2; 103-3	Management approach	SR - Page 13-14; 26-27; 48-49	X
205-2	Communication and training about anti-corruption policies and procedures	SR - Page 41-44	10 X
205-3	Confirmed incidents of corruption and actions taken	RS - Page 48-51	10 X

CATEGORY: ENVIRONMENT				
MATERIALS – MATERIAL ISSUE				
103-1; 103-2; 103-3	Management approach	SR - Page 13-14; 26-27; 100-102 AR - Page 187-194		X
301-1	Materials used by weight or volume	SR - Page 105-106 AR - Page 191-192	7, 8	X
ENERGY – MATERIAL ISSUE				
103-1; 103-2; 103-3	Management approach	SR - Page 13-14; 26-27; 100-102 AR - Page 189		X
302-1	Energy consumption within the organization	SR - Page 103-104 AR - Page 190	7, 8	X
302-3	Energy intensity	SR - Page 103-104 AR - Page 190	8	X
302-4	Reduction of energy consumption	SR - Page 95-105 AR - Page 189, 190	8, 9	X
WATER AND EFFLUENTS – MATERIAL ISSUE				
103-1; 103-2; 103-3	Management approach	SR - Page 13-14; 26-27; 94-95; 98; 105 AR - Page 187; 191		X
303-1	Interactions with water as a shared resource	Most of the water consumed in the BCP is associated with human use, and part of it is also used for irrigation in the facilities. In 2021, all water for irrigation of green spaces in Taguspark will come from the water-hole, which will have a strong impact on the volume of water intake. The Group is concerned with reducing its environmental impact, which includes reducing water consumption in all geographies where it operates. BCP does not identify areas of water stress relevant to this report in its direct operation.		X
303-2	Management of water discharge-related impacts	The effluent management at the Bank is carried out by third parties, and most of the liquid effluents produced by the Group are discarded into public wastewater networks, and subsequently subjected to treatment and quality monitoring by the responsible entities.		X
303-3	Water withdrawal	SR - Page 105 AR - Page 191	7, 8	X
BIODIVERSITY				
304-1	Operational sites owned, leased or managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	The Bank's operations have no significant direct impact on biodiversity, in protected or restored habitats, which justifies the non-relevance of this indicator.	8	
304-2	Significant impacts of activities, products and services on biodiversity	The Bank's operations have no significant direct impact on biodiversity, in protected or restored habitats, which justifies the non-relevance of this indicator.	8	
304-3	Habitats protected or restored	The Bank's operations have no significant direct impact on biodiversity, in protected or restored habitats, which justifies the non-relevance of this indicator.	8	
EMISSIONS – MATERIAL ISSUE				
103-1; 103-2; 103-3	Management approach	SR - Page 13-14; 26-27; 94-95; 101 AR - Page 187; 188		X
305-1	Direct (Scope 1) GHG emissions	SR - Page 11; 101 AR - Page 188	7, 8	X
305-2	Energy indirect (Scope 2) GHG emissions	SR - Page 11; 101 AR - Page 188	7, 8	X
305-3	Other indirect (Scope 3) GHG emissions	SR - Page 11; 101 AR - Page 188	7, 8	X
305-4	GHG emissions intensity	SR - Page 101 AR - Page 188	8	X
305-5	Reduction of GHG emissions	SR - Page 100-102 AR - Page 189	8, 9	X

WASTE				
306-1	Waste generation and significant waste-related impacts	The production of waste at BCP is mostly associated with office waste (paper, cardboard and plastic). The Group is concerned with reducing its environmental impact, which includes reducing waste production in all geographies where it operates. This concern is materialized in the development of operational efficiency initiatives, reported throughout the Reports.		X
306-2	Management of significant waste-related impacts	The Bank invests in recycling waste; in the progressive elimination of non-reusable products, as was the example of replacing coffee cups and the respective plastic spoons with ceramic cups and metal spoons in all Central Services cups; and raising employee awareness to minimize waste production at the Bank.		X
306-3	Waste generated	SR - Page 9; 106 AR - Page 13	8	X

CATEGORY: SOCIAL				
EMPLOYMENT – MATERIAL ISSUE				
103-1; 103-2; 103-3	Management approach	SR - Page 13-14; 26-27; 38-40; 83-88 AR - Page 13; 165-167		
		SR - Page 9; 48-49 AR - Page 13; 169-170	6	
		Recruitment 2020	Men	Women
		<30	47	59
		[30-50[	16	9
		>=50	0	1
		Total	63	69
401-1	New employees hired and employee turnover			132 X
		Turnover 2020	Men	Women
		<30	19	19
		[30-50[	38	29
		>=50	163	54
		Total	220	102
				322
		Data for Portugal		
		SR - Page 83-88 AR - Page 168-169		6
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	The benefits identified in the Reports are granted to the Bank's employees (full or part time) but are not extended to interns or outsourcers.		

OCCUPATIONAL HEALTH AND SAFETY				
403-1	Occupational health and safety management system	Millennium bcp has published a regulation that establishes the general principles related to the prevention of occupational risks, the protection of the safety, hygiene and physical and mental health of the Employees, regardless of the type of contractual relationship, of the facilities and workplaces where exercise their activity, and to information, consultation, participation and training in this area, without prejudice to the legal rules applicable in this field. These rules are available for consultation on the Bank's internal portal. The Occupational Health and Safety Management System was implemented in response to specific legislation in this area (Law No. 102/2009 of 10 September, amended by Law 3/2014 of 28 January, with the updates introduced by DL No. 88 / 2015 of May 28, by Law No. 146/2015 of September 9 and by Law No. 28/2016 of August 23) but its scope, namely in the area of health, goes beyond the legally determined limits.		X

403-2	Hazard identification, risk assessment and incident investigation	<p>In order to ensure adequate surveillance of Employees' health, Millennium bcp conducts admission tests, periodic examinations differentiated according to gender and age group - up to 50 years old, the frequency is every two years, being annual after that age - occasional and complementary, as well as activities to promote health at work, keeping clinical records and other information related to the health of each employee organized. Following the check-up, a consultation is made with the Health Doctor at work, where all the information on the Employee's health status is provided and the necessary recommendations are made.</p> <p>In the field of security, risk assessment audits are carried out, the reports of which are forwarded to the Purchasing and Means Department, which, after their analysis, issues recommendations to the Areas whose intervention is justified with a view to resolving the recommendations made.</p> <p>All Employees are alerted to the importance of ensuring their safety and health, as well as the safety and health of people who may be affected by their actions or omissions at work, as well as the need to report immediately to the employer any work situation that presents a serious and immediate danger to safety or health, and any defect registered in the protection systems.</p> <p>The current Regulation determines that Employees in the event of serious, immediate and unavoidable danger, have the right to leave their workplace or a dangerous area, and cannot be harmed by this fact.</p>	X
403-3	Occupational health services	<p>There is a team of medical doctors at work and nurses available every day at the Bank's premises in Taguspark and a doctor and a nurse at the Bank's facilities in Porto. The coordination of this team is ensured by the doctor who performs the duties of Clinical Responsible, and who reports to the Human Resources Department.</p> <p>The topics of occupational health and well-being are considered at every moment, bearing in mind the importance of providing a set of services that contribute to a better balance between professional and personal life. In this domain, the following services are available:</p> <p>Curative Medicine Services - the medical and nursing acts covered by these services are available free of charge to all Employees. Analysis collection services are also available.</p> <p>Nutrition and Psychology Consultations - consultations implemented for the importance they can play in the health and well-being of Employees, as a personalized diet plan is prescribed through strategies adapted to the lifestyle of each one, allowing for change and adaptation. acquisition of healthy habits gradually.</p> <p>Campaigns for Health Promotion and Healthy Living Habits - in this context, a series of actions are carried out with the objective of informing and sensitizing Employees to the importance of adopting, in their day-to-day, healthy living habits.</p> <p>Provision of a Physiotherapy Center at Taguspark facilities, in agreement with SAMS and Médis.</p> <p>Social Benefits and Support - through the definition of a policy of social benefits and support, detailed in the internal Human Resources Portal, the Bank has sought to encourage support for work-family reconciliation, support for education and incentive to mobility.</p>	X
403-4	Worker participation, consultation and communication on occupational health and safety	<p>The performance of internal satisfaction surveys with the various services and the possibility of making comments, allows the periodical monitoring the Employees' opinion on the quality of the services provided.</p>	X

403-5	Worker training on occupational health and safety	Within the scope of the training provided in these matters, topics such as automatic defibrillation, training of security delegates, emergency response teams, self-protection measures, contingency plan (related to the measures regarding the COVID-19 pandemic were addressed), practical guide to return safely and confidently.			X
403-6	Promotion of worker health	Employees are invited to check-ups in accordance with the rules established and already stated. Following the check-up, they are subsequently summoned to the health consultation at work. All other consultations, curative medicine, psychology, nutrition, as well as clinical analyses, are scheduled at the initiative of the Employee through contact with the Bank's medical services. Physiotherapy sections are scheduled through direct contact with the service provider. Clinical information is recorded in an autonomous application, with restricted access, in order to guarantee the confidentiality of all data.			X
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	No information available.			X
403-9	Work-related injuries	SR - Page 9; 83-85 AR - Page 13; 169			X
403-10	Work-related ill health	Millennium bcp has preventive medicine units, however, there is no information on the number of employees with serious illnesses.			X
TRAINING AND EDUCATION – MATERIAL ISSUE					
103-1; 103-2; 103-3	Management approach	SR - Page 13-14; 26-27; 41-44 AR - Page 167			
404-1	Average hours of training per year per employee	SR - Page 41-44 AR - Page 167	6		X
404-2	Programmes for upgrading employee skills and transition assistance programmes	SR - Page 41-44 AR - Page 167			
404-3	Percentage of employees receiving regular performance and career development reviews	SR - Page 46-47 AR - Page 168	6		
DIVERSITY AND EQUAL OPPORTUNITY – MATERIAL ISSUE					
103-1; 103-2; 103-3	Management approach	SR - Page 13-14; 26-27; 38-40 AR - Page 13; 165-166			
		SR - Page 9; 38-40 AR - Page 13; 165-166	6		
405-1	Diversity of governance bodies and employees	Additionally, BCP identifies and reports its employees with disabilities. In 2020, in Portugal, the Bank had 65 males and 75 women with disabilities.			X
		SR - Page 38 AR - Page 13; 165-166	6		
405-2	Ratio of basic salary and remuneration of women to men	Senior Management 0,9 Management 1,0 Commercials 0,8 Technicians 0,9 Other 0,9			X
		Data for Portugal			

NON-DISCRIMINATION				
406-1	Incidents of discrimination and corrective actions taken	In 2020, there were no reported cases of discrimination. The bank's Code of Conduct comprises anti-discriminatory behaviours and duties.	6	X
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING				
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	SR - Page 9; 38 AR - Page 13	3	
CHILD LABOR				
408-1	Operations and suppliers at significant risk for incidents of child labour	SR - Page 38; 89 AR - Page 165	5	
HUMAN RIGHTS ASSESSMENT				
412-1	Operations submitted to Human Rights assessments	No Human Rights assessments were carried out in 2020.		
LOCAL COMMUNITIES – MATERIAL ISSUE				
103-1; 103-3	103-2; Management approach	SR - Page 13-14; 26-27; 60-74 AR - Page 176-185		X
413-1	Operations with local community engagement, impact assessments, and development programmes	SR - Page 11; 60-74 AR - Page 13; 176-185	1	X
FS13	Access points in low-populated or economically disadvantaged areas by type	SR - Page 5-6, 9; 27; 32 AR - Page 13		
FS14	Initiatives to improve access to financial services for disadvantaged people	SR - Page 5, 9; 27; 32 AR - Page 13		
PUBLIC POLICY				
415-1	Political contributions	No contributions are made to political parties.		
MARKETING AND LABELING – MATERIAL ISSUE				
103-1; 103-2; 103-3	Management approach	SR - Page 13-14; 26-27; 48-57 AR - Page 171-172		
417-1	Requirements for product and service information and labelling	SR - Page 48-57 AR - Page 171-172		
SOCIOECONOMIC COMPLIANCE				
419-1	Non-compliance with laws and regulations in the social and economic area	SR - Page 48-57		X

SECTOR SUPPLEMENT

PRODUCTS PORTFOLIO – MATERIAL ISSUE

103-1; 103-2; 103-3	Management approach	SR - Page 13-14; 26-27; 75-82
FS6	Percentage of the portfolio for business lines, in total volume, by specific region and size	AR - Page 364-365
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line	SR - Page 75-82 AR - Page 174-175
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line	SR - Page 75-82 AR - Page 174-175

AUDIT

FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues	SR - Page 75-82 AR - Page 174-175
FS11	Percentage of assets subject to environmental or social screening	SR - Page 77-81 AR - Page 174-175

SASB TABLE – Sustainability Report 2020

SASB – Commercial Banks		Category/ Unit	Content, page or link
DATA SECURITY			
FN-AC-270a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	Number, Percentage (%)	<p>Number of data breaches: 16</p> <p>Percentage involving personally identifiable information: 75%</p> <p>Number of account holders affected: 19</p>
FN-CB-230a.1	Description of approach to identifying and addressing data security risks	n/a	<p>In order to prevent, detect and mitigate intrusion attempts, the practice of illicit acts and new threats to security, the Bank strongly invested on a 24x7x365 security monitoring with the implementation of a Security Operation Center (SOC) and a Threat Intelligence Service, on an information system incident response procedure, as well as on routine procedures to regularly assess the risk of business supporting information systems. Despite the high number of security events which are detected every day, in 2020 there wasn't any serious security incident nor signs that the information systems are compromised.</p> <p>Considering that the Information Security is a responsibility of all, Millennium bcp promotes a regular information security awareness process, covering a number of relevant items, namely the main information security policies and the risks and threats to which we are subjected on a daily basis in an approach supported by practical examples of e-mail, Internet and phishing.</p> <p>In 2020, Millennium bcp continued implementing the cyber security strategic plan approved by the Executive Committee for the triennium 2019-2021, with the purpose of implementing the new identified security solutions and strengthen those already in place, to mitigate the existing risks, consisting in the four macro initiatives - Cyber Risk, Strategy & Assets, Organization & People, Governance & Cybersecurity by Design, Cloud & Infrastructure, Application Security, Digital Identity, Data Privacy & Protection, Cyber Defence, and, in this context, it implemented the Integrated Cyber Defence Platform (ICDP) project, which added a wide range of features that contributed to increasing the resilience of information security in the fields of information protection, protection against threats and the management of information security. information.</p> <p>More information on the Bank's Information Security policies and procedures can be found on the Sustainability Report 2020, pages 35-35, 55-56.</p>
FINANCIAL INCLUSION & CAPACITY BUILDING			
FN-CB-240a.1	(1) Number and (2) amount of loans outstanding qualified to programmes designed to promote small business and community development	Number, Reporting currency	<p>Millennium bcp supported over 20 thousand small business and community development projects, with a total credit of approximately 280.000 thousand euros.</p> <p>More information regarding the number and amount of loans for small businesses and with social and environmental benefits can be found on pages 174-176 of the company's Annual Report, namely regarding the following initiatives: Microcrédito, University credit line, University credit line (garantia Mútua), Microinvest, Invest+ Line, PME Crescimento e PME Investe, PRODER/PROMAR e IFAP Curto Prazo, Social Invest, Apoio ao Turismo, Linha Capitalizar Mais and Linhas COVID-19.</p>

FN-CB-240a.2	(1) Number and (2) amount of past due and nonaccrual loans qualified to programmes designed to promote small business and community development	Number, Reporting currency	<p>Millennium bcp supported over 20 thousand small business and community development projects.</p> <p>More information regarding the number and amount of loans for small businesses and with social and environmental benefits can be found on pages 174-176 of the company's Annual Report, namely regarding the following initiatives: Microcrédito, University credit line, University credit line (garantia Mútua), Microinvest, Invest+ Line, PME Crescimento e PME Investe, PRODER/PRO-MAR e IFAP Curto Prazo, Social Invest, Apoio ao Turismo, Linha Capitalizar Mais and Linhas COVID-19.</p>
FN-CB-240a.3	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	Number	<p>Within the scope of the inclusion of private Customers (residents and non-residents) with reduced income in the financial system, the Bank was one of the first banking institutions to voluntarily make available the current account - Minimum Banking Services Account -, which, without associated expenses, can be used through a debit card and the home banking service. In 2020, 2,873 accounts were opened, so the cumulative total is now 13,023 accounts.</p> <p>In Portugal, within the scope of the Entities that make up the social sector, Millennium bcp has kept the Non-Profit Associations Account available, a current account with special conditions, which does not require a minimum of opening and is exempt from maintenance and overdraft fees. 242 accounts with these characteristics were opened, which corresponds to a total of 4,834 accounts in the Bank's portfolio.</p> <p>More information about the Bank's Social Inclusion offer can be found in the 2020 Sustainability Report, page 81.</p>
FN-CB-240a.4	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	Number	<p>Millennium bcp reached over 2.125 thousand people through its financial service initiatives.</p> <p>More information regarding the number and amount of loans for small businesses and with social and environmental benefits can be found on pages 177-179 of the company's Annual Report, namely regarding the following initiatives: Institutional website (instruments and M-videos), Facebook page, APB, Financial ABC's.</p>
INCORPORATION OF ENVIRONMENTAL, SOCIAL, AND GOVERNANCE FACTORS IN CREDIT ANALYSIS			
FN-CB-410a.1	Commercial and industrial credit exposure, by industry	Reporting currency	Information regarding the loans and advances to customers, by sector, is reported on page 74-76, 265 of the Annual Report 2020.
FN-CB-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis	n/a	<p>The BCP Group guarantees a complete and comprehensive offer of financial products and services and continues, as part of the development of its responsible business lines, to make available an increasing number of products and services that incorporate social principles and respect for the environment and nature. It is also aware that the implementation of social and environmental criteria and standards in the commercial offer translates into more effective risk management, reputational value and better quality of products and services available to customers, meeting the needs and pretensions of a market each time more identified with sustainability.</p> <p>Market Discipline Report 2019, pg.36 https://ind.millenniumbcp.pt/en/Institucional/investidores/Documents/RelatorioContas/2019/DMBCP2019b_EN.pdf</p>
BUSINESS ETHICS			
FN-CB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations	Reporting currency	<p>In 2020, the preventive controls carried out and the subsequent individual assessments of potentially irregular situations as well as of situations reported by other organic units of the Bank originated 157 preliminary investigation proceedings. That same year, 32 disciplinary proceedings brought against Employees of the Bank in Portugal were completed. By the end of the year there were 19 proceedings underway. None of the cases involved situations of corruption.</p> <p>More information on disciplinary proceedings can be found on pages 52 of the company's Sustainability Report.</p>
FN-CB-510a.2	Description of whistle-blower policies and procedures	n/a	Information regarding whistleblowing policy here: https://ind.millenniumbcp.pt/en/Institucional/governacao/Documents/Comunicacao-Irregularidades_EN.pdf

SYSTEMIC RISK MANAGEMENT

FN-CB-550a.1	Global Systemically Important Bank (G-SIB) score, by category	Basis points (bps)	BCP is not considered a Global Systemically Important Bank (G-SIB). https://www.fsb.org/wp-content/uploads/P111120.pdf
			The ICAAP is a key process within the scope of the BCP's Group risk management function and developed under an internal governance model that ensures the involvement of the BoD (the body responsible for approving the results-9 and its Risk Assessment Committee, of the EC, of the Risk Commission and of the top management, along with the various stages of the process.
			The results of the ICAAP allow the Bank's management bodies to test if the Group's capitalization is appropriate for the risks stemming from its activities and if the strategic plan and budget are sustainable in the medium term and comply with the risk limits defined in the Risk Appetite Statement (RAS) approved by the BoD.
FN-CB-550a.2	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	n/a	For this purpose, the ICAAP is rolled-out from a prospective vision of the impact estimates concerning the occurrence of risks over the Bank's capital (capital requirements), considering their scale or dimension, complexity, frequency, probability and materiality, against a background consisting of the medium term (3 years) projection for the developments of the Group's activities. In this process, impacts are estimated for a base scenario and a stress scenario; the latter, with a severely negative evolution of macro-economic indicators in order to test the Group's resilience and the adequacy of the capital levels to cover the risks to which its activity may become subject. The ICAAP is a continuous process and included formal monitoring points referred to the end of each quarter, to verify the conclusions regarding the adequacy of the internal capital for covering the risks related with the Group's activity.
			More information on Risk Management can be found on pages 144-145 of the company's Annual Report.

ACTIVITY METRICS

FN-CB-000.A	(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	Number, Reporting currency	Information on Customer Funds can be found on pages 79-81 of the company's Annual Report.
FN-CB-000.B	(1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate (Mortgage loans as well as revolving credit loans shall be excluded from the scope of disclosure.)	Number, Reporting currency	Information on Customer Funds can be found on pages 74-76 of the company's Annual Report.

Sustainability Report 2020

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Banco Comercial Português, S.A.,
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All mentions in this document to the application of any ruling mean the respective version currently in effect.

This report was made in accordance with the GRI Standards: Core option.

This report is included in the perimeter of verification of information on Sustainability of Millennium bcp, carried out by PricewaterhouseCoopers & Associados, S.R.O.C., Lda., in Portugal concerning the 2020 financial year.

For further detail, please see the Verification Report included in the 2020 Annual Report.



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