

# SUSTAINABILITY PRINCIPLES

## SUMMARY

The Sustainability Principles define and lay down the general principles of action and the main commitments to stakeholders which BPI must follow in matters of sustainability, in accordance with the provisions of the regulations in force, including the provisions of the Commercial Company Act.

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## 1 | INTRODUCTION

The Board of Directors of Banco BPI, S.A. (hereinafter BPI or "the Bank"), through these Principles, intends to demonstrate its commitment to a model of efficient, sustainable and responsible action, characterised by a strong social purpose.

BPI bases its management on responsible action and economic efficiency, with an orientation towards the sustainable socioeconomic development of the people and the country.

This commitment towards sustainability, present since its origin, is aligned with its mission and values:

- BPI's mission is "to contribute to the financial well-being of its Customers and to the sustainable progress of society as a whole".
- BPI carries on its activity and renders its services based on its values of quality, trust and social commitment.

Its commitment to sustainable action, aimed at providing added value to stakeholders, covers the entire value chain of the organisation, from the origin of funds and resources to their application and investment.

## 2 | PURPOSE, SCOPE AND APPLICATION

The Sustainability Principles define and lay down the general principles of action and the main commitments to stakeholders which BPI must follow in matters of sustainability, in accordance with the provisions of the regulations in force, including the provisions of the Commercial Company Act.

The Sustainability Principles (hereinafter "the Principles") are framed within the scope of BPI's mission and values. Through them, BPI assumes the following guidelines for the management and development of its activity:

- Acting with integrity, responsibility and sustainability.
- The highest quality of service.
- Economic efficiency.
- Adoption of a long-term perspective in decision-making.
- Continuous innovation, contributing as much as possible to the sustainable development of communities.

In addition to the Sustainability Plan and Banco BPI's Code of Business Conduct and Ethics, the Principles are developed and complemented by other principles, specific policies, standards and commitments related to their areas of use/adoption, as well as by joining international sustainability initiatives, which are detailed in the Sustainability section of the [bancobpi.pt](http://bancobpi.pt) website. These include the United Nations Global Compact.

The Principles, as well as the other instruments developed by BPI, must contribute to:

- Promote achieving BPI's strategic objectives through practices of integrity, responsibility and sustainability.
- Maximising the creation of shared value for the stakeholders and building long-term relationships based on trust and transparency.
- Contribute to the transition to a more sustainable and inclusive economy.

- Prevent, minimise and mitigate potential negative impacts resulting from its activity and enhance positive impacts.
- Comply with the public commitments adopted by BPI in matters of sustainability.
- Contribute to enhance BPI's reputation.
- Disseminate the principles and responsible practices internal and externally, in the sense of jointly driving social and environmental progress.

These Principles must govern BPI's activity and that of all the Employees, Directors and members of the Governing Bodies. Difundir os princípios e práticas responsáveis pela Sociedade, no sentido de impulsionar conjuntamente o progresso social e ambiental.

## 3 | STRATEGIC PRIORITIES AND GENERAL PRINCIPLES FOR ACTION

### 3.1 Strategic ambitions for sustainability

BPI has a Sustainability Plan which sets the mainlines of action with an holistic vision and which seeks to make progress on the Sustainable Development Goals, on which its activity can have a material impact, as well as contribute to socioeconomic development.

BPI has defined three main ambitions in terms of sustainability towards which it directs its activity, without prejudice of other actions which are being undertaken or which may be developed in the future:

- Support the sustainable transition of Companies and Society, with solutions that contribute to taking advantage of the opportunities of a more sustainable economy, mitigate climate and environmental risks, and move towards a carbon-neutral economy.
- Lead in social impact and promote social inclusion, acting in conjunction with the "la Caixa" Foundation, promoting the BPI Volunteering programme and reinforcing the financial inclusion of Customers and Society in general.
- Lead in the best governance practices, through a People-centred culture that fosters, among others, talent, diversity and inclusion, the health and well-being of Employees and sustainability; integrating social, environmental and good governance factors into the Bank's management, control and supervision model and through transparent and truthful accountability to the market and stakeholders.

### 3.2 General principles for action on sustainability

BPI is committed to a model of Sustainable Banking which aims to contribute to the financial well-being of its Customers and the sustainable progress of society as a whole, and to promote the integration of environmental (E), social (S) and good governance (G) aspects into its strategy, management model and practices.

BPI is committed to carrying on its activity in strict compliance with the legislation applicable to the exercise of its activities and in accordance with the highest standards of ethics and professional conduct. In this regard, BPI's general principles, established and developed in Banco BPI's Code of Business Conduct and Ethics, include compliance with the legislation, respect, integrity, transparency, excellence and professionalism, confidentiality and social responsibility. The Sustainability Principles are coherent and respect these general principles, as well as all the other principles, policies and norms developed by BPI.

In matters of sustainability, and for each of its principal areas, BPI has internal regulations and departments responsible for the same, which regulate responsible action, the principles of action and the commitments to the different stakeholders.

## GOVERNANCE (G)

One of BPI's priority objectives is to guarantee transparency, diversity, independence and good governance as well as the integration of environmental, social and governance factors in the governance model, with a view to safeguarding the interests of all stakeholders and maintaining their confidence.

In this context, BPI's strategy and action must be based, among others, on the following conduct guidelines:

- Comply with applicable law at all times and promote free market practices, as well as regularly review and improve governance practices.
- Respect human rights in accordance with its Human Rights Principles and under the guidance of the United Nations International Charter of Human Rights, which encompasses the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights; the ILO-International Labor Organization Declaration on fundamental principles and rights at work and the eight fundamental conventions established by it; the Charter of Fundamental Rights of the European Union; and the United Nations Guiding Principles for Business and Human Rights. In particular, BPI prohibits any discrimination, harassment, abuse or inappropriate treatment based on sex, race, color, nationality, creed, religion, political opinion, affiliation, age, sexual orientation, gender identity, marital status, disability, disability and other circumstances protected by law, with regard to Employees, Directors or members of the Board of Directors, as well as Shareholders, Customers, potential Customers and Suppliers, or any other person who interacts with the Bank.
- Establish the necessary measures to prevent and avoid, as much as possible, that BPI products and services could be used for illicit conduct (such as the financing of terrorism, money laundering or financial crime) and analyse them periodically, collaborate actively with the regulators and security forces and report any suspicious activities detected. For this purpose, responsible conduct is encouraged among the BPI's workforce, who must respect and apply the Anti-Corruption Policy; the Policy for the Prevention of Money Laundering and Financing of Terrorism and the management of International Financial Sanctions and Countermeasures; the Criminal Compliance Policy, the Policy on Conflicts of Interest, and the remaining BPI's codes of conduct and rules.
- Maintain a Consultation Channel available to Employees to clarify specific doubts raised by the application or interpretation of internal regulations on Ethics and Conduct. Provide Channels for Reporting Irregularities, on facts likely to constitute the commission of offenses allegedly committed within the scope of Banco BPI's activity, both to Employees and other Interested Parties, under the terms of the Policy for Reporting Irregularities at Banco BPI.
- Prudently and comprehensively manage all risks (financial and non-financial), based on the General Risk Management Principles and the Group's Risk Appetite Framework and, in terms of sustainability, on the Sustainability/ESG Risk Policy, which regulates the management of these risks in the Bank's relations with its Customers. Likewise, having appropriate supervisory mechanisms in place for risks (financial and non-financial).
- Integrate environmental, social and good governance (ESG) factors into the Bank's management, control and supervision model.
- Progressively incorporate sustainability criteria into staff remuneration and compensation practices.

- Promote transparency in accountability and disclosure of information to interested parties, establishing sufficient communication channels and disclosing information in a true, clear and concise manner.
- Adopt at all times responsible communication practices that avoid manipulation of information and protect integrity and honour.

## ENVIRONMENT (E)

BPI seeks to collaborate in the transition to a more sustainable and carbon-neutral economy; integrate environmental, climate and energy efficiency aspects into the Bank's financial activity, and continuously improve its management system to improve its environmental performance, using the most appropriate and viable techniques.

In addition to this commitment, set out in the Declaration on Climate Change, BPI is committed to:

- Create and provide products and services aligned with an inclusive and sustainable development model and contribute to the sustainable transition of Customers and the economy.
- Encourage the financing of projects and products that contribute to improving energy efficiency and achieving greater environmental sustainability in the long term.
- Promote the development and dissemination of environmentally friendly technologies.
- Integrate sustainability risks (environmental, social and governance), including those resulting from climate change, in the risk analysis of the admission of Customers, as well as in the financing of Customers and investment projects and asset management.
- Progress in the decarbonization of the credit and investment portfolio to meet the goal of carbon neutrality by 2050.
- Strive to meet the highest environmental standards.
- Participate in national or international initiatives related to the environment and climate.
- Achieve maximum efficiency in the use of the natural resources it needs, in accordance with the requirements established in the ISO 14001 standard.
- Have a certified environmental management system and ensure compliance with the environmental legislation and regulations applicable to its activities, as well as other voluntary commitments entered into.
- Work towards improving internal processes and operations to effectively manage resources and minimize environmental impact, including measuring and monitoring environmental indicators.
- Apply environmental principles and good practices in its activities and support initiatives aimed at preventing, mitigating, adapting or responding to climate change.
- Prevent polluting actions and actions that could cause high energy impacts in the operational activities carried out by BPI, through the progressive implementation of measures to improve and protect the environment.
- Promote the purchase of energy efficient products, services, and design that improves energy performance.
- Contribute to the environmental awareness of stakeholders, in order to promote the protection and care of the environment and the mitigation of climate change throughout its value chain. In particular, promoting the training and awareness of staff so that they integrate these operating principles into their daily work activities.

- Establish and publish objectives, at least annually, that measure progress and improvement in environmental management and other material areas related to the environment and climate.

## SOCIAL (S)

BPI promotes a Sustainable Banking model that favours inclusion and a financial culture; supports projects that generate a positive social impact and contribute to responding to the main social challenges through:

- Collaboration and promotion of participation in the programs and initiatives promoted by “la Caixa” Foundation, publicizing them.
- The promotion of accessible products and services for groups and projects that generate a favourable social impact.
- Presence through an omnichannel offer and a wide network of branches.
- The promotion of initiatives focused on inclusion.
- The adoption of measures to reduce the gap in the digital domain and improve physical and technological accessibility to the Bank’s service for all people, with special focus on people with disabilities.
- Contribution to improving the financial health of its Customers and the financial culture of Customers and Society.
- The promotion of initiatives, partnerships and solutions to foster employment and entrepreneurship.
- The promotion of initiatives and programs, alone and through partnerships, to respond to urgent social challenges and offer opportunities to people and groups in vulnerable situations.
- The promotion of collective action together with stakeholders to drive systemic change towards sustainability.
- The establishment and publication of social objectives that measure BPI’s progress and its contribution to resolving global challenges through initiatives with a positive social impact.

## 4 | GENERAL COMMITMENTS TO KEY STAKEHOLDERS

### CLIENTS

BPI places its Customers at the centre of its activity and, consequently, works to create long-term value both for them and for the environment in which it operates.

In all its relations with Customers, BPI acts with honesty and professional responsibility, always working with a focus on the Customer, a long-term vision and a desire to maintain their trust at all times.

For this purpose, BPI undertakes to:

- Offer products adapted to the needs of Customers, with marketing policies reviewed by specific committees. Thus, the marketing of products will be carried out in accordance with all applicable regulations. In this sense, BPI has a Transparency Committee, which involves the main areas related to the development and marketing of investment products, namely, financial instruments and financial intermediation services. This body’s mission is to oversee all aspects that have or may have an impact on the risk of conduct underlying the sale of products and services (of financial intermediation), in order to guarantee the adequate protection of Customers. BPI also has a Product Validation Committee whose mission is to assess and issue an opinion on the aspects and risks relating to the creation, marketing and monitoring of all products to be marketed by the Bank

(whether banking products or services, financial instruments or financial intermediation services, or insurance mediation).

- Promoting excellence in service quality and the maximum customer experience with a model of listening to their opinion through surveys, namely in real time, in omnichannel interactions, so that they can act and, if necessary, contact them. Likewise, providing its Customers with the necessary tools to improve their experience, both in physical branches (booking in advance, etc.) and in their remote or digital relationship (contact center, app, etc.).
- Protect the confidentiality and privacy of Customer data and use them responsibly, loyally and transparently, in accordance with the principles of action in terms of privacy and Customer rights
- Provide any information to Customers in compliance with the regulations in force at all times, so that it is considered impartial, clear and not misleading.
- Maintain the highest security standards and, for this purpose, promote practices that maximize the security of its products and services, ensuring the protection of information.
- Encourage maximum accessibility to BPI's products and services for the greatest possible number of people and promote financial inclusion.
- Maintain engagement with communities.
- Promote an active dialogue with Customers and provide them with the necessary channels so that they can present their doubts and complaints, and offer them an agile, personalized and quality response.

## SHAREHOLDER

BPI works to satisfy the Shareholder's information needs so that it has adequate knowledge of the Bank to make informed investment decisions.

In this respect, BPI commits to comply with the provisions of the law, namely, the regulations against market abuse, the treatment of privileged information and other relevant information, as well as the internal rules and the policies and recommendations of the supervisory bodies in matters of governance, and with full respect for the principles of cooperation and transparency with the competent authorities, regulatory bodies and administrations.

## EMPLOYEES

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- BPI's professionals are its main asset and responsible for the organization's success in terms of sustainability and social and economic efficiency. BPI encourages the development of its potential and talent and its empowerment and diversity, and promotes the constant improvement of its experience.
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- Under this premise, BPI undertakes to:
  - Respect the labour rights recognized in national and international legislation.
  - Base the People management policy on respect for diversity, equal opportunities and non-discrimination on grounds of sex, race, colour, nationality, creed, religion, political opinion, affiliation, age, sexual orientation, gender identity, marital status, incapacity, disability or any other circumstance.

- Integrate the perspective of equal treatment and opportunities for People, as established in its adherence to initiatives such as the UN Global Compact and UN Women Principles for the Empowerment of Women
- Promote job stability, reconciliation between work and personal and family life, and the well-being of Employees in the workplace.
- Attract and manage the organization's talent to boost the development of professionals :
  - With criteria based on merit in internal selection processes.
  - Promoting the attraction and retention of talent.
  - Through a Training Plan adapted to the different groups at BPI which includes, among other areas, mandatory training in matters of sustainability.
- Promote a culture committed to the safety, health and well-being of Employees, in a healthy and sustainable organization.
- Encourage dialogue and internal communication and measure the level of satisfaction of the Bank's Employees through periodic questionnaires on the organizational climate.
- Promoting a culture centred on people that promotes the development of sustainability, including actions to raise awareness among teams.
- Atrair e gerir o talento da organização para impulsionar o desenvolvimento dos profissionais:
  - Com critérios baseados no mérito nos processos de seleção interna.
  - Promovendo a atração e retenção de talento.
  - Através de um Plano de Formação adaptado aos diferentes grupos do BPI que inclui, entre outras áreas, a formação obrigatória em matéria de sustentabilidade.
- Promover uma cultura comprometida com a segurança, a saúde e o bem-estar dos Colaboradores, numa organização saudável e sustentável.
- Incentivar o diálogo e a comunicação interna e medir o grau de satisfação dos Colaboradores do Banco através de questionários periódicos sobre o clima organizacional.
- Promover uma cultura centrada nas pessoas que promova o desenvolvimento da sustentabilidade, incluindo ações de sensibilização das equipas.

## SUPPLIERS

BPI seeks to manage its supply chain responsibly, in accordance with its Purchasing Principles and Supplier Code of Conduct.

For this purpose, BPI assumes the following commitments:

- Ensure maximum transparency in hiring that is channelled through competitive procedures, supported by market consultation. The exception to carrying out a market consultation is duly justified and approved, given the nature of the services to be contracted or the existence, or not, of alternative Suppliers.
- Working with Suppliers that respect fundamental human and labour rights in the exercise of their activity.
- Integrate social, environmental and good governance aspects in the process of homologation and contracting of Suppliers, products and services.
- Encourage responsible practices between Suppliers and their supply chain through contractual clauses.

- Conduct audits of its labour, social and environmental practices, where appropriate, and act accordingly when practices or results are deemed unsatisfactory

## SOCIETY

BPI's management model is consistent with its commitment to socio-economic development. Based on this commitment, BPI endeavours to:

- Collaborate with and encourage the participation of Customers and Employees in their own solidarity programs and initiatives promoted together with the "la Caixa" Foundation, in order to increase their impact and widely publicize them.
- Promote financial inclusion, facilitate access to the financial market for all people, especially the most vulnerable and other groups such as social economy companies which, given their characteristics, may have greater access difficulties.
- Promote the improvement and expansion of the population's knowledge in terms of financial culture and cybersecurity, among others.
- Develop, promote and disseminate new knowledge on sustainability, alone and through agreements with academic institutions, among others, and through public-private partnerships.
- Foster solidarity in collaboration with its Customers and promote corporate volunteering through BPI Volunteering Programme.
- Establish and actively participate in partnerships with other associations and foundations to jointly promote sustainability.
- Participate in initiatives and collaborate with regulatory authorities, organizations and entities dedicated to the dissemination and promotion of responsible and sustainable practices among Customers and the Communities in which BPI is present.

## Channels of communication, participation and dialogue with stakeholders

BPI will keep several channels of communication, participation and dialogue available to interested parties, and disseminate them as widely as possible. It will also encourage engagement with sustainability stakeholders in order to promote joint progress in this area.

For this purpose, the necessary communication channels will be adopted and used to establish a continuous dialogue with the interested parties; to inform them truthfully, clearly and simply; to align your expectations with sustainability performance; and to satisfy the demand for relevant information tailored to the needs of each stakeholder.

These channels are detailed on the [bancobpi.pt](http://bancobpi.pt) website. In addition to those mentioned in the previous points, these include: toll-free numbers and email boxes for interested parties. BPI also actively participates in dialogue forums, working groups and sectoral and sustainability associations to share good practices and make joint progress in this area.

The objective is the exchange of information through dialogue in order to anticipate and satisfy, as much as possible, the expectations of the interested parties and improve their knowledge of the Bank with the aim of strengthening relationships of mutual trust.

## 5 | GOVERNANCE MODEL

BPI's Board of Directors is responsible for approving these Principles and the commitments to interested parties included in this document. In addition, it is responsible for approving, supervising and periodically evaluating the definition, development and implementation of the sustainability strategy.

The Social Responsibility Committee is responsible for supporting and advising the Board of Directors on issues related to the Bank's social responsibility and may, in this context, make proposals to the Board of Directors with initiatives related to this matter.

The Risks Committee proposes BPI's risk policy to the Board, including sustainability risks.

The functions of the Audit Committee include supervising and evaluating the process of preparing and presenting non-financial information and the effectiveness of the internal control systems and, together with the Risk Committee, supervising and evaluating the effectiveness of the management systems of risks, including social and environmental risks.

The Executive Committee of the Board of Directors is responsible for developing the Bank's Strategic Plan approved by the Board of Directors and, for this purpose, adopts resolutions, directly or through its delegated committees, on sustainability issues.

In addition, several internal committees are responsible for coordinating and overseeing the different aspects mentioned in these Principles. Among these, the Sustainability Committee, a body dependent on the Executive Committee of the Board of Directors, is responsible for approving and monitoring BPI's sustainability strategy and practices, as well as for proposing and submitting for approval to the corresponding governing bodies, the relevant policies for sustainability management.

In turn, the Global Risk Committee is responsible for globally managing, controlling and monitoring the risks that Banco BPI may incur, as well as assessing the implications of these risks for liquidity management, solvency level and capital consumption, regulatory and economic.

The Sustainability Department, while responsible for coordinating the definition, updating and monitoring of the sustainability strategy, is also responsible for preparing and updating the Principles (at least every two years); submit them to the bodies for approval; monitor their implementation and promote knowledge of them among the people subject to them.

Finally, the different areas and departments affected by these Principles will be responsible for applying, integrating and implementing their provisions in their daily activities and related internal regulations, as they see fit, as well as for establishing and implementing controls to monitor results.

The Principles were approved by the Board of Directors on February 1, 2023.