



Environmental Policy

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Environmental Policy

The BCP Group is committed to the protection of the environment, preservation of natural resources, and mitigation and adaptation to climate change. In light of these commitments, the BCP Group has established the present Environmental Policy, which complements the Group's Code of Ethics and the business and sustainability strategies and policies where the Group assumes the responsibility for preserving the environment, managing and monitoring the direct and indirect impacts of its activities, products and services.

The BCP Group incorporates and promotes a culture of responsible consumption and investment and assumes the goal of maintaining a consistent improvement of its environmental and ecological footprint and sustainable finance practices, which is materialized in the Sustainability Master Plan.

Scope of Application

This policy is prepared by Banco Comercial Português, S.A., as a parent entity of BCP Group, and is applicable to its subsidiaries, subject to any adjustments required by the local law and regulations.

Purpose

Aware of the direct and indirect environmental impact of its activities, the BCP Group details in this policy the priorities that aim to minimise the Bank's total environmental footprint, namely:

- Eco-efficiency of our own environmental actions;
- Environmentally driven financial products and responsible financing;
- Environmental education.

Underlying Principles

Eco-efficiency of our own environmental actions

BCP Group minimises its environmental impact by applying principles of management of materials and waste, monitoring water, electricity and fuel consumption and greenhouse gases emissions, introducing green solutions in its operations and encouraging staff, customers and business part-ners to take part in ecological educational activities.

Environmentally driven financial products and responsible financing

Through the combination of financing environmentally friendly and energy-efficient projects, and the creation of an Exclusion and conditioned list of sectors of activity not financed by the Bank, we aim to reduce the total carbon footprint of our lending activities, as defined and in line with the “Principles of responsible financing - approach to excluded and conditioned projects”.

- Financing in the energy sector is possible only when:
 - its purpose is involvement in non-carbon and/or low-carbon energy sources;
 - its purpose is energy transition to non-carbon sources
- BCP Group has for many years been supporting the financing of environmentally friendly and energy efficient projects, including projects related to:
 - replacement of coal energy with low-emission sources of energy and modern energy infras-tructure;
 - renewable energy sources;
 - reduction of pollutant emissions and energy efficiency, especially in energy-intensive and high-emission industries;



- low-emission vehicles;
 - sustainable buildings;
 - waste, water and wastewater infrastructures..
- The Bank's Customers are obliged not to use credit funds in any way related to actions listed on the EBRD's Environmental Exclusion List. At the same time, they are required to obtain and hold all necessary environmental permits in connection with their business activities, as well as to conduct their activities in compliance with environmental legislation and all relevant laws, standards and other regulatory requirements at national and local level for the protection of the environment, health and safety and the principles of social coexistence.

Environmental education

The BCP Group endeavours to enhance the awareness to and knowledge of environmental themes among its employees, customers, suppliers and the remaining stakeholders. We aim to promote a culture of environmental responsibility and of action against climate changes by placing the environment at the core of the Bank's communication strategy. In justified cases, in contracts with product, goods or service suppliers, environmental clauses are used.

The orientation and ratios of eco-friendly activities are regularly verified, measured and reported in annual statements containing non-financial information of the BCP Group. We are confident that the actions taken by the BCP Group will contribute to preserving the natural equilibrium and will enable present and future generations to live in a sustainable environment.

Governance Model

According to the Bank's governance model, the Sustainability Commission, that emanates from the Executive Committee (EC) and is chaired by the CEO, is the body responsible for the appraisal, discussion and supervision of the implementation of the organization-wide sustainability strategy, which includes the economic, social, environmental, and climate changes components, having, among other, the following responsibilities:

- 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 materialize 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 multiple dimensions.



Reference Metrics, Standards and Partnerships

BCP aligns its environmental responsibility ambition to the best practices and guidelines established by several global standards and external initiatives, such as:

- United Nations Sustainable Development Goals;
- United Nations Global Compact;
- The Paris Agreement on Climate Change;
- European Green Capital Commitment, promoted by the Municipality of Lisbon;
- 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.

In addition, aware of the importance of sharing good practices and of an active participation in the pursuit of environmental protection and sustainable investment practices, BCP is an associate or a member of:

- BCSD Portugal – Conselho Empresarial para o Desenvolvimento Sustentável;
- 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;
- Technical Debate Group for Sustainable Financing in Portugal from the Ministry of Environment;
- Technical Sub-Commission on Sustainable Finance ISO/TC 322 from APEE – Associação Portuguesa de Ética Empresarial and ISO - International Organization for Standardization;
- Task Force on ESG Taxonomy from APB – Associação Portuguesa de Bancos.

Reporting Commitment

The Environmental Policy can be consulted by Employees on the corporate intranet, as well as by customers and external entities on the Bank's website.

BCP Group regularly monitors and communicates its environmental impact through annual reports, through its Sustainability webpage on the Corporate website and through the participation on different questionnaires from investors and indexes, where the performance achieved and the actions implemented are described. We are evaluated by the most relevant ESG ratings and analysts, including S&P DJSI, Vigeo Eiris, FTSE, MSCI, Sustainalytics, CDP – Carbon Disclosure Project, among others.

These disclosures are prepared in alignment with main sustainability reporting frameworks, including:

- Global Reporting Initiative (GRI) Standards;
- Sustainability Accounting Standards Board (SASB);
- Task Force on Climate-Related Financial Disclosures (TCFD);
- CDP Climate Disclosure;
- Sustainable Development Goals (SDG).





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