



GRI INDEX  
GLOBAL REPORTING INITIATIVE  
CGD | 2016



# GRI INDEX 2016

GRI INDICATOR	LOCATION	SUSTAINABLE DEVELOPMENT GOALS	OMISSIONS
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## STRATEGY AND ANALYSIS

102-4	The Chairman's Statement on the relevance of sustainability for the organisation and its sustainability strategy	Management Report and Accounts 2016 – pp. 6	–	n.a
102-15	Main impacts, risks and opportunities	Management Report and Accounts 2016 - pp. 35-39, 46-47, 49-51, 49-51, 54-56, 82-83, 86, 88, 108-128, 140, 142, 146	–	n.a

## ORGANISATIONAL PROFILE

102-1	Name of the organisation	Management Report and Accounts 2016 – p. 6 Sustainability Report 2016 – p. 5	–	n.a
102-2	Main products and services	Management Report and Accounts 2016 – pp. 44-58 Sustainability Report 2016 – pp. 33-36, 61 Commercial offer for private customers at: <a href="https://www.cgd.pt/Particulares/Pages/Particulares_v2.aspx">https://www.cgd.pt/Particulares/Pages/Particulares_v2.aspx</a> Commercial offer for private customers at: <a href="https://www.cgd.pt/Empresas/Pages/Empresas_V2.aspx">https://www.cgd.pt/Empresas/Pages/Empresas_V2.aspx</a> The financial products and services marketed by CGD comply with strict legal and internal regulatory criteria ranging from their identification and design to their marketing and dissemination/advertising. CGD customer complaints in matters regarding the institution's operations or pertaining to the marketing of financial products and services are dealt with as part of the Customer Service Office (CSO), together with CGD's Policies regarding Products and Services, the Environment and Community Involvement, among other measures. Scope: CGD, S.A.	–	n.a
102-3	Location of the organisation's head office	CGD's head office is located at Avenida João XXI, 63, 1000-300, Lisbon.	–	n.a
102-4	Number of countries where the organisation operates and the names of the countries where its main operations are located or which are particularly relevant for the sustainability topics addressed in the report	Management Report and Accounts 2016 – pp. 14-16	–	n.a



GRI INDICATOR		LOCATION	SUST. DEV. GOALS	OMISSIONS
102-5	Type and legal nature of ownership	CGD is a Public Limited Company held by a single shareholder: the Portuguese Government. The Minister of Finance appoints the shareholder's representative at a General Meeting.	–	n.a
102-6	Markets served	Management Report and Accounts 2016 – pp. 14, 16	–	n.a
102-7	Size of the organisation	Management Report and Accounts 2016 – pp. 14-16, 130 Sustainability Report 2016 – pp. 6, 7, 22	–	n.a
102-8	Total number of employees, broken down by labour contract and gender.	Management Report and Accounts 2016 – pp. 119-120 Sustainability Report 2016 – pp. 22-23 Sustainability Indicators for 2016 Methodological Notes 2016 In 2016 there were no outsourced subcontractors at CGD, S.A., or in the international structures of Cape Verde – BI and BCA. At BCG Brasil, in 2016, there was one instance of subcontracting to cover a maternity leave. At CGD, S.A. at the end of 2016, there were 307 workers under the control of the Bank (excluding employees) – 173 males and 134 females. In 2016, there were no part-time employees at BI. Scope: CGD, S.A. + Affiliate Banks	8. Dignified work and economic growth	n.a
102-41	Percentage of employees covered by collective bargaining agreements	All of CGD,SA's employees are under collective bargaining agreements, directly, by virtue of Company Contracts, or via an internal regulation that determines their enforcement on the remaining workers. In 2016, there were no collective bargaining agreements at BCA, BI or Mercantile Bank. There is a Personnel Statute that sets out the rights, guarantees and duties of BCA staff employees and regulates labour relations, except as otherwise laid down in an agreement or specific provision. At BCG Brasil, 100% of employees are under collective bargaining agreements. Scope: CGD, S.A. + Affiliate Banks	8. Dignified work and economic growth	n.a
102-9	The organisation's supplier chain*	Management Report and Accounts 2016 – p. 140 Sustainability Report 2016 – p. 30 Scope: CGD, S.A.	–	n.a



GRI INDICATOR		LOCATION	SUST. DEV. GOALS	OMISSIONS
102-10	Significant changes occurred during the period covered by the report with regard to the organisation's size, structure, shareholding or supplier chain	Management Report and Accounts 2016 – p. 5	–	n.a
102-11	Addressing the precautionary principle	By signing on to the United Nations Environment Programme's Financial Initiative (UNEP-FI), in April 2009, CGD was required to take on the commitment to observe the Precautionary Principle. Moreover, through its strategy of fighting climate change, CGD introduced environmental variables in its approaches to risk management, operational planning, development and introduction of products and services. Management Report and Accounts 2016 – pp. 467	–	n.a
102-12	Charters, principles or other externally developed initiatives of an economic, environmental and social nature that the organisation subscribes to or endorses	Management Report and Accounts 2016 – pp. 458-459	–	n.a
102-13	Participation in national or international defence associations and organisations	<a href="https://www.cgd.pt/Institucional/Sustentabilidade-CGD/Programas-parcerias/Pages/Programas-Parcerias.aspx">https://www.cgd.pt/Institucional/Sustentabilidade-CGD/Programas-parcerias/Pages/Programas-Parcerias.aspx</a>	–	n.a
102-45	All of the organisations included in the consolidated financial statements	Management Report and Accounts 2016 – chapter 1.13	–	n.a
102-46	Procedure adopted for outlining the report contents and the Aspect limits	Management Report and Accounts 2016 – pp. 5, 136-138 Sustainability Report 2016, pp. 5,9 Methodological Notes 2016	–	n.a
102-47	Material aspects identified in the process of outlining the report content	Management Report and Accounts 2016 – pp. 5, 136-138 Sustainability Report 2016 – p. 9 Methodological Notes	–	n.a
103-1	Limit of each material aspect within and outside the organisation	Methodological Notes 2016	–	n.a
102-48	Reworking of information provided in previous reports and the reasons for such reworking	Methodological Notes 2016	–	n.a



GRI INDICATOR	LOCATION	SUST. DEV. GOALS	OMISSIONS	
102-49	Significant changes relative to periods covered by previous reports with regard to the scope and the Aspect limit	There were no changes to the geographic scope of the reported activity in terms of sustainability.	–	n.a

## INVOLVEMENT WITH STAKEHOLDRES

102-40	List of groups of stakeholders of the organisation	Management Report and Accounts 2016 – p. 139 Sustainability Report 2016 – p. 8	–	n.a
102-42	Basis for identifying and selecting <i>stakeholders</i>	Page 28 of the 2009 Sustainability Report – Technical Dossier via the link <a href="https://www.cgd.pt/Institucional/Sustentabilidade-CGD/Reporting-Desempenho/Relatorios-Sustentabilidade/2009/Documents/Relatorio-Sustentabilidade-CGD-2009_Caderno-Tecnico-GRI.pdf">https://www.cgd.pt/Institucional/Sustentabilidade-CGD/Reporting-Desempenho/Relatorios-Sustentabilidade/2009/Documents/Relatorio-Sustentabilidade-CGD-2009_Caderno-Tecnico-GRI.pdf</a> Methodological Notes 2016	–	n.a
102-43	Approach adopted regarding involvement with <i>stakeholders</i> , including the frequency of involvement by type and by group	Management Report and Accounts 2016 – p. 139 Sustainability Report 2016 – pp. 8, 16 BCA, BI and BCG Brasil gauged customer satisfaction using the complaints management procedure. Scope: CGD, S.A.+ Affiliate Banks (BI, BCA and BCG Brasil)	–	n.a
102-44	Main issues and concerns stated by the <i>stakeholders</i> as a result of the engagement process and the measures adopted by the organisation in how they are processed	Management Report and Accounts 2016 – pp. 58, 136-138 Sustainability Report 2016, pp. 9, 16 BCA, BI and BCG Brasil gauged customer satisfaction using the complaints management procedure. Scope: CGD, S.A.+ Affiliate Banks (BI, BCA and BCG Brasil)	–	n.a

## REPORT PROFILE

102-50	Period covered by the report	1 January to 31 December 2016 Sustainability Report 2016 – p. 5	–	n.a
102-51	Date of the latest previous report	2015	–	n.a
102-52	Report issuance cycle	Annual	–	n.a



GRI INDICATOR		LOCATION	SUST. DEV. GOALS	OMISSIONS
102-53	Contacts for issues concerning the report or its contents	Management Report and Accounts 2016 – p. 5 Sustainability Report 2016, p. 5	–	n.a
102-54	'As per' option chosen by the organisation and corresponding GRI table of contents	Present table Management Report and Accounts 2016 – p. 5 Sustainability Report, p. 5	–	n.a
102-56	Current policy and practice adopted by the organisation for submitting the report for external verification	Management Report and Accounts 2016 – pp. 5, 396-397 Sustainability Report 2016, pp. 5	–	n.a

## GOVERNANCE

102-18	The organisation's governance structure, including commissions under the highest hierarchical governing body	Management Report and Accounts 2016 – pp. 43, 410-424 Sustainability Report 2016, p. 10	–	n.a
102-19	Process used for delegating authority regarding economic, environmental and social topics by the highest governing body on senior executives and other employees	Management Report and Accounts 2016 – p. 420 Sustainability Report 2016, p. 10	–	n.a
102-20	Appointment of one or more executive-level roles and positions as head in charge of economic, environmental and social topics and whether those in charge report directly to the Board of Directors	Management Report and Accounts 2016 – p. 420 Sustainability Report 2016, p. 10	–	n.a
102-21	Consultation processes used between stakeholders and the Board of Directors with regard to economic, environmental and social topics	Management Report and Accounts 2016 – pp. 138, 140-420 Sustainability Report 2016, p. 10	–	n.a
102-22	Composition of the Board of Directors and its Committees	Management Report and Accounts 2016 – pp. 410-424 Sustainability Report 2016, p. 10	–	n.a
102-23	Whether the Chairman of the Board of Directors is also an executive director (and, in that case, his/her role in the management of the organisation and the reasons for the accumulation)	Management Report and Accounts 2016 – pp. 415-416	–	n.a
102-24	Procedures for selecting and appointing the Board of Directors and its Committees, as well as the criteria adopted for selecting and appointing the members of the Board of Directors	Management Report and Accounts 2016 – pp. 413, 418	–	n.a
102-25	Procedures used by the Board of Directors to make sure conflicts of interest are avoided	Management Report and Accounts 2016 – pp. 425	–	n.a



GRI INDICATOR	LOCATION	SUST. DEV. GOALS	OMISSIONS
102-26	Roles played by the Board of Directors and by senior executives in developing, approving and updating the goals, the mission, vision and values, and outlining strategies, policies and targets related to economic, environmental and social impacts Management Report and Accounts 2016 – p. 420	–	n.a
102-27	Measures taken to develop and improve the Board of Directors' knowledge regarding economic, environmental and social topics Management Report and Accounts 2016 – pp. 137, 139-420 Sustainability Report 2016, pp. 8-11	–	n.a
102-28	Processes for assessing the Board of Directors' performance with regard to the governance of economic, environmental and social topics Management Report and Accounts 2016 – pp. 388-389 Sustainability Report 2016, pp. 10-11	–	n.a
102-29	The role played by the Board of Directors in identifying, managing impacts, risks and opportunities related to economic, environmental and social issues, as well as in implementing due diligence procedures Management Report and Accounts 2016 – pp. 137, 138, 420 Sustainability Report 2016, pp. 10-11, 19	–	n.a
102-30	The role played by the Board of Directors in analysing the efficiency of the organisation's risk management processes regarding economic, environmental and social topics Management Report and Accounts 2016 – p. 420 Sustainability Report 2016, pp. 10-11, 18-19	–	n.a
102-31	The frequency with which the Board of Directors analyses impacts, risks and opportunities related to economic, environmental and social issues Management Report and Accounts 2016 – p. 420	–	n.a
102-32	Body or role that analyses and formally approves the organisation's Sustainability Report and ensures that every material aspect is addressed The Executive Commission is the body in charge of analysing and formally approving the Sustainability Report. The Team Coordinating the Corporate Sustainability Programme is in charge of preparing this report and the sustainability contents included in the Annual Report and Accounts.	–	n.a
102-33	Process adopted to notify the Board of Directors of any critical concerns Management Report and Accounts 2016 – p. 420	–	n.a
102-34	Nature and total number of critical concerns of which the Board of Directors was notified, as well as the mechanism(s) adopted for addressing and solving them Management Report and Accounts 2016 – pp. 418-420	–	n.a
102-35	Remuneration policies applicable to the Board of Directors and to senior executives Management Report and Accounts 2016 – pp. 445-453	–	n.a
102-36	Procedure adopted for determining remuneration Management Report and Accounts 2016 – pp. 445-453	–	n.a



GRI INDICATOR		LOCATION	SUST. DEV. GOALS	OMISSIONS
102-37	Stakeholders opinions are requested and taken into account with regard to the issue of remuneration, including results of votes on policies and remuneration proposals, where applicable	Management Report and Accounts 2016 – pp. 129, 134-135, 138-139, 445-453	–	n.a
102-38	Proportion of total annual remuneration of the highest paid individual in each country where the organisation has significant operations in relation to the total annual average remuneration of all employees (excluding the highest paid employee) in the same country	The total annual remuneration of the highest paid individual comes to 6.38 of the average annual remuneration (excluding the highest paid employee). Methodological Notes 2016 Scope: CGD, S.A. in Portugal	–	n.a
102-39	Proportion of the percentage increase of the total annual remuneration of the highest paid individual in each country where the organisation has significant operations to the average percentage increase of the total annual remuneration of all employees (excluding the highest paid employee) in the same country	The remuneration of the organisation's highest paid individual remained unchanged in 2016. Scope: CGD, S.A.	–	n.a

## ETHICS AND INTEGRATY

102-16	The organisation's values, principles, patterns and behaviour standards	Management Report and Accounts 2016 – pp. 438-439 <a href="https://www.cgd.pt/Institucional/Governo-Sociedade-CGD/Regulamentos/Documents/Codigo-de-Conduta-CGD.pdf">https://www.cgd.pt/Institucional/Governo-Sociedade-CGD/Regulamentos/Documents/Codigo-de-Conduta-CGD.pdf</a>	–	n.a
102-17	Internal and external mechanisms adopted by the organisation for requesting guidelines regarding ethical behaviours and in compliance with legislation	Management Report and Accounts 2016 – pp. 139, 438-439	–	n.a





GRI INDICATOR	LOCATION	GLOBAL COMPACT	SUSTAINABLE DEVELOPMENT GOALS	OMISSIONS
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**ASPECT: ECONOMIC PERFORMANCE\***

**Forms of Management (103):**

103-1) – The identification of CGD's material topics consisted of assessing the importance of a set of topics based on the results of stakeholder consultations and on an internal impact classification of those topics. The topic 'Economic Performance' was considered a high-priority topic. (Materiality matrix – Management Report and Accounts 2016 – 1.8.2 Sustainability and Sustainability Report 2016 – p. 9).

103-2 and 103-3 – CGD has in place a set of initiatives related to this topic, monitors the indicators related thereto and reports them publicly (Management Report and Accounts 2016 (throughout the report) and Sustainability Report 2016 – pp. 6 and 11)

201-1	Direct economic value generated and distributed	Sustainability Report 2016, p. 7 Methodological Notes 2016 Scope: CGD, S.A.+ Affiliate Banks (BI, BCA, BCG Brasil and Mercantile Bank)	–	2. Eradicating hunger 5. Gender equality 7. Renewable and accessible energy sources 8. Dignified work and economic growth 9. Industry, innovation and infrastructures	n.a
201-2	Financial implications and other risks and opportunities for the organisation due to climate change	Each year, CGD voluntarily takes part in the CDP – Carbon Disclosure Project, where it lists the risks and opportunities arising for its activity in terms of climate change. CGD's response is available at the CDP site or through CGD's website ( <a href="https://www.cgd.pt/Institucional/Sustentabilidade-CGD/Premios-distincoes/Documents/CGD-Respon- ses-Climate-Change-2015.pdf">https://www.cgd.pt/Institucional/Sustentabilidade-CGD/Premios-distincoes/Documents/CGD-Respon- ses-Climate-Change-2015.pdf</a> ) In 2016, Caixa responded to the CDP questionnaire, having entered The Climate A List ( <a href="https://www.cgd.pt/Institucional/Sustentabilidade-CGD/Premios-distincoes/Pages/Premio-CPD.aspx">https://www.cgd.pt/Institucional/Sustentabilidade-CGD/Premios-distincoes/Pages/Premio-CPD.aspx</a> ) In 2016, CGD did not acquire any carbon credits. Scope: CGD, S.A.	–	13. Climate-related action	n.a



GRI INDICATOR		LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS
201-3	Benefit plans offered by the organisation	<p>Report and Financial Statements 2016 - Item 2.1 Notes to the Individual Financial Statements – Note 34 – Retirement Pensions and Other Employee Benefits.</p> <p>In 2016, Banco Interatlântico (BI) did not have in place a benefit/pension plan. All the Bank's employees are registered with the national social security system and its pension schemes, all under the full responsibility of this body.</p> <p>At BCA there is a Benefit Plan in place. The value of the bonds in 2016 was 2,805,949 euros. An actuarial study on pensions has been conducted on an annual basis and, based on such study, the bank bears all additional costs necessary to fully cover the liabilities. The Bank and the Employees contribute with a percentage of 11% and 6%, respectively of the wage bill (excluding holiday and Christmas bonuses).</p> <p>At BCG Brasil, as a supplement to the Social Security benefits, there is a private pension plan for employees, with an estimated 7930 euros per month in bonds under the retirement plan covered by the company's general resources.</p> <p>At Mercantile Bank, an outlined Benefit Plan is also in place, for which the Bank contributes 11% and the Employees 7.5%.</p> <p>Scope: CGD, S.A.+ Affiliate Banks (BCA, BI and BCG Brasil)</p>	–	–	n.a

## ASPECT: ECONOMIC PERFORMANCE

201-4	Significant financial benefits received by the government	<p>According to legislation in force, the Statute of Tax Benefits (EBF) provides for the deduction of charges with the net creation of new jobs and the Corporate Income Tax Code (CIRC) provides for an increase in contributions and donations. In FY 2016, these realities translated into a total estimated amount of 3,566,683.70 euros, which, by applying a 21% income tax rate, would generate recoverable income tax in the amount of 749,003.58 euros. However, CGD will not enjoy these benefits, as it did not generate a qualifying tax base.</p> <p>BCA, BI and BCG Brasil did not receive any financial aid from the Government.</p> <p>Scope: CGD, S.A.+ Affiliate Banks (BCA, BI and BCG Brasil)</p>	–	–	n.a
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## ASPECT MARKET PRESENCE

202-1	Range of variation in the proportion of the lowest salary to the local minimum wage, by gender	<p><b>CGD, S.A.:</b></p> <ul style="list-style-type: none"> <li>– Females: 203%</li> <li>– Males: n.a. (in 2015, there were no males in the lowest pay grade)</li> </ul> <p><b>BCA:</b></p> <ul style="list-style-type: none"> <li>– Females: 245%</li> <li>– Males: 245%</li> </ul> <p><b>BI:</b></p> <ul style="list-style-type: none"> <li>– Females: 287%</li> <li>– Males: 287%</li> </ul> <p><b>BCG Brasil:</b></p> <ul style="list-style-type: none"> <li>– Females: 262%</li> <li>– Males: 376%</li> </ul> <p>Methodological Notes 2016</p> <p>Scope: CGD, S.A.+ Affiliate Banks (BCA, BI and BCG Brasil)</p>	Principle 6	1. Eradicating poverty 5. Gender equality 8. Dignified work and economic growth	n.a
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GRI INDICATOR		LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS
202-2	Proportion of hires to upper-management positions in the local community	<p>Not applicable to CGD, S.A.</p> <p>BI's upper management (Board of Directors) is appointed by the General Meeting of shareholders. Up to 2015, most of its members were not recruited in the Cape Verde market. From 2015, with BI's BD expanding to include two new members (for a total of 7), most of its members are recruited in the Cape Verde market. First-line positions are filled with hires from the Cape Verde market.</p> <p>At BCA and BCG Brasil, upper management positions are set by CGD's Executive Committee.</p> <p>Methodological Notes 2016</p> <p>Scope: CGD, S.A. + Affiliate Banks (BCA, BI and BCG Brasil)</p>	Principle 6	8. Dignified work and economic growth	n.a
203-1	Development and impact of investments on infrastructures and supported services	<p>Management Report and Accounts 2016 – pp. 140</p> <p>Sustainability Report 2016 – pp. 41</p> <p>Methodological Notes 2016</p> <p>Scope: CGD, S.A.+ Affiliate Banks (BCA, BI and BCG Brasil)</p>	–	<p>2. Eradicating hunger</p> <p>5. Gender equality</p> <p>7. Renewable and accessible energy sources</p> <p>9. Industry, innovation and infrastructures</p> <p>11. Sustainable cities and communities</p>	n.a
203-2	Indirect economic impacts, including their extent	<p>Management Report and Accounts 2016 – p. 140</p> <p>Sustainability Report 2016 – p. 30</p> <p>Scope: CGD, S.A.+ Affiliate Banks (BCA, BI, BCG Brasil, Mercantile Bank)</p>	–	<p>1. Eradicating poverty</p> <p>2. Eradicating hunger</p> <p>3. Quality healthcare</p> <p>8. Dignified work and economic growth</p> <p>10. Reducing inequalities</p> <p>17. Partnership for the implementation of the goals</p>	n.a

#### ASPECT: PROCUREMENT PRACTICES\*

##### Forms of Management (103):

103-1) – The identification of CGD's material topics consisted of assessing the importance of a set of topics based on the results of stakeholder consultations and on an internal impact classification of those topics. The topic "Responsible Supplier Management" was considered a medium-priority topic. (Materiality matrix – Management Report and Accounts 2016 – 1.8.2 Sustainability and Sustainability Report 2016 – p. 9).

103-2) – CGD has in place a set of initiatives related to this topic (Sustainability Strategy 2015-2017 – Sustainability Report 2016 - p. 29).

103-3) – CGD monitors indicators associated with this topic and reports them to the public (Responsible Supplier Management – Management Report and Accounts 2016 – 1.8.2 Sustainability and Sustainability Report 2016 – pp. 29-30)



GRI INDICATOR		LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS
<b>G4 204 -1</b>	Proportion of expenses with local suppliers	Management Report and Accounts 2016 – p. 140 Sustainability Report 2016 – pp. 30 Methodological Notes 2016 Scope: CGD, S.A.+ Affiliate Banks (BCA, BI, BCG Brasil, Mercantile Bank)	-	12. Sustainable production and consumption	n-a

## ENVIRONMENTAL PRACTICES\*

### ASPECT: MATERIALS\*

#### Forms of Management (103):

103-1) – The identification of CGD’s material topics consisted of assessing the importance of a set of topics based on the results of stakeholder consultations and on an internal impact classification of those topics. The topic “Eco-efficiency” was considered a medium-priority topic. (Materiality matrix – Management Report and Accounts 2016 – 1.8.2. Sustainability and Sustainability Report 2016 – p. 9).

103-2) – CGD has in place a set of initiatives related to this topic (Sustainability Strategy 2015-2017 – Sustainability Report 2016 – p. 46).

103-3) – CGD monitors indicators associated with this topic and reports them to the public (Environmental Management – Management Report and Accounts 2016 – 1.8.2 Sustainability and Sustainability Report 2016 – p. 51)

<b>301-1</b>	Total consumption of materials by weight or volume	Management Report and Accounts 2016 – p. 145 Sustainability Report 2016 – p. 51 Sustainability Indicators for 2016 Methodological Notes 2016 Scope: CGD, S.A.+ Affiliate Banks (BCA, BI and BCG Brasil)	Principles 7 and 8	8. Dignified work and economic growth 12. Sustainable production and consumption	n.a
<b>301-2</b>	Percentage of materials used that come from recycling	Sustainability Report 2016 – p. 51 Scope: CGD, S.A.	Principle 8	8. Dignified work and economic growth 12. Sustainable production and consumption	n.a
<b>301-3</b>	Recovered products and packaging	CGD’s operations do not allow for the recovery of products and/or packages. However, CGD has invested in waste recovery, such as the recycling of cancelled bank cards. (See response to indicator 306-2). Scope: CGD, S.A.	Principle 8	8. Dignified work and economic growth 12. Sustainable production and consumption	n.a

### ASPECT: ENERGY (103)\*

#### Forms of Management (103):

103-1) – The identification of CGD’s material topics consisted of assessing the importance of a set of topics based on the results of stakeholder consultations and on an internal impact classification of those topics. The topic “Eco-efficiency” and “Fighting climate change - Energy efficiency, CO2 emissions and alternative energy sources” were considered a medium-priority topic. (Materiality matrix – Management Report and Accounts 2016 – 1.8.2. Sustainability and Sustainability Report 2016 – p. 9).

103-2) – CGD has in place a set of initiatives related to this topic (Sustainability Strategy 2015-2017 – Management report and accounts 2016, 1.8.2 Sustainability Report 2016 – p. 47).

103-3) – CGD monitors indicators associated with this topic and reports them to the public (Environmental Management – Management Report and Accounts 2016 – 1.8.2 Sustainability and Sustainability Report 2016 – p. 49-51)



GRI INDICATOR		LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS
302-1	Energy consumption within the organisation	Management Report and Accounts 2016 – pp. 12, 143-145 Sustainability Report 2016 – pp. 48-49 Sustainability Indicators for 2016 Methodological Notes 2016 Scope: CGD, S.A.+ Affiliate Banks (BCA, BI and BCG Brasil)	Principles 7 and 8	7. Renewable and accessible energy sources 8. Dignified work and economic growth 12. Sustainable production and consumption 13. Climate-related action	n.a
302-2	Energy consumption outside the organisation	Management Report and Accounts 2016 – p. 12, 143-145 Sustainability Report 2016 – pp. 48-49, 56  CGD monitors waste treatment and business trips. However, there are no conversion factors available in the literature that allows CGD to easily determine the associated energy consumption. Scope: CGD, S.A.	Principle 8	7. Renewable and accessible energy sources 8. Dignified work and economic growth 12. Sustainable production and consumption 13. Climate-related action	n.a
302-3	Energy intensity	Sustainability Report 2016 – p. 48 Methodological Notes 2016 Scope: CGD, S.A.+ Affiliate Banks (BCA, BI and BCG Brasil)	Principle 8	7. Renewable and accessible energy sources 8. Dignified work and economic growth 12. Sustainable production and consumption 13. Climate-related action	n.a
302-4	Lower energy consumption	Management Report and Accounts 2016 – p. 12, 143-145 Sustainability Report – p. 48 Scope: CGD, S.A.+ Affiliate Banks (BCA, BI and BCG Brasil)	Principles 8 and 9	7. Renewable and accessible energy sources 8. Dignified work and economic growth 12. Sustainable production and consumption 13. Climate-related action	n.a
302-5	Reduced energy needs for products and services	Management Report and Accounts 2016 – p. 51, 54, 68, 72-73 Sustainability Report 2016 – p. 58-59 Scope: CGD, S.A.	Principles 8 and 9	7. Renewable and accessible energy sources 8. Dignified work and economic growth 12. Sustainable production and consumption 13. Climate-related action	n.a

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

103-1) – The identification of CGD’s material topics consisted of assessing the importance of a set of topics based on the results of stakeholder consultations and on an internal impact classification of those topics. The topic “Eco-efficiency” was considered a medium-priority topic. (Materiality matrix – Management Report and Accounts 2016 – 1.8.2. Sustainability and Sustainability Report 2016 – p. 9).

103-2) – CGD has in place a set of initiatives related to this topic (Sustainability Strategy 2015-2017 – Sustainability Report 2016 – p. 47).

103-3) – CGD monitors indicators associated with this topic and reports them to the public (Environmental Management – Management Report and Accounts 2016 – 1.8.2 Sustainability and Sustainability Report 2016 – p. 51)

303-1	Total water abstractions broken down by source	Management Report and Accounts 2016 – p. 145 Sustainability Report 2016 – p. 50 Sustainability Indicators for 2016 Methodological Notes 2016 Scope: CGD, S.A.+ Affiliate Banks (BCA, BI and BCG Brasil)	Principles 7 and 8	6. Drinking water and sanitation	n.a
303-2	Water sources significantly affected by water abstraction	Not applicable	Principle 8	–	n.a
303-3	% and total volume of recycled and re-used water	Sustainability Report 2016 – p. 50 CGD’s facilities have no water recovery systems. Scope: CGD, S.A.	Principle 8	6. Drinking water and sanitation 8. Dignified work and economic growth 12. Sustainable production and consumption	n.a

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

103-1) – The identification of CGD’s material topics consisted of assessing the importance of a set of topics based on the results of stakeholder consultations and on an internal impact classification of those topics. The topic “Environmental Management System” was considered a medium-priority topic. (Materiality matrix – Management Report and Accounts 2016 – 1.8.2. Sustainability and Sustainability Report 2016 – p. 9).

103-2) – CGD has implemented a set of initiatives related to this topic (Sustainability Strategy 2015-2017 – Sustainability Report 2016 – p. 47).

103-3) – CGD monitors indicators associated with this topic and reports them to the public (Environmental Management – Management Report and Accounts 2016 – 1.8.2 Sustainability and Sustainability Report 2016 – p. 53).



GRI INDICATOR		LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS
304-1	Location in protected or adjacent areas	<p>This indicator is not deemed to be relevant for CGD, as its operations are carried out in urban areas.</p> <p>There is zero risk of being located in areas that are protected or of interest for biodiversity, or in adjacent areas. It should be pointed out that CGD develops initiatives related to protecting biodiversity through the Floresta Caixa (Caixa Forest) Project, and that it contributes toward minimising the environmental impact of its operations while fostering environmental best practices among its Employees, Customers and society, from a perspective of social responsibility and sustainable development.</p> <p>Scope: CGD, S.A.</p>	Principle 8	<p>6. Drinking water and sanitation</p> <p>14. Protection of marine life</p> <p>15. Protection of terrestrial wildlife</p>	n.a
304-2	Description of the main impacts of the organisation's operations, products and services on biodiversity in protected areas and in biodiversity-rich areas	<p>This indicator is not deemed relevant for CGD (see EN11).</p> <p>Scope: CGD, S.A.</p>	Principle 8	<p>6. Drinking water and sanitation</p> <p>14. Protection of marine life</p> <p>15. Protection of terrestrial wildlife</p>	n.a
304-3	Protected or restored habitats	<p>This indicator is not deemed relevant for CGD (see EN11).</p> <p>Scope: CGD, S.A.</p>	Principle 8	<p>6. Drinking water and sanitation</p> <p>14. Protection of marine life</p> <p>15. Protection of terrestrial wildlife</p>	n.a
304-4	Number of species on the IUCN's Red List and national conservation lists with habitats in areas affected by operations	<p>This indicator is not deemed relevant for CGD (see EN11).</p> <p>Scope: CGD, S.A.</p>	Principle 8	<p>6. Drinking water and sanitation</p> <p>14. Protection of marine life</p> <p>15. Protection of terrestrial wildlife</p>	n.a

## ASPECT: EMISSIONS

### Forms of Management (103):

103-1) – The identification of CGD's material topics consisted of assessing the importance of a set of topics based on the results of stakeholder consultations and on an internal impact classification of those topics. The topic 'Fighting climate change - Energy Efficiency, CO2 emissions and alternative energy sources' was considered a medium-priority topic. (Materiality matrix – Management Report and Accounts 2016 – 1.8.2. Sustainability and Sustainability Report 2016 – p. 9).

103-2) – CGD has in place a set of initiatives related to this topic (Sustainability Strategy 2015-2017 – Sustainability Report 2016 – p. 46).

103-3) – CGD monitors indicators associated with this topic and reports them to the public (Environmental Management – Management Report and Accounts 2016 – 1.8.2 Sustainability and Sustainability Report 2016 – pp. 55-59).



GRI INDICATOR		LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS
305-1	Direct GHG emissions (Scope 1)	Management Report and Accounts 2016 – p. 144 Sustainability Report 2016 – p. 56 Sustainability Indicators for 2016 Methodological Notes 2016 Scope: CGD, S.A.+ Affiliate Banks (BCA, BI and BCG Brasil)	Principles 7 and 8	3. Quality healthcare 12. Sustainable production and consumption 13. Climate-related action 14. Protection of marine life 15. Protection of terrestrial wildlife	n.a
305-2	Indirect GHG emissions (Scope 2)	Management Report and Accounts 2016 – p. 144 Sustainability Report 2016 – p. 56 Sustainability Indicators for 2016 Methodological Notes Scope: CGD, S.A.+ Affiliate Banks (BCA, BI and BCG Brasil)	Principles 7 and 8	3. Quality healthcare 12. Sustainable production and consumption 13. Climate-related action 14. Protection of marine life 15. Protection of terrestrial wildlife	n.a
305-3	Indirect GHG emissions (Scope 3)	Management Report and Accounts 2016 – p. 144 Sustainability Report 2016 – p. 56 Sustainability Indicators for 2016 Methodological Notes 2016 Scope: CGD, S.A.+ Affiliate Banks (BCA, BI and BCG Brasil)	Principles 7 and 8	3. Quality healthcare 12. Sustainable production and consumption 13. Climate-related action 14. Protection of marine life 15. Protection of terrestrial wildlife	n.a
305-4	Carbon intensity	Management Report and Accounts 2016 – p. 144 Sustainability Report 2016 – p. 56 Methodological Notes 2016 Scope: CGD, S.A.+ Affiliate Banks (BCA, BI and BCG Brasil)	Principles 8	13. Climate-related action 14. Protection of marine life 15. Protection of terrestrial wildlife	n.a
305-5	Reduction GHG emissions	Management Report and Accounts 2016 – p. 144 Sustainability Report 2016 – p. 56 Scope: CGD, S.A.+ Affiliate Banks (BCA, BI and BCG Brasil)	Principles 8 and 9	13. Climate-related action 14. Protection of marine life 15. Protection of terrestrial wildlife	n.a
305-6	Emissions of ozone-depleting substances, by weight	According to GRI guidelines, ozone-depleting substances contained in products or equipment derived from use or disposal are not covered by this indicator. For this reason, this Indicator does not apply to CGD. Scope: CGD, S.A.	Principles 7 and 8	3. Quality healthcare 12. Sustainable production and consumption	n.a





GRI INDICATOR		LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS
305-7	NOx, SOx and other atmospheric emissions	<p>Emissions of this type of substances can stem from the use of CGD's emergency generators and vehicle fleet. In the case of CGD, these emissions are not very significant.</p> <p>Total NOx emissions: 41 t Total SO2 emissions: 10.7 t Methodological Notes 2016 Scope: CGD, S.A.</p>	Principles 7 and 8	<p>3. Quality healthcare 12. Sustainable production and consumption 14. Protection of marine life 15. Protection of terrestrial wildlife</p>	n.a

**ASPECT: EFFLUENTS AND WASTE\***

**Forms of Management (103):**

103-1) – The identification of CGD's material topics consisted of assessing the importance of a set of topics based on the results of stakeholder consultations and on an internal impact classification of those topics. The topic 'Environmental Management System' was considered a medium-priority topic. (Materiality matrix – Management Report and Accounts 2016 – 1.8.2. Sustainability and Sustainability Report 2016 – p. 9).

103-2) – CGD has implemented a set of initiatives related to this topic (Sustainability Strategy 2015-2017 – Sustainability Report 2016 – p. 46).

103-3) – CGD monitors indicators associated with this topic and reports them to the public (Environmental Management – Management Report and Accounts 2016 – 1.8.2 Sustainability and Sustainability Report 2016 – p. 52).

306-1	Production of liquid effluents, by quality and destination	<p>CGD's facilities are located in urban areas, equipped with basic sanitation and rainwater harvesting infrastructures. Domestic wastewater is sent to the municipal collector, so this indicator is not considered applicable to CGD.</p> <p>Scope: CGD, S.A.</p>	Principle 8	<p>3. Quality healthcare 6. Drinking water and sanitation 12. Sustainable production and consumption 14. Protection of marine life</p>	n.a
306-2	Weight of waste produced, by type and by treatment method	<p>Management Report and Accounts 2016 – p. 145 Sustainability Report 2016 – p. 52 Methodological Notes 2016 BI, BCA, BCG Brasil and Mercantile Bank do not compile information regarding waste generation.</p> <p>Scope: CGD, S.A.+ Affiliate Banks (BCA, BI and BCG Brasil)</p>	Principle 8	<p>3. Quality healthcare 6. Drinking water and sanitation 12. Sustainable production and consumption</p>	n.a
306-3	Occurrence of spills	<p>According to CGD's operations, this indicator is not considered to be material. However, in 2014, as part of the EMS, retention basins were installed at strategic points of the Head Office Building, in order to prevent and contain any spills that may occur. Several emergency drills were carried out in 2016, always following environmental procedures. One of the drills carried out tested a scenario of spillage of corrosive liquids.</p> <p>Scope: CGD, S.A.</p>	Principle 8	<p>3. Quality healthcare 6. Drinking water and sanitation 12. Sustainable production and consumption 14. Protection of marine life 15. Protection of terrestrial wildlife</p>	n.a



GRI INDICATOR	LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS
306-4	Weight of hazardous waste hauled, imported, exported or processed, and the percentage of internationally shipped waste loads Non applicable to CGD, given the nature of its operations.	–	3. Quality healthcare 12. Sustainable production and consumption	n.a
306-5	Water resources and their habitats affected by water discharges and drainage Because CGD's facilities are located in urban areas, no water resources are affected by water discharges. Scope: CGD, S.A.	Principle 8	6. Drinking water and sanitation 14. Protection of marine life 15. Protection of terrestrial wildlife	n.a

**ASPECT: PRODUCTS AND SERVICES\***

**Forms of Management (103):**

103-1) – The identification of CGD’s material topics consisted of assessing the importance of a set of topics based on the results of stakeholder consultations and on an internal impact classification of those topics. The topic ‘Products with environmental benefits’ was considered a medium-priority topic. (Materiality matrix – Management Report and Accounts 2016 – 1.8.2. Sustainability and Sustainability Report 2016 – p. 9).

103-2) – CGD has implemented a set of initiatives related to this topic (Sustainability Strategy 2015-2017 – Sustainability Report 2016 – p. 55).

103-3) – CGD monitors indicators associated with this topic and reports them to the public (Funding of Low-Carbon Economy – Management Report and Accounts 2016 – 1.6.1. Domestic Activity and Sustainability Report 2016 – p. 61).

**ASPECT: COMPLIANCE**

307-1	Monetary amount of fines and number of non-monetary penalties resulting from non-compliance with environmental laws and regulations There were no such occurrences in 2016. Methodological Notes 2016 Scope: CGD, S.A.	Principle 8	16. Peace, justice and effective institutions	n.a
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**ASPECT: ENVIRONMENTAL EVALUATION OF SUPPLIERS**

308-1	New suppliers assessed with environmental criteria Management Report and Accounts 2016 – p. 140 Sustainability Report 2016 – p. 30 Methodological Notes 2016 Scope: CGD, S.A.	Principle 8	–	n.a
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GRI INDICATOR	LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS
308-2 Negative environmental impacts on the supply chain and measures taken	<p>In 2016, environmental assessments were carried out for 10 suppliers, as part of CGD's legal compliance assessments and internal/external audits to the EMS.</p> <p>CGD's Risk Management Division (DGR) does not have in place specific procedures for identifying this type of situations, which can be included under operational risk management only in unequivocal instances of legal non-compliance on the part of CGD. Impacts of this type of situations basically fall under reputational risk. The operational risk event database was queried in order to identify any situations that could impact the supply chain that have been validated in 2016 and no events were identified.</p> <p>Management Report and Accounts 2016 – p. 29-30 Scope: CGD, S.A.</p>	Principle 8	–	n.a

## LABOUR INDICATORS

### ASPECT: EMPLOYMENT\*

#### Forms of Management (103):

103-1) – The identification of CGD's material topics consisted of assessing the importance of a set of topics based on the results of stakeholder consultations and on an internal impact classification of those topics. The topics 'Diversity and Equal Opportunities', 'Occupational Health and Safety' and 'Conciliation of Professional and Personal Life' are associated with this aspect, and were considered medium-priority topics. (Materiality matrix – Management Report and Accounts 2016 – 1.8.2. Sustainability and Sustainability Report 2016 – p. 9).

103-2) – CGD has implemented a set of initiatives related to these topics (Sustainability Strategy 2015-2017 – Sustainability Report 2016 – p. 21).

103-3) – CGD monitors indicators associated with this topic and reports them to the public (1.8.1 Human Capital – Management Report and Accounts 2016 and Sustainability Report 2016 – pp. 22-24).

401-1 Number and rate of new hires and turnover rate by age group, gender and region	<p>Management Report and Accounts 2016 – p. 131</p> <p>Sustainability Report 2016 – pp. 23</p> <p>Sustainability Indicators for 2016</p> <p>Methodological Notes 2016</p> <p>Scope: CGD, S.A.+ Affiliate Banks (BCA, BI and BCG Brasil)</p>	–	<p>5. Gender equality</p> <p>8. Dignified work and economic growth</p>	n.a
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GRI INDICATOR		LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS
401-2	Benefits for full-time employees that are not granted to temporary or part-time workers*	<p>Management Report and Accounts 2016 – p. 134, 461-464</p> <p>At CGD S.A. there is no difference in the benefits granted to full-time and part-time employees.</p> <p>At BI, the benefits that are not granted to temporary or part-time include Loans to Employees and Mortgage Loans to Employees, under applicable regulations; and career advancements occur as set forth in the Personnel Statutes in force. There are no other benefits granted to full-time employees that are not granted to part-time employees.</p> <p>At BCG Brasil, benefits granted to staff members include medical and dental assistance for all staff members and their direct dependants (spouses or partners and children); a complementary social security programme 90 days after the date of hiring; life insurance; transportation, meal, food and culture vouchers; nursery and babysitter subsidies and subsidies for children with disabilities. It should be noted that, in 2016, BCG Brasil had no part-time employees.</p> <p>In 2016, BCA granted the following benefits to its staff members:</p> <ul style="list-style-type: none"> <li>• Mortgage loans, car loans, tax allowances and payments in advance at preferential rates;</li> <li>• Housing rent subsidy, for some managers;</li> <li>• Productivity Bonus, granted annually and indexed to the Performance Assessment;</li> <li>• Co-payment of 50% of tuition fees related to academic or vocational Training Courses attended in the country, when considered to be of interest for the Bank; co-payment of 75% of monthly tuition fees related to the attendance of English courses taught in the country (in this case, the decision is made on a case-by-case basis, according to the specific interest of the Bank and the tuition fees in question);</li> <li>• Life Insurance for all Staff Members;</li> <li>• Co-payment of gym fees for all staff members;</li> <li>• Meal allowance and fuel allowance (granted to some senior managers);</li> <li>• Allocation of mobile phones and top-ups (granted to some senior managers and technicians in specific areas); and</li> <li>• Allocation of vehicles to Directors and Staff Body Coordinators.</li> </ul> <p>The benefits are granted to employees regardless of whether they are working full-time or on a reduced schedule.</p> <p>Scope: CGD, S.A.+ Affiliate Banks (BCA, BI and BCG Brasil)</p>	-	8. Dignified work and economic growth	n.a



GRI INDICATOR		LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS
401-3	Rates of return to work and retention after maternity/paternity leave, by gender	<p><b>CGD, S.A.:</b>                      Rate of return to work: Males: 90%; Females: 72%; Total: 79%                      Retention rate: Males: 99%; Females: 100%; Total: 99%</p> <p><b>BCA:</b>                      Rate of return to work: Males: 100%; Females: 67%; Total: 75%                      Retention rate: Males: 100%; Females: 100%; Total: 100%</p> <p><b>BI:</b>                      Rate of return to work: Males: 100%; Females: 50%; Total: 67%                      Retention rate: Males: 100%; Females: 100%; Total: 100%</p> <p><b>BCG Brasil:</b>                      Rate of return to work: Males: 100%; Females: 200%; Total: 150%                      Retention rate: Males: 100%; Females: - ; Total: 200%</p> <p><b>Mercantile Bank:</b>                      Rate of return to work: Males: 100%; Females: 100%; Total: 100%                      Retention rate: Males: 43%; Females: 71%; Total: 62%</p> <p>Methodological Notes 2016                      Scope: CGD, S.A. + Affiliate Banks</p>	Principle 3	5. Gender equality 8. Dignified work and economic growth	n.a



GRI INDICATOR	LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS	
402-1	Minimum notice periods in the event of operational changes	<p>As a rule, the minimum notification periods for what may be considered 'operating changes' shall be those set forth in the Labour Code. Only specific situations are provided for in the Company Agreements.</p> <p>We highlight the following situations, for which minimum notice periods are established:</p> <ul style="list-style-type: none"> <li>- Transfer of the worker to a different workplace, by initiative of the company: the transfer must be communicated to the employee with a minimum notice of 30 days (clause 48(6) of CGD's Company Agreements)</li> <li>- Relevant changes in normal working hours: must be preceded by a consultation of the affected employee, with a minimum notice of 10 days, depending on the employee, with a minimum notice of 30 days, in case the working hours have been established more than 10 years ago (clause 36(2)(3) of the CGD's Company Agreement)</li> <li>- Differentiated and shift work schedules may be terminated at the company's initiative, subject to a notice to the affected employees at least 30 days in advance (clauses 37(4) and 39(4) of CGD's Company Agreement)</li> <li>- Expiration of fixed-term employment contract: the employer must notify the employee of its will to terminate the contract with a minimum notice of 15 days before the contract's expiry date (Article 344(1) of the Labour Code)</li> <li>- Expiration of open-ended employment contract: the employer must notify the employee of its will to terminate the contract with a minimum notice of 7, 30 or 60 days, respectively for contracts with durations of up to 6 months, 6 months to 2 years or more than 2 years (Article 345(1) of the Labour Code)</li> <li>- Collective dismissal or extinction of work position: variable prior notice, between 15 and 75 days, depending on the worker's seniority (Article 363(1) and Article 371(3) of the Labour Code). However, in the event the establishment closes permanently, CGD is under obligation to place employees at another establishment or at companies that are legally or financially associated or economically interdependent. Only in the event this new placement is entirely impossible can the company go ahead with the legal process of collective dismissal (cf. Clause 30 of the CA).</li> </ul> <p>Scope: CGD, S.A.</p>	Principle 4	8. Dignified work and economic growth	n.a
403-1	Employees represented at occupational health and safety committees	<p>There is no specific occupational health and safety committee. The Delegated Council for CGD S.A.'s Personnel, Resources and Systems addresses the topic of occupational health and safety, among others, covering all employees.</p> <p>Scope: CGD, S.A.</p>	-	8. Dignified work and economic growth	n.a



GRI INDICATOR		LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS
403-2	Ratios of accidents, occupational diseases, lost days, absenteeism and number of work-related deaths, by region and gender	<p><b>Rate of occurrence of work accidents:</b>            CGD, S.A.: Males: 2.91; Females: 5.62; Portugal: 4.44            BCA: Males: 0; Females: 0; Cape Verde: 0            BI: Males: 0; Females: 0; Cape Verde: 0            Mercantile Bank: Males: 299; Females: 0; South Africa: 104            BCG Brasil: Males: 0; Females: 0</p> <p><b>Degree of seriousness of work accidents:</b>            CGD, S.A.: Males: 75.92 Females: 96.63; Portugal: 87.56            BCA: Males: 0; Females: 0; Cape Verde: 0            BI: Males: 0; Females: 0; Cape Verde: 0            Mercantile Bank: Males: 299; Females: 0; South Africa: 104            BCG Brasil: Males: 0; Females: 0</p> <p><b>Rate of occurrence of occupational diseases:</b>            CGD, S.A.: Males: 0; Females: 0; Portugal: 0            BCA: Males: 0; Females: 0; Cape Verde: 0            BI: Males: 0; Females: 0; Cape Verde: 0            Mercantile Bank: Males: 0; Females: 0; South Africa: 0            BCG Brasil: Males: 0; Females: 0</p> <p><b>Absentee rate:</b>            CGD, S.A.: Males: 2.52%; Females: 4.08% Portugal: 3.40%            CGD, S.A. – Employees assigned to CGD and ACE own staff: Males: 1.22%; Females: 2.89% Portugal: 1.95%            BCA: Males: 3%; Females: 5%; Cape Verde: 4%            BI: Males: 4%; Females: 7%; Cape Verde: 6%            Mercantile Bank: Males: 3%; Females: 1%; South Africa: 2%            BCG Brasil: ND</p> <p><b>Number of work-related deaths:</b>            CGD, S.A.: Males: 0; Females: 0; Portugal: 0            BCA: Males: 0; Females: 0; Cape Verde: 0            BI: Males: 0; Female: 0; Cape Verde: 0            Mercantile Bank: Males: 0; Females: 0; South Africa: 0            BCG Brasil: Males: 0; Females: 0</p> <p>Methodological Notes 2016            Scope: CGD, S.A.+ Affiliate Banks (BCA, BI and BCG Brasil)</p>	-	3. Quality healthcare 8. Dignified work and economic growth	n.a
403-3	Employees with high incidence and high risk of serious illnesses	<p>At CGD, there are no employees involved in occupational activities with high incidence/risk of specific/serious illnesses.            Methodological Notes 2016            Scope: CGD, S.A.</p>	-	3. Quality healthcare 8. Dignified work and economic growth	n.a



GRI INDICATOR		LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS
403-4	Health and safety topics covered by formal agreements with labour unions	<p>CGD concluded Company Agreements with all the Labour Unions represented at the company, for a rate of 100%.</p> <p>As for health and safety, enshrined in articles 95 and 96 of these Agreements is a set of obligations for the company in terms of health (Occupational Health) and hygiene and safety at the workplace.</p> <p>With regard to health (Clause 95), in addition to legally required regular exams, the Occupational Health service is under obligation to put into practice the measures required to prevent infectious/contagious diseases and to conduct annual ophthalmology screenings.</p> <p>In the event of a work accident or sudden illness at the workplace, the company is required to provide immediate medical and pharmaceutical attention, as well as to transport those affected to hospital centres.</p> <p>With regard to health and safety at the workplace (Clause 96), the Company undertook to endow the workplaces with the proper hygiene, health and safety conditions, so as to ensure a healthy working environment and prevent the risk of occupational diseases and work accidents, ensure proper sound levels, as recommended by official bodies, provide drinking water to all workers and at accessible locations and conduct cleaning operations outside business hours, except in cases of force majeure, as well as to ensure all repairs and conservation works, so as not to endanger the life or health of workers.</p> <p>Scope: CGD, S.A.</p>	-	8. Dignified work and economic growth	n.a

**ASPECT: TRAINING AND EDUCATION\***

**Forms of Management (103):**

- 103-1) – The identification of CGD’s material topics consisted of assessing the importance of a set of topics based on the results of stakeholder consultations and on an internal impact classification of those topics. The Topic ‘Human capital development’ was considered a high-priority topic. (Materiality matrix – Management Report and Accounts 2016 – 1.8.2. Sustainability and Sustainability Report 2016 – p. 9).
- 103-2) – CGD has implemented a set of initiatives related to these topics (Sustainability Strategy 2016-2016 – Sustainability Report 2016 – p. 21).
- 103-3) – CGD monitors indicators associated with this topic and reports them to the public (1.8.1 Human Capital – Management Report and Accounts 2016 and Sustainability Report 2016 – pp. 23-26).

404-1	Average annual number of hours of training per employee, gender and professional category	<p>Management Report and Accounts 2016 – pp. 133</p> <p>Sustainability Report 2016 – p. 24</p> <p>Sustainability Indicators for 2016</p> <p>Methodological Notes 2016</p> <p>Scope: CGD, S.A.+ Affiliate Banks (BI, BCA, BCG Brasil and Mercantile Bank)</p>	-	<p>4. Quality education</p> <p>5. Gender equality</p> <p>8. Dignified work and economic growth</p>	n.a
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GRI INDICATOR	LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS	
404-2	Programmes for managing skills and continuous learning*	Management Report and Accounts 2016 – p. 132-133 Sustainability Report 2016 – pp. 24-25 Scope: CGD, S.A.+ Affiliate Banks (BCA, BI and BCG Brasil)	–	8. Dignified work and economic growth	n.a
404-3	Percentage of employees regularly receiving performance assessment, by gender and professional category	In 2016, 100% of CGD, S.A.'s active employees (eligible for the evaluation process) were subject to performance assessments. At BI, the performance assessment programme is carried out on an annual basis. The percentage of employees evaluated was 75%, and the Executive Committee removed from the scope of the Evaluation System in place the positions directly assessed by the BoD, as it deemed the model inadequate for these employees. At BCG Brasil, the performance assessment process applies to all bank employees. Temporary workers and service providers are left out of the Bank's performance assessment Policy. The performance assessment at BCA is conducted annually on all Bank employees (except the Board of Directors), regardless of their labour contract. It is the duty of the Bank, in general, and of the assessor, in particular, to assess employees who have been active for at least 3 months during the year of the evaluation. All employees who met the requirement of having been active for at least 3 months were evaluated. Management Report and Accounts 2016 – p. 133-134 Sustainability Report 2016 – p. 25 Methodological Notes 2016 Scope: CGD, S.A.+ Affiliate Banks (BCA, BI and BCG Brasil)	Principle 6	5. Gender equality 8. Dignified work and economic growth	n.a

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**ASPECT: DIVERSITY AND EQUAL OPPORTUNITIES**

**Forms of Management (103):**

- 103-1) – The identification of CGD's material topics consisted of assessing the importance of a set of topics based on the results of stakeholder consultations and on an internal impact classification of those topics. The Topic 'Diversity and equal opportunities' was considered a medium-priority topic (Materiality matrix – Management Report and Accounts 2016 – 1.8.2 Sustainability and Sustainability Report 2016 – p. 9).
- 103-2) – CGD has implemented a set of initiatives related to this topic (Sustainability Strategy 2015-2017 – Management Report and Accounts – 2016 Sustainability Report 2016 – p. 21).
- 103-3) – CGD monitors indicators associated with this topic and reports them to the public (1.8.1 Human Capital – Management Report and Accounts 2016 and Sustainability Report 2016 – p. 22).

405-1	Manpower by professional category, gender, age group and minority, as well as other diversity indicators	Management Report and Accounts 2016 – p. 129-130 Sustainability Report 2016 – p. 22 Sustainability Indicators for 2016 Methodological Notes 2016 Scope: CGD, S.A.+ Affiliate Banks (BI, BCA, BCG Brasil and Mercantile Bank)	Principle 6	5. Gender equality 8. Dignified work and economic growth	n.a
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GRI INDICATOR	LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS	
405-2	Ratio of base salary to remuneration for females and males, by location of the significant operation*	Sustainability Indicators for 2016 Methodological Notes 2016 Scope: CGD, S.A.+ Affiliate Banks (BI, BCA, BCG Brasil and Mercantile Bank)	Principle 6	5. Gender equality 8. Dignified work and economic growth 10. Reducing inequalities	n.a

**ASPECT: INVESTMENT\***

**Forms of Management (103):**

103-1) – The identification of CGD’s material topics consisted of assessing the importance of a set of topics based on the results of stakeholder consultations and on an internal impact classification of those topics. The topic ‘Human Rights’ was considered a medium-priority topic. (Materiality matrix – Management Report and Accounts 2016 – 1.8.2 Sustainability and Sustainability Report 2016 – p. 9).

103-2) – CGD has implemented a set of initiatives related to this topic (Sustainability Strategy 2015-2017 – Sustainability Report 2016 – p. 17).

103-3) – CGD monitors indicators associated with this topic and reports them to the public (1.8.2 Sustainability and 1.6 CGD Business Model – Management Report and Accounts 2016 and Sustainability Report 2016 – p. 19-20).

**HUMAN RIGHTS INDICATORS**

412-3	Investment agreements and contracts containing human rights clauses	The CGD Group’s Project Finance portfolio CGD is particularly focused on projects developed on the Iberian Peninsula. The safeguarding of human rights is enshrined in those countries’ legislation, with mandatory compliance on the part of their economic agents. In other geographic locations where the CGD Group operates, such as Brazil and Africa, funded Projects that directly or indirectly include human rights clauses namely concern operations in which multilateral institutions also take part. However, these are still not very significant, if we take into account the total number of projects monitored by the Project Finance Area. Management Report and Accounts 2016 – p. 68 At BI, there were no contracts including human rights clauses in 2015. At BCA, there were no loan contracts including human rights clauses in 2015. However, in security service contracts, there were some references to best practices – compliance with labour legislation in force, under penalty of contract termination. All operations contracts signed by BCG Brasil comprise clauses holding customers accountable regarding non-compliance with every aspect of legislation, including human rights. Methodological Notes 2016 Scope: CGD, S.A.+ Affiliate Banks (BI, BCA and BCG Brasil)	Principle 2	–	n.a
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GRI INDICATOR	LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS
412-2	<p>In 2016, no training was provided to CGD, S.A. employees on human rights policies or procedures related to aspects of human rights with relevance for CGD, S.A.'s operations.</p> <p>In 2016, no training was provided in the area of human rights at BI, BCA or BCG Brasil. However, at BCG Brasil there was Compliance/AML/CTF training, which covered the importance of compliance with laws, regulations and ethical principles. AML/CTF training was administered to all employees (including trainees) active since April 2016. For each new hire, the training is also administered through the e-learning platform.</p> <p>Scope: CGD, S.A.+ Affiliate Banks (BI, BCA and BCG Brasil)</p>	Principle 1	–	n.a

**ASPECT: NON-DISCRIMINATION\***

**Forms of Management (103):**

- 103-1) – The identification of CGD’s material topics consisted of assessing the importance of a set of topics based on the results of stakeholder consultations and on an internal impact classification of those topics. The topic ‘Diversity and equal opportunities,’ associated with this aspect, was considered a medium-priority topic. (Materiality matrix – Management Report and Accounts 2016 – 1.8.2. Sustainability and Sustainability Report 2016 – p. 9).
- 103-2) – CGD has implemented a set of initiatives related to this topic (Sustainability Strategy 2015-2017 – Sustainability Report 2016 – pp. 21, 29).
- 103-3) – CGD monitors indicators associated with this topic and reports them to the public (1.8.1 Human Capital – Management Report and Accounts 2016 and Sustainability Report 2016 – pp. 22-23, 30).

406-1	Total number of cases of discrimination and corrective measures taken	<p>At CGD S.A., there is no knowledge of situations of this nature in 2016. No specific procedures for identifying this type of occurrences are in place. Likewise, at affiliate banks, in 2015, no instances of discrimination were recorded.</p> <p>Scope: CGD, S.A.+ Affiliate Banks (BI, BCA and BCG Brasil)</p>	Principle 6	<p>5. Gender equality</p> <p>8. Dignified work and economic growth</p> <p>16. Peace, justice and effective institutions</p>	n.a
407-1	Operations and suppliers identified as running the risk of violating the right of freedom of association and collective bargaining, as well as measures taken*	<p>At CGD S.A., there is no knowledge of situations of this nature in 2015. No specific procedures for identifying this type of occurrences are in place.</p> <p>CGD’s Risk Management Division (DGR) does not have in place specific procedures for identifying this type of situations, which can be included under operational risk management only in unequivocal instances of legal noncompliance on the part of CGD. Impacts of this type of situations basically fall under reputational risk. The operational risk event database was queried in order to identify any situations that could impact the supply chain that have been validated in 2016 and no events were identified.</p> <p>BI does not prevent anyone from freely exercising their freedom of association and from concluding collective bargaining agreements. And neither was any supplier identified as having this type of risk.</p> <p>At BCA, no operations were identified as entailing a risk of violation of the right to freedom of association and collective bargaining.</p> <p>At BCG Brasil, no operations were identified as entailing a risk of child labour or forced labour and the bank does not prevent anyone from freely exercising their freedom of association and from concluding collective bargaining agreements. And neither was any supplier identified as having this type of risk.</p> <p>Scope: CGD, S.A.+ Affiliate Banks (BI, BCA and BCG Brasil)</p>	Principle 3	8. Dignified work and economic growth	n.a



GRI INDICATOR		LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS
408-1	Operations and suppliers identified as running the risk of child labour, and measures taken*	<p>At CGD S.A., there is no knowledge of situations of this nature in 2015. No specific procedures for identifying this type of occurrences are in place.</p> <p>The Risk Management Division does not have in place specific procedures for identifying this type of situations, which can be included under operational risk management only in unequivocal instances of legal noncompliance on the part of CGD. Impacts of this type of situations basically fall under reputational risk. The operational risk event database was queried in order to identify any situations that could impact the supply chain that have been validated in 2016 and no events were identified.</p> <p>At BI, no operations were identified as entailing a risk of child labour.</p> <p>At BCA, no operations were identified as entailing a risk of child labour.</p> <p>At BCG Brasil, no operations were identified as entailing a risk of child labour or forced labour and the bank does not prevent anyone from freely exercising their freedom of association and from concluding collective bargaining agreements. And neither was any supplier identified as having this type of risk.</p> <p>Scope: CGD, S.A.+ Affiliate Banks (BI, BCA and BCG Brasil)</p>	Principle 5	8. Dignified work and economic growth 16. Peace, justice and effective institutions	n.a
409-1	Operations and suppliers identified as running the risk of forced labour or tantamount to slavery, and measures taken*	<p>At CGD S.A., there is no knowledge of situations of this nature in 2015. No specific procedures for identifying this type of occurrences are in place.</p> <p>CGD's Risk Management Division (DGR) does not have in place specific procedures for identifying this type of situations, which can be included under operational risk management only in unequivocal instances of legal noncompliance on the part of CGD. Impacts of this type of situations basically fall under reputational risk. The operational risk event database was queried in order to identify any situations that could impact the supply chain that have been validated in 2016 and no events were identified.</p> <p>At BI, no operations were identified as entailing a risk of forced labour.</p> <p>At BCA, no operations were identified as entailing a risk of forced labour.</p> <p>At BCG Brasil, no operations were identified as entailing a risk of child labour or forced labour and the bank does not prevent anyone from freely exercising their freedom of association and from concluding collective bargaining agreements. And neither was any supplier identified as having this type of risk.</p> <p>Methodological Notes 2016</p> <p>Scope: CGD, S.A.+ Affiliate Banks (BI, BCA and BCG Brasil)</p>	Principle 4	8. Dignified work and economic growth	n.a



GRI INDICATOR		LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS
410-1	Training of security personnel regarding human rights	<p>CGD's Prevention and Security Office received no human rights training; however, it is a member of the Advisory Committee of UNICRI – Security Governance and Counter-Terrorism Laboratory, which, in this regard, undertook efforts to bring CGD under the Global Compact. This fact became possible as of 12 December 2013.</p> <p>Security companies providing services to CGD are duly qualified with the professional private security licence, as issued the PSP's National Private Security Administration. The issuance of the corresponding licence card is regulated under Ordinance no. 148/2014 of 8 July.</p> <p>Said ordinance also regulates the training required for obtaining the professional licence; Art. 9(2)(b) (Annex III – Basic training module), as concerns promoting rights, freedoms and guarantees.</p> <p>The issuance of replacement cards and/or forms dated prior to said ordinance was regulated under Section 3(a) of Ordinance no. 1325/2001, regarding training in rights, freedoms and guarantees.</p> <p>The training content on the topics in question basically hinges on the Universal Declaration of Human Rights.</p> <p>For CGD, verification of compliance with the Law involves confirming the authenticity and validity of each security guard's professional licence during the GPS accreditation procedure.</p> <p>In 2016, 97 CGD security guards underwent training on contents regarding human rights, upon the renewal of their professional security licence. Said renewal occurs every 5 years.</p> <p>Scope: CGD, S.A.</p>	Principle 1	16. Peace, justice and effective institutions	n.a
411-1	Total number of instances of violated rights of indigenous peoples, as well as measures taken	<p>In 2016, there were no instances of violation of the rights of indigenous peoples as part of CGD S.A.'s operations</p> <p>Scope: CGD, S.A.</p>	Principle 1	2. Eradicating hunger	n.a
412-1	Operations subject to human rights assessments	<p>During the year 2016 no new projects were financed under the Project Finance system. The existing portfolio was monitored and several opportunities were analysed, which may materialise in 2017.</p> <p>In 2016, at BI and BCA, there was no record of any operations subject to human rights assessments. However, if necessary, the credit analysis process shall include evaluations of this nature.</p> <p>In 2016 there was no record of internal operations subject to human rights assessments at BCG-Brasil.</p> <p>However, with respect to our products/services, all of BCG Brasil's customer operations are subject to human rights assessments during the Know Your Customer (KYC) process, which includes, among other information, inquiries of media, proceedings or indications of noncompliance with human rights legislation, as well as regulations and best practices (particular regarding labour aspects). In 2016, at BCG Brasil, there was no record of any operations subject to human rights assessments. However, if necessary, the credit analysis process shall include evaluations of this nature.</p> <p>Scope: CGD, S.A.+ Affiliate Banks (BI, BCA and BCG Brasil)</p>	Principle 1	–	n.a



GRI INDICATOR	LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS	
414-1	New suppliers assessed according to social criteria	Management Report and Accounts 2016 – p. 140 Sustainability Report 2016 – p. 30 Methodological Notes 2016 At BCA, in 2016, suppliers were not evaluated with regard to human rights criteria. In 2016, a systematic practice was not in place at BI for supplier evaluation in terms of human and labour rights. BCG Brasil evaluates its suppliers based on their observance of labour standards, any judicial or administrative cases/sentences and media consultation regarding the company. Scope: CGD, S.A. + Affiliate Banks (BI, BCA and BCG Brasil)	Principle 2	–	n.a
414-2	Negative social impacts on the supply chain and measures taken	CGD’s Risk Management Division (DGR) does not have in place specific procedures for identifying this type of situations, which can be included under operational risk management only in unequivocal instances of legal non-compliance on the part of CGD. Impacts of this type of situations basically fall under reputational risk. The operational risk event database was queried in order to identify any situations that could impact the supply chain that have been validated in 2016 and no events were identified. In 2016, a systematic practice was not in place at BI for supplier evaluation in terms of human and labour rights. BCA did not evaluate negative impacts in terms of human rights on its supply chain. BCG Brasil evaluates its suppliers based on their observance of labour standards, any judicial or administrative cases/sentences and media consultations regarding the company. BCG Brasil has in place a contract management system that monitors all supplier contracts in force at the Institution. Additionally, a KYS (know your supplier) policy is in place, which provides for the evaluation of new contracts. Scope: CGD, S.A. + Affiliate Banks (BI, BCA and BCG Brasil)	Principle 2	–	n.a

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## SOCIETY INDICATORS

### ASPECT: COMMUNITY\*

#### Forms of Management (103):

103-1) – The identification of CGD’s material topics consisted of assessing the importance of a set of topics based on the results of stakeholder consultations and on an internal impact classification of those topics. The topic ‘Social activities benefiting the community,’ associated with this aspect, was considered a medium-priority topic. (Materiality matrix – Management Report and Accounts 2016 – 1.8.2. Sustainability and Sustainability Report 2016 – p. 9).

103-2) – CGD has implemented a set of initiatives related to this topic (Sustainability Strategy 2015-2017 – Sustainability Report 2016 – p. 41)

103-3) – CGD monitors indicators associated with these topics and reports them to the public (1.8.2 Sustainability and 1.6. CGD Business Model – Management Report and Accounts 2016 and Sustainability Report 2016 – pp. 41-42).

413-1	Operations with programmes involving local communities	Management Report and Accounts 2016 – pp. 42 Scope: CGD, S.A.	Principle 1	–	n.a
413-2	Operations with negative impacts on local communities	In 2016, there were no funding operations with negative impacts on local communities. Scope: CGD, S.A.	Principle 1	1. Eradicating poverty 2. Eradicating hunger	n.a



GRI INDICATOR	LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS
<p><b>ASPECT: CORRUPTION*</b></p> <p><b>Forms of Management (103):</b></p> <p>103-1) – The identification of CGD’s material topics consisted of assessing the importance of a set of topics based on the results of stakeholder consultations and on an internal impact classification of those topics. The topic ‘Practices for Combating Corruption and Money Laundering,’ associated with this aspect, was considered a high-priority topic. (Materiality matrix – Management Report and Accounts 2016 – 1.8.2. Sustainability and Sustainability Report 2016 – p. 9).</p> <p>103-2) – CGD has implemented a set of initiatives related to this topic (Sustainability Strategy 2015-2017 – Sustainability Report 2016 – p. 13).</p> <p>103-3) – CGD monitors indicators associated with these topics and reports them to the public (Application of rules for preventing corruption and action plans for preventing and mitigating fraud – p. 675-677 – Management Report and Accounts 2016 and Sustainability Report 2016 – p. 14).</p>				

<p>205-1</p>	<p>Operations subject to corruption risk analysis</p>	<p>In 2016, the Internal Audit Division conducted the following auditing initiatives:</p> <p>A – Branch Network:</p> <ul style="list-style-type: none"> <li>i) On site: 7 Regions (universal model); 8 Corporate Offices; 5 Regions (Caixa Empresas model); 1 Region (Caixa Azul model);</li> <li>ii) Follow-up Initiatives: 64 Follow-up Initiatives;</li> </ul> <p>B – Processes, Products, and Operations: 10 auditing initiatives; 8 follow-up initiatives;</p> <p>C – Conformity / Standards and Regulations: 13 auditing initiatives;</p> <p>D – Information Systems: 4 auditing initiatives; 2 follow-up initiatives;</p> <p>E – Units abroad: 7 auditing initiatives; 2 follow-up initiatives;</p> <p>F – Audits under contract: 12 auditing initiatives; 54 follow-up initiatives;</p> <p>G – Continuous Auditing: 72 Continuous Auditing Alerts 4 reports;</p> <p>H – Follow-up of Inspection Processes: 279 processes completed;</p> <p>I – Quality Management System: 6 auditing actions.</p> <p>In 2016, there were no operations subject to corruption risk analysis at BCA. At BI, the following actions were carried out by the Internal Audit Office: 8 inquiries and 3 audit actions (Audit Specific to Unit 0009-AGF- Treasury Management, Noncompliance management (ongoing), Global Audit to Central Treasury   ASO4 - Treasury Management and ATMs – ongoing).</p> <p>BCG Brasil assesses all of its operations considering anti-corruption procedures; to this aim, it uses information and media consultation tools to ensure the inclusion of any customer or party for which corruption risk is identified in a Compliance watch list, which involves regular monitoring. BCG Brasil uses this tool to assess not only the risk associated with customers but also with employees (KYE) and suppliers (KYS).</p> <p>At Mercantile Bank, the risk of corruption was assessed in terms of the Corruption Combat and Prevention Act – Law No. 12 of 2004 and, in particular the relevant sections concerning persons attempting or committing an act of corruption, aiding others attempting or committing an act of corruption or that is aware that another person is attempting to commit or committing an act of corruption. Only one such operation was identified during 2016, and reported to the South African Police, as required under the Act. The incident mentioned above was based on the reporting of a suspicious transaction by one of its customers.</p> <p>The Bank does not carry out specific internal assessments, as it is considered that the internal risk is currently very low. They only conduct awareness-raising training sessions and have in place an anonymous reporting mechanism.</p> <p>Scope: CGD, S.A.+ Affiliate Banks (BI, BCA, BCG Brasil and Mercantile Bank)</p>	<p>Principle 10</p>	<p>16. Peace, justice and effective institutions</p>	<p>n.a</p>
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GRI INDICATOR		LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS
205-2	Communication and training on anti-corruption policies and procedures	<p>CGD, S.A., through its website, provides information related its Code of Conduct, namely its mission and values, principles for action and standards of professional conduct. In addition, some supplier contracts also include the Ethical Principles and Best Business Practices for Suppliers, which address anti-corruption aspects. In 2016, 80.7% of total supplier contracts selected/contracted by SCS (corresponding to 87.5% of total suppliers involved) included these Principles. Thus, all employees of CGD, S.A., and other stakeholders have access to this information.</p> <p>It is the practice of BI to, upon the admission of a new employee (in 2015, 9 new employees were admitted) distribute its Conduct Manual, which, in its Article 31 – CORRUPTION, reads as follows: 1- BI actively rejects all forms of corruption, and its employees must refrain from engaging in any situations conducive to acts likely to be associated with this phenomenon. In addition to the practice of communicating it to all new employees, BI’s Conduct Manual is available at the Bank’s website. Thus, all employees of BI, as well as other interested parties, have access to this information.</p> <p>BCA is guided by its code of conduct, which enshrines the operating principles and professional conduct rules to be observed in the exercise of its activities, and which binds all members of the governing bodies, employees, trainees, service providers and representatives (permanent or occasional). This document, which formalises BCA’s clear position on actively rejecting all forms of corruption, was disseminated among all employees, through its distribution as a Service Order. It is also available on the company’s intranet. 49% of employees were involved in anti-corruption training activities during 2016.</p> <p>In 2016, BCG Brasil Code of Conduct was introduced to service providers. In 2016, 100% of BCG Brasil’s employees received training on anti-corruption policies and procedures.</p> <p>Sustainability Report 2016 – p. 14</p> <p>Scope: CGD, S.A.+ Affiliate Banks (BI, BCA and BCG Brasil)</p>	Principle 10	16. Peace, justice and effective institutions	n.a





GRI INDICATOR		LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS
205-3	Confirmed occurrences of corruption and measures taken	<p>In 2016, at CGD and affiliate banks (BI, BCA and BCG Brasil), there were no procedures that could fall under the response to this indicator.</p> <p>At BI there is a record of reinforcement of competences regarding AML/CTF training actions during 2016, with highlight to the attendance of 1 staff member at the Seminar on the Prevention of ML/TF; 1 staff member at the 4th Edition of the Workshop for Compliance Officers of CGD Entities; 1 staff member at the working sections for the National ML/FT Risk Assessment Process, conducted by the Financial Information Unit with the support of the World Bank; 1 staff member at GIABA Pre-Evaluation Seminar for Cape Verde.</p> <p>In relation to customer operations, it is worth mentioning that BCG Brasil has in its customer portfolio corporate customers mentioned in the media in the context of 'Lava Jato' (one of the largest investigations conducted by the Brazilian Federal Police to investigate financial crimes committed by politicians and public and private companies, with highlight to Petrobrás). In this context, BCG Brasil reports that it has taken the necessary measures in relation to the companies that were in its customer base, namely reducing its Credit exposure, when applicable, terminating relationships, and including the remaining companies in a Compliance watch list, also ensuring a close follow-up of residual operations.</p> <p>At Mercantile Bank, the risk of corruption was assessed under the Prevention and Combating of Corrupt Activities Act – Law 12/2004 (the 'Act') and, in particular, under the relevant sections regarding attempting or committing acts of corruption or assisting others in attempting or committing acts of corruption, as identified in the legislation. Only one such operation was identified during 2016 and reported to the South African police forces, in accordance with applicable legislation.</p> <p>Scope: CGD, S.A.+ Affiliate Banks (BI, BCA, BCG Brasil, Mercantile Bank)</p>	Principle 10	16. Peace, justice and effective institutions	n.n

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

103-1) – The identification of CGD's material topics consisted of assessing the importance of a set of topics based on the results of stakeholder consultations and on an internal impact classification of those topics. The topic "Participation in public policies" was considered a medium priority topic. (Materiality matrix – Management Report and Accounts 2016 – 1.8.2. Sustainability and Sustainability Report 2016 – p. 9).

103-2) – CGD has implemented a set of initiatives related to this topic (Sustainability Strategy 2015-2017 – Sustainability Report 2016), namely the alignment of its sustainability strategy with the UN's Sustainable Development Goals, being a member of the Coordinating Committee of the Portuguese Alliance for Sustainable Development..

415-1	Total amount of political contributions by country and by recipient	<p>In compliance with its mission and its fundamental values, and as a benchmark bank in Portugal, Caixa does not fund political causes, as its conduct hinges on principles of transparency, non-segregation and ethical principles recognised by all stakeholders..</p> <p>Moreover, political contributions from companies are forbidden under Portuguese law: Law No. 19/2003, dated June 20th (art. 8).</p> <p>BI, BCA and BCG Brasil do not make this kind of contributions, as their conduct hinges on principles of transparency, non-segregation and ethical principles recognised by all stakeholders.</p> <p>Scope: CGD, S.A. + Affiliate Banks (BI, BCA and BCG Brasil)</p>	Principle 10	16. Peace, justice and effective institutions	n.a
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GRI INDICATOR	LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS	
<b>ASPECT: UNFAIR COMPETITION</b>					
206-1	Total number of legal proceedings due to unfair competition, antitrust and anti-monopoly practices, and their results	In 2015, an administrative offence proceeding was lodged by the Competition Authority, for which the deadline for response has been suspended. CGD has its response fully prepared, seeking full acquittal, and shall present this response at the appropriate procedural moment. Scope: CGD, S.A.	–	16. Peace, justice and effective institutions	n.a

**ASPECT: COMPLIANCE**

419-1	Monetary amount of significant fines and total number of non-monetary penalties due to non-compliance with laws and regulations	In 2016, CGD paid a fine in the amount of 32,000 euros. At BI and BCA in Cape Verde, BCG in Brasil and the Mercantile Bank, there is no record of any penalties/significant fines during 2016. Scope: CGD, S.A.+ Affiliate Banks (BI, BCA, BCG Brasil and Mercantile Bank)	–	16. Peace, justice and effective institutions	n.a
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**ASPECT: CUSTOMER HEALTH AND SAFETY\***

Forms of Management (103):

103-1) – The identification of CGD’s material topics consisted of assessing the importance of a set of topics based on the results of stakeholder consultations and on an internal impact classification of those topics. The topic ‘Security of customers and their financial assets’ was considered a high-priority topic. (Materiality matrix – Management Report and Accounts 2016 – 1.8.2. Sustainability and Sustainability Report 2016 – p. 9).

103-2) – CGD has in place a set of initiatives related to this topic (Sustainability Strategy 2015-2017 – Sustainability Report 2016 – pp. 27-28).

103-3) – CGD monitors indicators associated with this area and reports them to the public (Human Capital Management – Sustainability Report 2016 pp. 27-28).

**PRODUCT LIABILITY INDICATORS**

416-1	Assessment of impacts of products on health and safety	Management Report and Accounts 2016 – pp. 136 Sustainability Report – pp. 27-28 Scope: CGD, S.A.	–	–	n.a
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GRI INDICATOR	LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS
416-2	<p>Total number of instances of non-compliance with regulations and voluntary codes pertaining to impacts on health and safety caused by products and services</p> <p>In 2016, the following instances of non-compliance with regulations and voluntary codes in services, with impact on customer health and safety, were identified:</p> <ul style="list-style-type: none"> <li>– 1 Inspection by the Authority for Work Conditions, which resulted, at a first stage, in a notification for the production of documents related to occupational health and safety and the subsequent application of 4 administrative offence proceedings: Tarouca (0804).</li> <li>– 2 Inspections by the Authority for Work Conditions, which resulted in a notification for the production of documents related to occupational health and safety: Sta Cruz - Graciosa (0717) and Angra do Heroísmo (0099).</li> </ul> <p>In June 2016, CGD was notified with 4 cases of Administrative Offence, on the following grounds:</p> <ul style="list-style-type: none"> <li>• Failure to perform periodic health examinations – Art. 108(3) (b) of Law 102/2009 of 10/09 – Fine imposed: 1,530.00 euros – CGD paid the fine voluntarily;</li> <li>• Failure to send the Medical Fitness Certificate to the Human Resources officer – Art. 110(1) of Law 102/2009 of 10/09 – Fine imposed: 1,530.00 euros – CGD paid the fine voluntarily;</li> <li>• Periodical exam Medical Fitness Certificate form not disclosed to the respective employees – Art. 110(4) of Law 102/2009 of 10/09 – Fine imposed: 1,530.00 euros – CGD paid the fine voluntarily;</li> <li>• Failure to meet the deadline for delivery of the Single Report – Art. 32(5) of Law 105/2009 of 09/14 – Fine imposed: 1,530.00 euros – CGD paid the fine voluntarily;</li> </ul> <p>Scope: CGD, S.A.</p>	–	16. Peace, justice and effective institutions	n.a

#### ASPECT: LABELLING OF PRODUCTS AND SERVICES\*

##### Forms of Management (103):

103-1) – The identification of CGD's material topics consisted of assessing the importance of a set of topics based on the results of stakeholder consultations and on an internal impact classification of those topics. The topic 'Clarity of the information provided to customers' was considered a high-priority topic. (Materiality matrix – Management Report and Accounts 2016 – 1.8.2. Sustainability and Sustainability Report 2016 – p. 9).

103-2) – CGD has in place a set of initiatives related to this topic (Sustainability Strategy 2015-2017 – Sustainability Report 2016 – pp. 15-16).

103-3) – CGD monitors indicators associated with this area and reports them to the public (Sustainability Strategy 2015-2017 – Sustainability Report 2016 – pp. 15-16, Application of Rules on Competition and Consumer Protection – Management Report and Accounts 2016 – pp. 440-441)



GRI INDICATOR	LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS	
<p>417-1</p>	<p>Type of product information required under labelling procedures, as well as the percentage of products and services subject to such requirements</p>	<p>Management Report and Accounts 2016 – pp. 441</p> <p>BI continuously monitors and adapts its activity to the publication of new legal and regulatory obligations, as well as recommendations and best practices issued by supervisory authorities, relating to transparency in relationships with customers, also acting in accordance with the values and principles enshrined in its Code of Conduct. In 2016, no new legal or regulatory obligations relating to transparency in the relationship with customers were issued.</p> <p>With regard to advertising of BI products and services, service order no. 5/2016, which entered into force in January 2016, was published within the corporate scope.</p> <p>Highlight to the adjustment of the activity in accordance with the following regulations issued by the Bank of Cape Verde since 2013:</p> <ul style="list-style-type: none"> <li>- Regulation no. 5/2013 of AGMVM – on the media used to disseminate information;</li> <li>- Regulation No. 7/2013 of AGMVM – concerning public offer leaflets to be distributed (templates to be followed by the structure of public offer leaflets);</li> <li>- Regulation No. 8/2013 of AGMVM – on the advertising of public offers of securities;</li> </ul> <ul style="list-style-type: none"> <li>• Notice No. 1/2013 - sets out the rules that credit institutions must follow for the disclosure of their price list and Series A Circular Letter No. 177 of 9 July 2013, which regulates the structure of the price list;</li> <li>• Notice No. 3/2013 – establishes the minimum information that credit institutions must provide to enable comparative judgements and strengthen competition and transparency in the credit market.</li> </ul> <p>In 2016, no new legal or regulatory obligations relating to transparency in the relationship with customers were issued other than the service order concerning advertising to BI products and services mentioned above.</p> <p>In 2016, no new products covered by the legislation in force were issued. As for BCA, the Bank constantly monitors and adapts to its activity the publication of any new legal and regulatory obligations, as well as recommendations and best practices emanating from supervisory entities in relation to transparency in customer relationships, acting with truth and clarity, also in accordance with the values and principles enshrined in its Code of Conduct, which was updated in 2016.</p> <p>With regard to advertising of BCA's products and services – Corporate Customers – in late 2015, Service Order No. 29/2015 was published on 23 December, effective as of January 2016. This service order sets out the general principles to which BCA's advertising is subject, outlines the responsibilities of the intervening Divisions and establishes the obligation of validation, by the relevant body, of the advertising of the financial products and services offered by the Bank. It also sets the rules, depending on the means of diffusion used, and any mandatory or restricted wording.</p> <p>During this year, Regulation 1/2016 of 6 May was also published, establishing more precise rules regarding the content of the Corporate Governance Code – the Code Governing Issuers of Securities Admitted to Trading in a Regulated Market –, which contains recommendations adopted by BCA.</p> <p>BCG Brasil has the following elements to support the products and services offered:</p> <p>(i) product sheet, for internal evaluation by each area, so that they can be familiar with the aspects of each product offered by the Bank; (ii) Disclosure of Derivatives by the Treasury (NDF, Swap, Options) (iii) disclosure of the Terms and Conditions applicable to LCI, LCA, CDB and LF products, Buyback Transactions and DPGE.</p>	<p>–</p>	<p>12. Sustainable production and consumption</p>	<p>n.a</p>



GRI INDICATOR		LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS
417-1 (CONT)		<p>Since 2009, all products and services offered by BCG Brasil are described in an appropriate product sheet, which is submitted for approval by the Product Committee, with the participation of the Board of Directors and the main areas involved. Only after approval by the Product Committee is the product/service made available to customers</p> <p>BCG Brasil is affected by Resolution 3694/2009 of the Central Bank, which provides for the prevention of risks in the contracting of operations and the provision of services by financial institutions and other institutions authorised to operate by the Central Bank of Brazil. Moreover, in the general context, BCG Brasil, as a service provider, is subject to the Brazilian Consumer Code (Federal Law No. 08.078/1990).</p> <p>Scope: CGD, S.A. + Affiliate Banks</p>	-	12. Sustainable production and consumption	n.a
417-2	Total number of occurrences of non-compliance with legislation and voluntary codes regarding information and labelling of products and services, by type of result	<p>In 2016, CGD, S.A. recorded 12 noncompliances with the procedures in place for the labelling of products and services, with regard to information duties, 2 of which concerning special schemes. One of these noncompliances resulted in a fine or a penalty and the remainder in notices from the Bank of Portugal.</p> <p>BCA, BI and BCG Brasil did not record any non-conformity with procedures for the labelling of products and services.</p> <p>Methodological Notes 2016</p> <p>Scope: CGD, S.A.+ Affiliate Banks (BI, BCA and BCG Brasil)</p>	-	16. Peace, justice and effective institutions	n.a
417-3	Total number of non-conformities with regulations and voluntary codes pertaining to marketing communications, including advertising, promotion and sponsorship, by type of result	<p>In 2016, CGD, S.A. recorded 1 non-compliance in this matter, which resulted in a warning.</p> <p>Methodological Notes 2016</p> <p>Scope: CGD, S.A.</p>	-	16. Peace, justice and effective institutions	n.a
418-1	Total number of confirmed complaints regarding the violation of privacy and loss of customer data	<p>In 2016, CGD S.A. received 1 complaint for violation of privacy and loss of customer data.</p> <p>The complaint was the result of an email campaign to disseminate an offer in which destination addresses were all visible (the BCC field was not used).</p> <p>BCA received 3 complaints concerning customer data privacy violations, specifically related to the leakage, theft or loss of customer data, and for all of them, responsibility was found to lie with the complaining customer.</p> <p>BI recorded 1 complaint concerning a possible external fraud case, as the complainant reported that the criminals obtained his bank information and e-mail, possibly having also falsified his signature, and instructed the Bank to carry out an international transfer. The amount of 3,000 euros corresponds to the amount paid to the customer by BI in compensation for the situation described.</p> <p>BCG Brasil did not receive any complaints for violation of privacy or loss of customer data.</p> <p>Methodological Notes 2016</p> <p>Scope: CGD, S.A.+ Affiliate Banks (BI, BCA and BCG Brasil)</p>	-	-	n.a



## FINANCIAL SUPPLEMENT INDICATORS

### ASPECT: PRODUCT PORTOFOLIO\*

#### Forms of Management:

103-1) – The identification of CGD’s material topics consisted of assessing the importance of a set of topics based on the results of stakeholder consultation and on an internal impact classification of those topics. The topics ‘Products with environmental benefits,’ ‘Products for customer financial inclusion’ and ‘Products for SMEs, institutional customers and in response to society’s challenges’ were considered medium- and high-priority topics. (Materiality matrix – Management Report and Accounts 2016 – 1.8.2. Sustainability and Sustainability Report 2016 – p. 9).

103-2) – CGD has implemented a set of initiatives related to this topic (Sustainability Strategy 2015-2017 – Sustainability Report 2016 – pp. 32-35, 58, 61).

103-3) – CGD monitors indicators associated with this topic and reports them to the public (Sustainability strategy 2015-2017 – Sustainability Report 2016 – pp. 33-36, 61 – 1.6 – CGD Business Model – Management Report and Accounts 2016)

FORMS OF MANAGEMENT	Policies regarding specific environmental and social aspects enforced on business lines*	<p>Management Report and Accounts 2016 – pp. 68, 82-83, 86, 88, 138</p> <p>Sustainability Report 2016 – pp. 18-20, 33</p> <p>CGD, S.A.: <a href="https://www.cgd.pt/English/Institutional/Sustainability/Commitments-and-Policies/Pages/Commitments-Policies.aspx">https://www.cgd.pt/English/Institutional/Sustainability/Commitments-and-Policies/Pages/Commitments-Policies.aspx</a></p> <p>BI: BI has established and implemented a sustainability policy and an environmental and social risk policy, available at its website: <a href="http://www.bi.cv/Conteudos/All/lista.aspx?idc=2017&amp;idsc=2051&amp;idl=1">http://www.bi.cv/Conteudos/All/lista.aspx?idc=2017&amp;idsc=2051&amp;idl=1</a> and the following link <a href="http://www.bi.cv/upl/%7Bd-1997245-e1ef-4ae0-886d-a5008f0b8f7c%7D.pdf">http://www.bi.cv/upl/%7Bd-1997245-e1ef-4ae0-886d-a5008f0b8f7c%7D.pdf</a></p> <p>BCG Brasil: <a href="https://www.bcgbrasil.com.br/Paginas/Sustentabilidade.aspx">https://www.bcgbrasil.com.br/Paginas/Sustentabilidade.aspx</a></p> <p>Mercantile Bank: <a href="https://www.mercantile.co.za/Stakeholder_Relations/Pages/Sustainability.aspx">https://www.mercantile.co.za/Stakeholder_Relations/Pages/Sustainability.aspx</a></p> <p>Scope: CGD, S.A.+ Affiliate Banks (BI, BCA, BCG Brasil and Mercantile Bank)</p>			
	Procedures for the assessment of environmental and social risks along the various business lines	<p>Management Report and Accounts 2016 – pp. 68, 82-83, 86, 88</p> <p>Sustainability Report 2016 – pp. 18-20</p> <p>Scope: CGD, S.A.+ Affiliate Banks (BI, BCA, BCG Brasil and Mercantile Bank)</p>	–	16. Peace, justice and effective institutions	n.a
	Processes for developing employee skills, leading to the implementation of environmental and social policies and procedures applicable to business lines	<p>Management Report and Accounts 2016 – p. 146</p> <p>In 2016, no employee competences of this kind were developed at BI or BCA. At BCG Brasil, there was participation in relevant events and training on social and environmental aspects, namely: introduction to socio-environmental responsibility in the Financial System (with the participation of about 30 staff members from various areas); ACREFI Socio-Environmental Responsibility seminar (1 staff member from Compliance participated in this event); and Veirano Socio-Environmental Breakfast, with the participation of 1 Compliance staff member.</p> <p>Sustainability Report 2016 – p. 53</p> <p>Scope: CGD, S.A. + Affiliate Banks (BI, BCA and BCG Brasil)</p>			



	GRI INDICATOR	LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS
FORMS OF MANAGEMENT (CONT)	Processes for monitoring customers' compliance with the various requirements included under the agreements/contracts	<p>Management Report and Accounts 2016 – pp. 82-83, 86, 88</p> <p>At CGD, customer contract compliance monitoring procedures focus primarily on: risk management processes that include the monitoring of compliance with contractual conditions agreed upon with the CGD Group; assessing the economic and financial situation; forecasts on the development of customer activity; verification of the existence of operations with overdue loans or interest in the CGD Group and/or the financial system; adequacy of guarantees and collaterals for the mitigation of the respective loans; and analysis of historical information on the customer's timely payment behaviour. CGD also has two specialised monitoring units: the Business Monitoring Division (DAE), which monitors and recovers loans granted to companies, and respective groups, whose dealings with CGD involve amounts over 1 million euros; and the Retail Customers Monitoring Division (DAP), which follows up on customers in financial difficulties, in the negotiation and litigation segments.</p> <p>Under a project finance system, customers are required to comply with legislation in force, particularly that concerning socio-economic and environmental issues. In specific cases of projects whose activity has a more relevant environmental impact (e.g.: for projects involving a high level of CO2 emissions), it is customary for technical consultants to mention compliance with the emission level in project monitoring reports.</p> <p>Scope: CGD, S.A.</p>			
	Interaction with customers/investors/partners with regard to social and environmental risks and opportunities*	<p>CGD interacts with its stakeholders with regard to these matters in several ways - consultation on sustainability, responsible supplier management, risk management procedures in credit-granting analyses, sustainability in the commercial offer and support to awareness-raising events.</p> <p>BI has developed a set of actions among its Staff Members and other stakeholder groups because it is important to maintain a good relationship, which is considered a key element for the success of the bank's activity. In turn, it allows ensuring the continuity of the institution's sustainability while also creating an impact on the prosperity of the business. Therefore, several interactions were carried out with stakeholders, following an internal audit process that aimed at prioritising sustainability issues and additional inputs on improvements to BI's sustainability management, which were reflected in the following actions:</p> <ul style="list-style-type: none"> <li>a) Combating corruption and money laundering, whose response took the form of continuous internal training, the internal rules and procedures system and the role of the Compliance Office;</li> <li>b) Sustainability strategy and Commitments, through the adoption of the sustainability policy, of sustainable short- and medium-term commitments, internal awareness-raising for cost reduction and the preparation of the sustainability report;</li> <li>c) Risk management through the environmental and social risk policy;</li> <li>d) Customer privacy through a server change project aimed at promoting greater security in the management of customer information;</li> <li>e) Brand management and reputation through the preparation of the sustainability report.</li> </ul> <p>BCA carried out a stakeholder survey on sustainability issues.</p> <p>Management Report and Accounts 2016 – pp. 51, 68, 72-73, 82-83, 86, 88, 136-137, 140-142, 146-147, 467, 469</p> <p>Sustainability Report 2016 – pp. 19-20, 25, 30, 34-36, 41-42, 52-53, 61</p> <p>Scope: CGD, S.A.+ Affiliate Banks (BI, BCA, BCG Brasil and Mercantile Bank)</p>	–	16. Peace, justice and effective institutions	n.a



GRI INDICATOR		LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS
<b>G4-FS6</b>	Percentage of specific business lines/ segment, relative to overall volume, by region and size	Management Report and Accounts 2016 – p. 320 Sustainability Indicators for 2016 Scope: CGD, S.A.+ Affiliate Banks (BI, BCA, BCG Brasil and Mercantile Bank)	–	1. Eradicating poverty 8. Dignified work and economic growth 9. Industry, innovation and infrastructures	n.a
<b>G4-FS7</b>	(Monetary) volume of products and services with social benefit, by business line	Management Report and Accounts 2016 - pp. 44-46, 49-52, 55-56, 57-58, 67-68, 69-70, 86-87 Sustainability Report 2016 – pp. 33-36 In 2016, at BCG Brasil, there were no figures to report under this indicator Scope: CGD, S.A.+ Affiliate Banks (BI, BCA, BCG Brasil and Mercantile Bank)	–	1. Eradicating poverty 8. Dignified work and economic growth 9. Industry, innovation and infrastructures 10. Reducing inequalities 11. Sustainable cities and communities	n.a
<b>G4-FS8</b>	(Monetary) volume of products and services with environmental benefit, by business line	Management Report and Accounts 2016 – pp. 46-47, 51, 54-55, 67-68, 72, 88-89 Sustainability Report 2016 – p. 61 In 2016, at affiliate banks, there were no figures to report under this indicator. Scope: CGD, S.A.+ Affiliate Banks (BI, BCA, BCG Brasil and Mercantile Bank)	–		n.a

**ASPECT: AUDITING\***

**Forms of Management (103):**

103-1) – The identification of CGD’s material topics consisted of assessing the importance of a set of topics based on the results of stakeholder consultation and on an internal impact classification of those topics. The topic ‘Socio-environmental criteria in credit/project finance risk’ was considered a high-priority topic. (Materiality matrix – Management Report and Accounts 2016 1.8.2. Sustainability and Sustainability Report 2016 – p. 9).

103-2) – CGD has implemented a set of initiatives related to this topic (Sustainability Strategy 2015-2017 – Sustainability Report 2016 – pp. 18-20).

103-3) – CGD monitors indicators associated with this topic and reports them to the public (Sustainability strategy 2015-2017 – Sustainability Report 2016 – pp. 18-20, 1.6. – CGD Business Model – Management Report and Accounts 2016)

<b>FORMS OF MANAGEMENT</b>	Scope and frequency of audits for assessing the implementation of environmental and social policies as well as risk assessment procedures	CGD does not have specific audits in place for assessing the level of implementation and compliance with the sustainability, environmental and social policies, with the exception of the monitoring conducted as part of the Environmental Management System, under which CGD and the suppliers involved in the certification under Standard ISO 14001 are subject to annual external audits, conducted by the certifying body. The communication and periodic reporting of the performance as well as environmental and social management practices undertaken by CGD is vital for compliance with the set goals, and ensures the involvement of all parties concerned. Thus, the progress achieved in the different spheres of action of the various policies are reported. This reporting process is the subject of independent external verification and auditing. The General Sustainability Commission monitors the status of implementation of these policies. In order to pursue these policies, implementation plans are set forth and periodically revised, with defined goals and targets, in the various spheres of action, directly related to significant environmental and social aspects/impacts of CGD’s operations. In its sustainability policy, CGD undertakes to gradually include environmental and social aspects in the evaluation of credit risks and in the selection of companies and projects to be funded. Scope: CGD, S.A.	–	10. Reducing inequalities	n.a
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GRI INDICATOR		LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS
G4-FS10	Percentage and number of companies included in the organisation's portfolio and with which it interacted with regard to social and environmental aspects	<p>The implementation of the Sustainability, Environmental and Community Involvement Policies as well as CGD's Product and Service Policy are applied across the board throughout the CGD Group and at companies covered by the Corporate Sustainability Programme, as well as at affiliate banks in Cape Verde (BI; BCA), Brazil (BCG Brasil) and South Africa (Mercantile Bank).</p> <p>Scope: CGD, S.A.+ Affiliate Banks (BI, BCA, BCG Brasil and Mercantile Bank)</p>	-	10. Reducing inequalities	n.a
G4-FS11	Percentage of assets subject to environmental and social assessment	<p>In 2016, the only investment product that selected assets based on environmental criteria was the CAIXAGEST ENERGIAS RENOVÁVEIS (RENEWABLE ENERGY SOURCES) Fund - Open Securities Alternative Investment Fund.</p> <p>At the end of the year, this fund was worth 11.6 million euros, which represented 0.34% of the total volume of securities investment funds managed by Caixagest.</p> <p>As regards assets:</p> <ul style="list-style-type: none"> <li>- Closed Real Estate Investment Fund for Residential Leasing from Caixa Arrendamento;</li> <li>- Caixa Imobiliário FIIAH - Closed Real Estate Investment Fund for Residential Leasing, and;</li> <li>- Closed Real Estate Investment Fund for Residential Rent "Cidades de Portugal" (Cities of Portugal).</li> </ul> <p>As of 1 October 2016, they were no longer managed by Fundger, and the management was transferred to another management company.</p> <p>In 2016, no new funds subject to environmental and social assessments were created. In pursuit of sustainable investment, Caixagest</p> <p>Investimento Socialmente Responsável – Fundo de Investimento Mobiliário Aberto (Socially Responsible Investment – Open Securities Investment Fund), was created, and launched in early 2017. This fund provides adherents with access to a diversified portfolio of assets, made up of companies with above-average performance in terms of sustainability (Ethibel Sustainability Index® (ESI) Excellence Europe).</p> <p>Scope: CGD, S.A.</p>	-	10. Reducing inequalities	n.a
FORMS OF MANAGEMENT	Policies with regard to voting on social and environmental aspects applied to initiatives on which the organisation holds voting rights or aids in the voting decision	<p>When necessary, CGD exercises its voting right, bearing in mind the implications of decisions regarding direct social and environmental impacts. Generally speaking, CGD exercises its voting right with regard to aspects of a formal social nature with no direct implications in matters of an environmental or social nature.</p> <p>Scope: CGD, S.A.</p>	-	-	n.a
G4-FS13	Access in sparsely populated or economically underprivileged areas*	<p>Management Report and Accounts 2016 – pp. 42-43</p> <p>Scope: CGD, S.A.</p>	-	<p>1. Eradicating poverty</p> <p>8. Dignified work and economic growth</p> <p>10. Reducing inequalities</p>	n.a



GRI INDICATOR	LOCATION	GLOBAL COMPACT	SUST. DEV. GOALS	OMISSIONS
<b>G4-FS14</b>	<p>Initiatives for improving access to financial services by underprivileged individuals*</p> <p>Management Report and Accounts 2016 – pp. 42, 43-45 Sustainability Report 2016 – p. 16 Scope: CGD, S.A.</p>	–	<p>1. Eradicating poverty</p> <p>8. Dignified work and economic growth</p> <p>10. Reducing inequalities</p>	n.a

**ASPECT: LABELLING OF PRODUCTS AND SERVICES\***

**Forms of Management:**

103-1) – The identification of CGD's material topics consisted of assessing the importance of a set of topics based on the results of stakeholder consultation and on an internal impact classification of those topics. The topic 'Clarity of the information provided to customers' was considered a high priority topic. (Materiality matrix – Management Report and Accounts 2016 – 1.8.2. Sustainability and Sustainability Report 2016 – p. 9).

103-2) – CGD has implemented a set of initiatives related to this topic (Sustainability Strategy 2013-2015 – Sustainability Report 2016 – pp. 37-38).

103-3) – CGD monitors indicators associated with this topic and reports them to the public (Sustainability strategy 2013-2015 – Sustainability Report 2016 – pp. 37-38, Application of competition and consumer protection rules – Management Report and Accounts 2016 – pp. 441-442)

<b>FORMS OF MANAGEMENT</b>	Design and marketing policies of financial products and services*	Management Report and Accounts 2016 – pp. 440-441 Scope: CGD, S.A.	–	10. Reducing inequalities	n.a
	Initiatives for improving financial literacy, by type of beneficiary*	<p>In 2016, neither BCA nor BCG Brasil recorded any initiatives in the area of financial literacy.</p> <p>Management Report and Accounts 2016 – p. 143 Sustainability Report 2016 – pp. 37-38 Scope: CGD, S.A. + Affiliate Banks (BI, BCA and BCG Brasil)</p>	–	<p>1. Eradicating poverty</p> <p>8. Dignified work and economic growth</p> <p>10. Reducing inequalities</p>	n.a

\* Relevant/material topic

