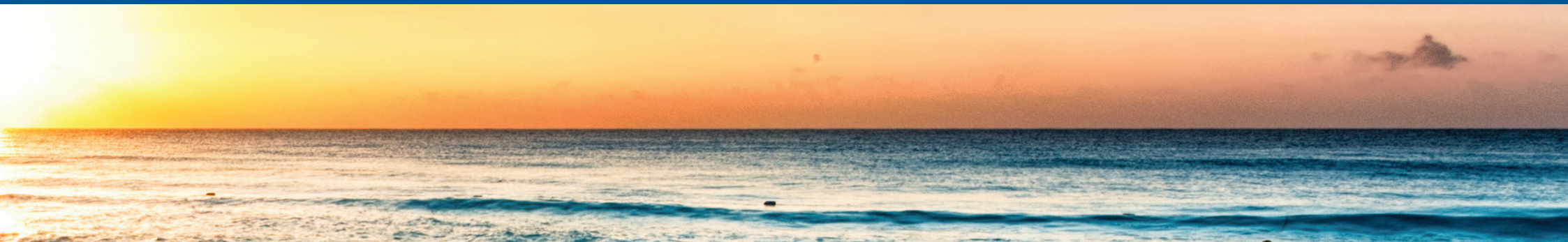


2015-2016

Sustainability Report



For an increasingly sustainable future - one day at a time







INDEX

1. Message from the Chairman of the Executive Committee	4	4.2. Risk management	33
2. Sustainability Highlights	5	4.2.1. Analysis of environmental and social risk when making loans ...	34
3. Our defining characteristics	6	4.3. Customer relations	36
3.1. Our values	6	4.3.1. Responsible communication	36
3.2. Our market approach	7	4.3.2. Customer satisfaction and quality of service	37
3.2.1. BI's evolution	7	4.3.3. Financial inclusion	39
3.2.2. Our market presence	10	4.4. Environmental performance	40
3.2.3. BI's principal products/services by segment	10	4.4.1. Energy and emissions	40
3.3. Our economic indicators	11	4.4.2. Water	43
3.3.1. Economic performance	11	4.4.3. Materials	44
3.3.2. Sectoral financing	12	4.5. Employees	44
3.4. Our Sustainability approach	14	4.5.1. Human capital	44
3.4.1. Sustainability policy	14	4.5.2. Training and education	47
3.4.2. Sustainability governance model	15	4.5.3. Career management	49
3.4.3. Materiality analysis	17	4.6. Community	50
3.4.4. Sustainability commitments	23	5. Appendices	54
3.4.5. Systemised dialogue with stakeholders	25	5.1. GRI Index	54
4. Our distinguishing characteristics	30	5.2. Methodological notes	63
4.1. Business Ethics	30		
4.1.1. Code of Conduct	30		
4.1.2. Fight against corruption and money laundering	30		



1. MESSAGE FROM THE CHAIRMAN OF THE EXECUTIVE COMMITTEE

In 2015, Banco Interatlântico was the first Bank in Cape Verde to publish a Sustainability Report.

The Report produced at the time did not reflect any change of policy or activity but was rather geared to disclosing a formal and structured account of the activities and concerns of our Institution, its employees and shareholders, in addition to the sustainability of its trajectory in terms of its market approach and responsible business practice requirements.

The project beginning at the time gained pace and developed and is now an ever present factor in the performance of all, strengthening the commitment to the sustainability policy promoting a culture of responsible consumption and investment with the objective of reducing our Institution's ecological footprint.

Although much can and will certainly be done, the incorporation of our evolution in formal documents, produced in line with best international practice, helps us to communicate, find out more and do better.

This Report, with quantitative data from 1 January 2015 to 31 December 2016, was produced in conformity with version 4.0 of the GRI (Global Reporting Initiative) Directives. The issues dealt with were identified on the basis of the materiality analysis resulting from the consultation policy with our principal stakeholders.

These guidelines were adopted with the aim of communicating relevant management information contributing to a sustainable business strategy and evidencing the creation of a social impact adding value to society.

The importance attached to sustainable development by Banco Interatlântico is shown through its dissemination of a responsible socio-environmental culture, based on initiatives to improve BI's performance and efficiency, with the aim of preserving the Environment, based on human resources management and measures related with labour practices, equal opportunity and investment in employees.

Concern over the environmental and social risk is also present in terms of credit,

whose projects are evaluated on the basis of their environmental, social and economic component, via the Environmental and Social Risk Policy, as part of BI's Global Risk Policy and Sustainability Policy.

The social component is a very important pillar of sustainable development. Our Institution enjoys a close relationship with the community in its commitment to projects providing for social needs with the aim of achieving social inclusion, solidarity and the promotion of knowledge, history and culture.

With the objective of a continuous commitment to the collective development of Cape Verde's economy, preservation and protection of the environment and the population in general, BI has established a series of commitments reflecting the definition of its Sustainability Strategy for the three year period 2016-2018, information on which is disclosed in this Report.

All of these objectives and their respective results have been promoted and achieved by the endeavours of our employees, engaged in the widest range of functions and geographies, whose commitment and dedication have been fundamental for our Institution's operation.

Banco Interatlântico also wishes to express its gratitude for the confidence of its customers and other stakeholders.

With the help of all concerned, Banco Interatlântico will succeed in achieving benchmark Bank status in Cape Verde, working in the present but always with an eye to the future.

Pedro Gomes Soares
Chairman of the Executive Committee



2. SUSTAINABILITY HIGHLIGHTS

Banco Interatlântico (hereinafter BI) furthered its Sustainability and Social Support Policy, in 2015 and 2016, based on a series of actions designed to improve social inclusion, promote equal opportunity, culture and knowledge, pursuant to which it is

publishing a new edition of its Sustainability Report, with information on the main highlights in 2015 and 2016, resulting from the implementation of its economic, social and environmental policy and strategy:

<p>Approval of Sustainability Policy and Governance Model and Social and Environmental Risk Policy</p>	<p>BI considers that the development of its activity should contribute towards the sustainable and social development of Cape Verde and systemises the good practice which it has already been implementing, in approving its Sustainability and Social and Environmental Risk Policies</p>
<p>Use of 3G technology in ATMs not installed in BI Branches</p>	<p>All BI ATMs not installed inside its commercial units currently use 3G technology. This has resulted in operational improvements on account of their impact on reducing energy consumption and its respective associated costs.</p>
<p>1st Edition of <i>InterAção</i> Newsletter</p>	<p>BI published its 1st “InterAção” in-house Newsletter, as yet another in-house reporting channel on activities in diverse economic, social and environmental areas.</p>
<p>First general sustainability training for BI staff</p>	<p>The objective of the training given by Caixa Geral de Depósitos, in partnership with Deloitte, was to improve the level of knowledge of the Bank’s key staff on sustainability issues. Its programme includes diverse topics such as CGD’s vision of sustainability, the role of Banking as a responsible agent and promoter of the future; protection of the environment; involvement with the community and, lastly, human assets management.</p>
<p>Sustainability Report 2014</p>	<p>BI was a pioneer in Cape Verde’s financial market in publishing its 1st Sustainability Report with information on its principal activities, projects and performance indicators between 1 January and 31 December 2014. The Sustainability Report for 2014 is available to employees for consultation on the Intranet and on BI’s website for the general public.</p>
<p>First materiality analysis for defining the relevant aspects to be included in the sustainability report</p>	<p>In its commitment to the incorporation of good practice in terms of its sustainability performance, BI has arranged for its first materiality analysis for defining the issues to be included in this Sustainability Report, which, for the first time, is aligned with the sustainability reporting guidelines of the Global Reporting Initiative – GRI G4, which requires greater focus on the identification of “material” issues from the viewpoint of Stakeholders;</p>
<p>Publication of sustainability policy and its Governance model</p>	<p>In the sphere of the approval of its Sustainability Policy, BI has published the document related to its transparency performance on its website.</p>



<p>Sustainability Commitments Plan 2016-2017</p>	<p>BI has defined a sustainability commitments plan to be fulfilled over the three year period 2016-2018, in the sphere of its sustainability policy and with the objective of gearing its performance regarding material issues, sustainability challenges and its appreciation of the expectations and concerns of its stakeholders.</p>
<p>“Virtualisation” of servers</p>	<p>The clustering of BI’s servers has brought benefits in terms of the reduction of energy consumption, greater optimisation of the Bank’s physical space, security of customer-related information and easier website access.</p>
<p>Agreement with the Culture Bank</p>	<p>BI has entered into an agreement with the Ministry of Culture, through the Culture Bank, with the aim of encouraging a higher level of integration between the Institution and Cape Verde’s artistic and cultural <i>milieu</i> and to back the preservation, defence and value attached to the country’s cultural heritage.</p>
<p>Agreement with <i>Abraço Verde</i> Foundation</p>	<p>Under the terms of this agreement BI was able to supply IT equipment to strengthen its support for this Foundation as a contribution to education, protection and conservation of the environment.</p>
<p>Training on the prevention of illicit actions</p>	<p>BI has committed to training several employees attending the seminar on the prevention of money laundering and countering the financing of terrorism which represent serious threats to the financial system and which could compromise the Bank’s stability and reputation.</p>

3. OUR DEFINING CHARACTERISTICS

3.1. OUR VALUES

BI is committed to a strong, cohesive Governance Model, associated with a well defined business strategy, based on a widely documented and divulged mission, vision and values permitting the Organisation’s sustained prosperity.

The fact that issues related with Brand and Reputation are extremely important to BI, explains the detailed presentation, as in 2014, of the pillars upon which its performance is based.

MISSION

BI shall consolidate its operations as a Bank providing a quality, global Financial Service, differentiated on account of the relevance and the major importance of its responsibility in contributing to exacting ethical standards, the country’s economic development, increased competitiveness, innovation capacity and its employees’ satisfaction.

VISION

To be the Bank of preference and reference for business and institutional segments in addition to individual middling-to-high level income customers, recognised for its technological innovation and products and its dynamism in the financial services domain.



VALUES

Rigour, which includes objectivity, professionalism, technical skills and diligence, permanently geared to achieving higher levels of quality and economic, financial, social and environmental efficiency, based on the adoption of best banking and financial practice;

Transparency of information, namely as regards conditions governing the provision of services and the organisation's performance, operating truthfully and clearly;

Safety of investments, with prudence in terms of risk management and the Institution's stability and financial strength as indispensable criteria;

Organisational and personal responsibility for its own actions, endeavouring to correct any negative impacts in addition to adopting a socially responsible conduct and commitment to sustainable development;

Integrity, considered as being strict legal, regulatory, contractual compliance and the adoption of ethical values and operating principles;

Respect for the interests entrusted to it, acting with courtesy, discretion and loyalty in addition to complying with principles of non-discrimination, tolerance and equal opportunity.

The involvement and commitment of all employees in the defence of values, performance principles and standards of conduct observed by Banco Interatlântico are essential.

Banco Interatlântico – Code of Conduct

The Bank's business model also includes Ethical Management tools, such as its Code of Conduct whose principles should always be present in the operational performance of the Bank and its employees. This issue will be further developed in chapter 4 - "Our distinguishing characteristics", of this report.

3.2. OUR MARKET APPROACH

3.2.1. BI'S EVOLUTION

BI's market approach is closely associated with its history.

BI was created on the basis of the implementation of Caixa Geral de Depósitos's (CGD's) expansion strategy which now comprises overseas representation in several countries. It is, in many markets, the leading local financial partner owing to its values of Trust, Financial Strength and Transparency and as an agent promoting

cooperation and business development.

CGD took another step forward, in February 1998, by opening a Branch in Cape Verde, with the objective of exploiting the potential of a developing economy and contributing towards the economic strength of Cape Verde's financial system.

BI's foundation, in July 1999, was the result of the transformation of CGD's Branch in Cape Verde, into the first private bank incorporated in Cape Verde. Since its creation, BI has endeavoured to play a benchmark role in meriting the trust of the country's business class, as well as its individual customers.

Based on CGD Group's know how and financial capacity, allied with local companies and businesspeople with recognised skills and credibility, the Bank has greatly improved its intervention capacity in Cape Verde's financial system, having lost no time in playing a leading role in promoting the country's economic fabric and exploiting the synergies deriving from CGD Group's international platform and ratings.

Since the time of its first appearance, BI has been recognised as an active agent in promoting Cape Verde's business sector. Based on its branch office network and specialised Corporate office and, more recently, a new personalised customer care unit for Special Customers, the Bank's consolidation of its commercial operations in this segment, has enabled it to improve its oversight and quality of service provided to its

Since the time of its first appearance, BI has been recognised as an active agent in promoting Cape Verde's business sector.



most valued customers, making a decisive contribution towards the sustained growth of its credit portfolio in 2015 and 2016, principally comprising an increase in loans and advances to companies.

The Bank's equity is 70% of which is owned by CGD with the remaining 30% being distributed among national businesspeople and companies. Information on the distribution of BI's share capital is given below:

- Caixa Geral de Depósitos, S.A.
- Empreitel, S.A.
- Adega, S.A.
- Sita, S.A.
- Pedro José Sapinho Rodrigues Pires
- David Hopffer Almada
- Teresa Jesus Teixeira B. Amado
- Francisco Barbosa Amado
- Mário Jorge Menezes
- Racan, Lda.

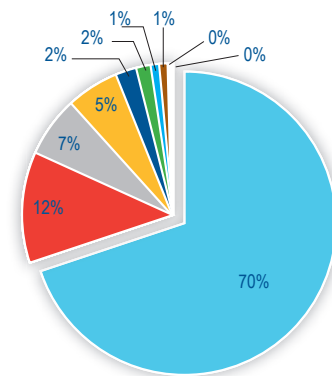


Figure 1 – BI's equity structure

The following are several of the major milestones in the Bank's evolution:

Year	Highlights
1998	CGD's Cape Verde Branch pioneered the creation of the first SWIFT Network in Cape Verde, in the form of a CGD Branch Office Network Extension, helping to improve the security and speed of international operations. Installation of Cape Verde's 1st ATM, solely for BI customers with pass-books.
1999	Foundation of Banco Interatlântico, based on the transformation of Caixa Geral de Depósitos's Cape Verde Branch into a private Bank based upon an incorporation of its assets and liabilities and a split of its share capital, 70% owned by CGD and 30% by a collection of local businesspeople and companies.
2000	Acquisition of the equity capital of BCA, A Garantia and A Promotora by the BI/CGD Grouping as part of the referred to institutions' privatisation process.
2001	Launch of <i>Poupança Jovem Interatlântico</i> and <i>Formação Universitária Interatlântico</i> products.
2002	Creation of Bylaws for the Bank's employees.
2003	Creation of BI's Intranet. Introduction of the employees' appraisal system. Line of credit agreed with the European Investment Bank.
2004	Launch of BI's Internet Banking system – Bin@net. Creation of university debit cards: partnership with Jean Piaget University with the aim of encouraging the progressive use of banking services by university students.



2005	Increase of BI's activity in the corporate segment, proportion of corporate loans up from 45% to 57%. Inauguration of the Espargos Branch, on Sal island. Launch of Visa Classic and Visa Gold credit cards.
2006	Definition and publication of our mission and our values. Creation of ALCO Committee.
2007	Creation of Corporate and Individual Customers Offices. Opening of Santa Maria Branch on Sal island.
2008	BI issues the first subordinated bonds for public subscription in Cape Verde – oversubscribed by a factor of 2. BI forms an association with the <i>Gari</i> Fund (“Guarantee Fund for Private Investments in West Africa”). Opening of Sal Rei Branch on Boavista island.
2009	BI celebrates its 10th birthday under the banner: “10 years, 10 institutions”. “Best Bank in Cape Verde” prize from World Finance magazine. Opening of Assomada Branch – Santiago island. Production of advertising handbook and revision of handbook on use of logotype.
2010	Opening of BI's 9th Branch in Achada Grande Frente – in the industrial zone of Santiago island. Share capital increase to Cve. 1,000,000,000.00. “Best Bank in Cape Verde” prize awarded by World Finance magazine for the second time.

2011	BI nominated by World Finance magazine for the 3rd consecutive time as the “Best Bank in Cape Verde”. Highly impactful campaigns for <i>BI Poupança</i> and <i>Trade Finance</i> products.
2012	<i>BI Poupas</i> campaign. BI participates for the 1st time in its annual sustainability-related issues report to Caixa Geral de Depósitos.
2013	Launch of new BI <i>Class Mais</i> product. Launch of line of credit for higher education students with a Mutual Guarantee. Creation of BI's Facebook page.
2014	BI was distinguished by CFI magazine as the Best Green Bank in Cape Verde. Launch of <i>BI Woman</i> card. Inclusion of an ecological sustainability message in BI's Outlook signatures.
2015	1st issue of <i>InterAção</i> in-house Newsletter. <i>Soluções Salário BI</i> campaign, products for the individual customers segment. Publication of the first Sustainability Report by a Cape Verde bank.
2016	Transfer of Individual Customers Office and Corporate Office to Achada Grande Frente, to improve proximity and achieve a more dynamic level of provision of services to customers.



3.2.2. OUR MARKET PRESENCE

The Bank continued to operate its Branch Office Network (9 Branches), on the islands in 2015 and 2016, in the country's main urban and population centres (4 islands), mainly on Santiago island (5 Branches), which houses the Bank's headquarters and the Offices (Individual Customers and Companies).



Figure 2 – Distribution of BI's Branch Office Network

In the case of distance channels, BI has the second largest ATM cash machine network in Cape Verde, with 40 out of a nationwide total of 169 ATMs in 2015 (rising to 171 machines in 2016). This comprises a nationwide coverage rate of 23%.

BI was the supporting Bank for 17.8% and 17.5% of total transactions recorded on the *Rede Vinti4* in 2015 and 2016, respectively. The Bank registered growth in its number of POS (point-of-sales) terminals, which mirrored the Bank's support for the economy and businesspeople, with growth rates of 9% and 13% in 2015 and 2016 respectively. The 10.4% growth of debit cards in 2015 was the largest percentage growth of the 3 main Banks in the market, according to *Sociedade Interbancária e Sistemas de Pagamento-SISP*. Growth in 2016 was 11%.

3.2.3. BI'S MAIN PRODUCTS AND SERVICES BY SEGMENT

BI's range of products and services, has been specifically developed for each customer segment.

Reference should be made, in 2015, to the launch of the *Soluções Salário* product for the individual customers segment, with the principal aim of strengthening BI's penetration of this market segment, based on gaining the loyalty and increasing its level of involvement with this type of customer.

BI's main products and services in the period referred to in this Report are systemised in the following figure.



Figure 3 – BI's main products and services by type of customer.



3.3. OUR ECONOMIC INDICATORS

3.3.1. ECONOMIC PERFORMANCE

As economic performance is fundamental for the sustainability of any organisation, BI furthered its objectives of improving profitability and asset quality, in 2015 and 2016. At the end of 2016, the Bank's total operating income, fuelled by the growth of its credit

portfolio, was up 9% over 2015. Disbursements were up by around 15%. Reference should be made to the 6% increase in the "Employees' salaries and benefits" account over the preceding year, owing to the increases recognised in the remunerations of diverse employees and new hirings, including members of the statutory bodies. The economic values, generated and distributed by BI in 2016 and 2015, are systemised in table 1.

Direct Economic Value Generated	Income (Total Operating Income)
TOTAL	
Economic Value Distributed	Operating Costs
	Employee Salaries and Benefits
	Payments to Capital Providers
	Payments to the Government
	Donations and other investments in the community
TOTAL	
Economic Value Accumulated	

Amounts expressed in KCve.		Change %
2015	2016	
662,534	721,750	9%
662,534	721,750	9%
525,153	604,600	15%
279,870	341,917	22%
233,015	246,549	6%
-	-	0%
3,775	5,328	41%
8,493	10,806	27%
525,153	604,600	15%
137,381	117,150	-15%

Table 1 – Direct Economic Value Generated and Distributed



BI has achieved a strong market presence in the business segment. Credit distribution by segment, since 2005, reflects this position, with the corporate market accounting for the largest proportion:

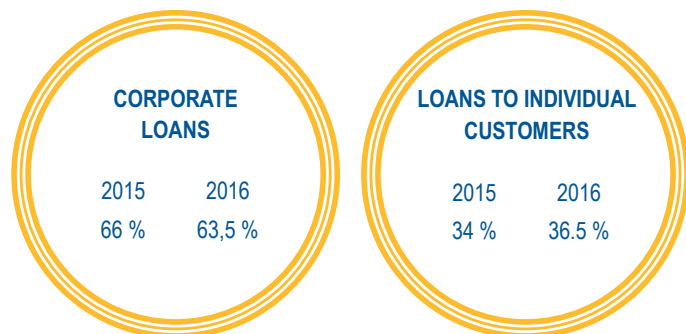


Figure 4 – Percentage of loans and advances to companies and individual customers in the credit portfolio

3.3.2 SECTORAL FINANCING

BI contributes towards the development of the national economy through its creation of direct jobs and payment of salaries and taxes while its leverage of indirect job creation is mainly based on its choice of national suppliers.

The Bank’s products and services portfolio is geared to all market segments, explained in accessible language and information thereon disclosed to its customers on various communication channels.

The following table provides information on credit distribution by sector of activity, split up by CAE (Classification of Economic Activity). Special reference should be made to the proportion of credit to “Construction and property activities”, “Other services” and “Individual customers – Mortgage loans” sectors of activity which, as a whole, account for more than 50% of total lending.



Sector of Activity (KCve.)	31-12-2016				31-12-2015			
	Government (b)	Individual customers and companies	Total	%	Government	Individual customers and companies	Total	%
Construction and property activities (a)	73,695	3,367,878	3,441,573	24.47%	71,557	2,901,513	2,973,070	21.49%
Agriculture, silviculture and fisheries	-	20,608	20,608	0.15%	-	24,691	24,691	0.18%
Extractive industries	-	6,218	6,218	0.04%	-	2,744	2,744	0.02%
Manufacturing industries	-	360,184	360,184	2.56%	-	606,008	606,008	4.38%
Generation and distribution of electricity, gas, steam and air conditioning	-	-	-	0.00%	-	-	-	0.00%
Water supply	-	80,949	80,949	0.58%	-	35,081	35,081	0.25%
Wholesale and retail trade	-	934,638	934,638	6.64%	8,945	370,418	379,363	2.74%
Transport and warehousing	-	768,656	768,656	5.46%	47,311	529,200	576,510	4.17%
Hotel and restaurant activities	-	1,302,567	1,302,567	9.26%	-	1,504,642	1,504,642	10.87%
Information and communication	-	90,766	90,766	0.65%	-	139,751	139,751	1.01%
Consultancy, scientific, technical and similar activities	-	-	-	0.00%	-	-	-	0.00%
Administrative and support services activities	-	-	-	0.00%	-	-	-	0.00%
Public administration and defence, mandatory social security	-	-	-	0.00%	-	-	-	0.00%
Education	-	193,233	193,233	1.37%	-	147,062	147,062	1.06%
Human health and social action activities	-	141,814	141,814	1.01%	-	51,000	51,000	0.37%
Artistic activities, shows and recreational events	-	55,502	55,502	0.39%	-	32,198	32,198	0.23%
Other services	333,057	1,198,857	1,531,914	10.89%	163,300	2,474,516	2,637,817	19.07%
Other financial activities	-	-	-	0.00%	-	-	-	0.00%
Individual customers – Mortgages	-	2,595,157	2,595,157	18.45%	-	2,593,778	2,593,778	18.75%
Individual customers - Other	-	2,543,039	2,543,039	18.08%	-	2,132,148	2,132,148	15.41%
TOTAL	406,752	13,660,066	14,066,818	100.00%	291,112	13,544,749	13,835,862	100.00%

Table 2 – Distribution of credit by sector of activity



In the case of the distribution of deposits by type of customer, table 3 shows that term deposits and savings accounts predominate in relation to sight deposits with around 61% and 64% of the total amount of deposits, in 2015 and 2016, respectively. These amounts translate BI's role in fuelling domestic savings, both in the business as in the individual customers' categories.

	2015	%	2016	%
Amount (Cve. million)				
Sight deposits	76.35	39%	80.39	36%
Companies	33.71		35.49	
Medium-sized enterprises	33.71		35.49	
Small companies				
Individual customers	29.86		30.71	
General Government	12.78		14.19	
Term Deposits and Savings Accounts	121.41	61%	143.39	64%
Companies	32.28		40.22	
Medium-sized enterprises	32.28		40.22	
Small companies				
Individual customers	69.56		82.25	
General Government	19.58		20.91	
Total Deposits	197.76	100%	223.77	100%
Individual customers	99.42	50%	112.95	50%
Companies	65.99	33%	75.71	34%
Public sector	32.36	16%	35.11	16%

Table 3 - Distribution of deposits by type of customer

3.4. A OUR SUSTAINABILITY APPROACH

3.4.1. SUSTAINABILITY POLICY

BI approved its Sustainability Policy in 2015, recognising its importance in promoting Cape Verde's sustainable development. The document expresses its concerns over the sustainable development of the Planet, ecosystems, respect for human dignity and the dissemination of a culture of socio-environmental responsibility.

BI's Sustainability Policy is aligned with the corporate guidelines of CGD's Sustainability Policy. It reflects adjustments to the circumstances in Cape Verde and issues of relevance to the country's sustainable development. BI's Sustainability Policy is therefore based on the United Nations' Global Compact principles. It is made up of four performance areas:

- Protection of Human Rights;
- Promotion of Employees' Professional and Personal Development;
- Protection of Natural Resources;
- Collective participation with the various stakeholders in promoting Transparency.

The following is a conceptual outline of BI's Sustainability Policy, in accordance with the respective model:

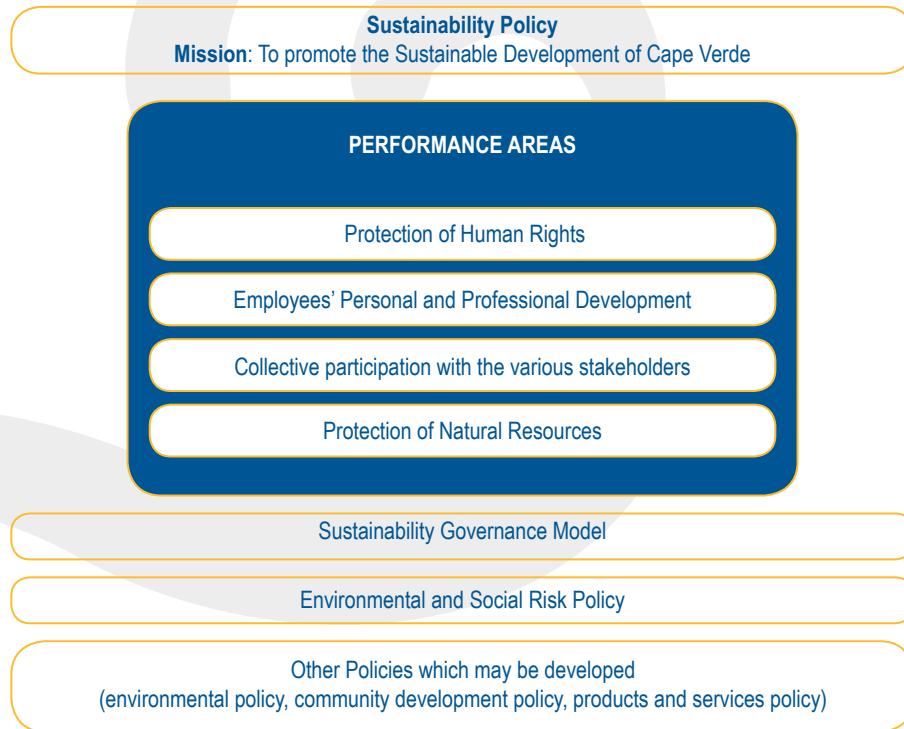


Figure 5 – Conceptual Model of Sustainability Policy

3.4.2. SUSTAINABILITY GOVERNANCE MODEL

The Sustainability management model is transversal to the organisation and involves diverse Structural Bodies.

The Board of Directors is the body with the maximum responsibility. It is responsible for the approval of the Sustainability Policy, Environmental and Social Risk Policy, definition of the Sustainability strategy and approval of the proposals for their activities and respective budgets, as submitted by the Executive Committee. This body also has the maximum responsibility for delegating power to the Structural Bodies to implement

the respective actions. The Board Member responsible for the Sustainability Policy is also responsible for informing the Board of Directors of the concerns, proposals and actions taken by the Bank on a Sustainability level. It is also responsible for submitting action proposals and their respective budgets, as submitted by the Sustainability team, for the approval of the Board of Directors.

The Sustainability Manager has the primary responsibility for Marketing, with the main function of coordinating the various actions for the effective implementation of BI's Sustainability strategy. He/she is also responsible for producing an annual report on the activities performed, with the collaboration of all of the areas involved and producing an annual report for the Board of Directors, upon the completion thereof. He/she is also responsible for proposing an action plan for the following year, resulting from the proposals submitted by the environmental and social risk Manager and other "ambassadors". The Sustainability Manager is also the point of contact for Sustainability issues between BI and the other banks and organisations.

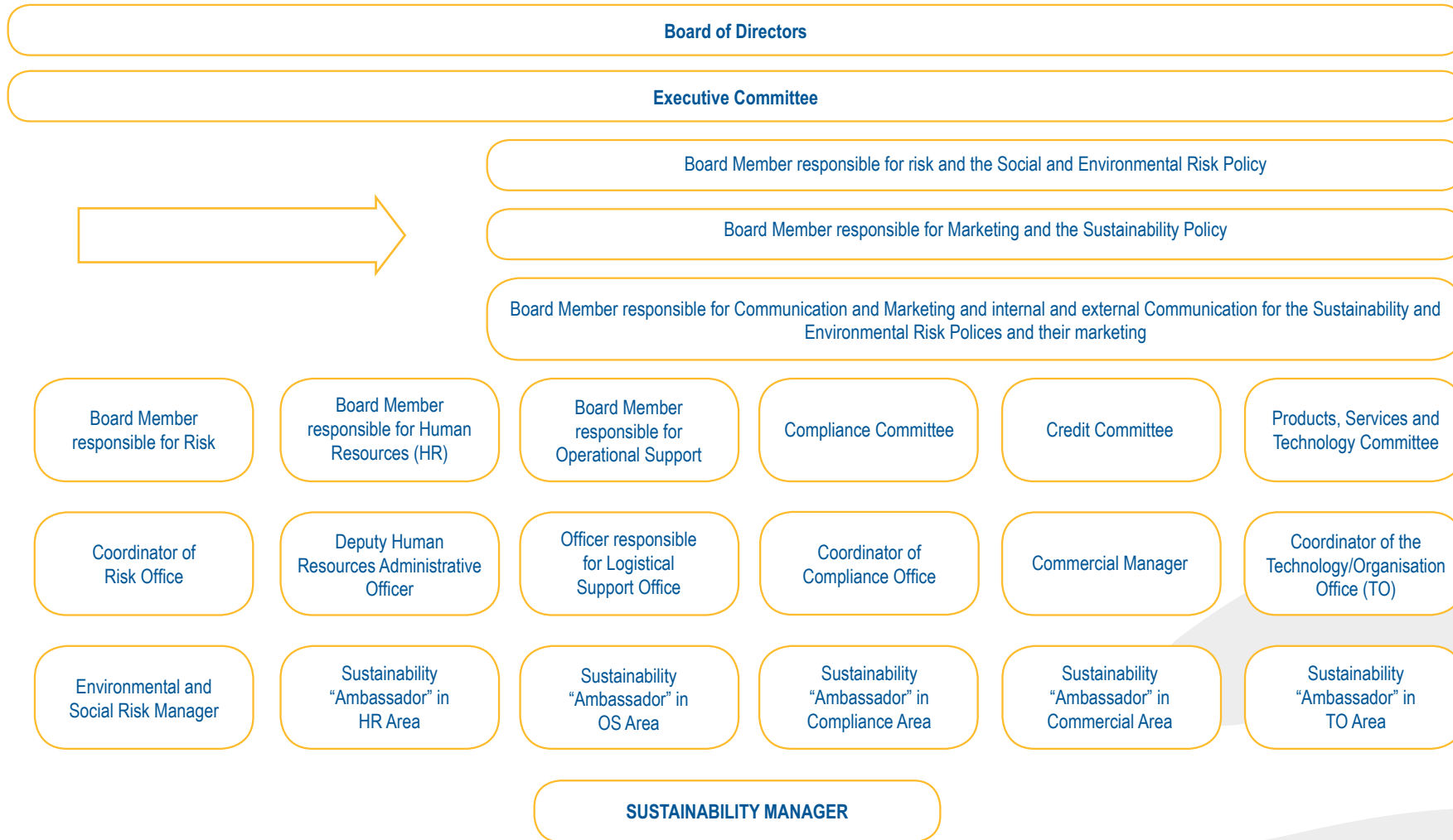


Figure 6 – Governance Model for Sustainability Management



3.4.3 MATERIALITY ANALYSIS

REPORTING ON WHAT MATTERS TO US AND OUR STAKEHOLDERS

BI published its first Sustainability Report in 2014, in which it endeavoured to report the main activities, projects and relevant data, as well as several core performance indicators, albeit not having a formal alignment with a Sustainability report benchmark. In furthering its Sustainability Strategy, particularly as regards the reporting of Sustainability-related data and information, BI has produced its Sustainability Report 2015/2016, for the period 1 January 2015 to 31 December 2016, in conformity with the Sustainability reporting guidelines of the Global Reporting Initiative (GRI guidelines), version 4.0, for the “Essential” option. This represents an important milestone in the external recognition of this publication, both nationally and internationally.

As good reporting practice established in GRI guidelines define that the starting point when planning a Report is the production of a materiality analysis, as part of the Materiality Principle, the Sustainability Report for 2015 and 2016 contained an analysis of this type in order to define the material issues on which the report should be based. At a first phase, the materiality analysis included the definition of a series of economic, environmental and social issues selected on the basis of the cross-referencing of sev-

eral internal and external information sources, and a sensitivity analysis, followed by the validation of the Chairman of BI’s Executive Committee in order to define the list of topics to be prioritised. The information sources considered, included:

- Issues considered in CGD’s materiality analysis in 2013 (as the majority shareholder of BI Group of which the Bank is a member);
- Sustainability aspects considered in the GRI guidelines (version 4.0);
- Issues deriving from BI’s Sustainability Policy;
- Issues deriving from BI’s Sustainability Strategy;
- Issues deriving from Caixa Geral de Depósitos’s Sustainability Strategy for 2015-2017;
- Other issues considered relevant by BI’s Executive Committee.

PRINCIPAL STAKEHOLDER GROUPS

BI considers that the Organisation’s principal stakeholder groups are exactly the same as for CGD for the purposes of the Sustainability Report for 2014 and corroborated for the purposes of the Sustainability Report for 2015 and 2016:

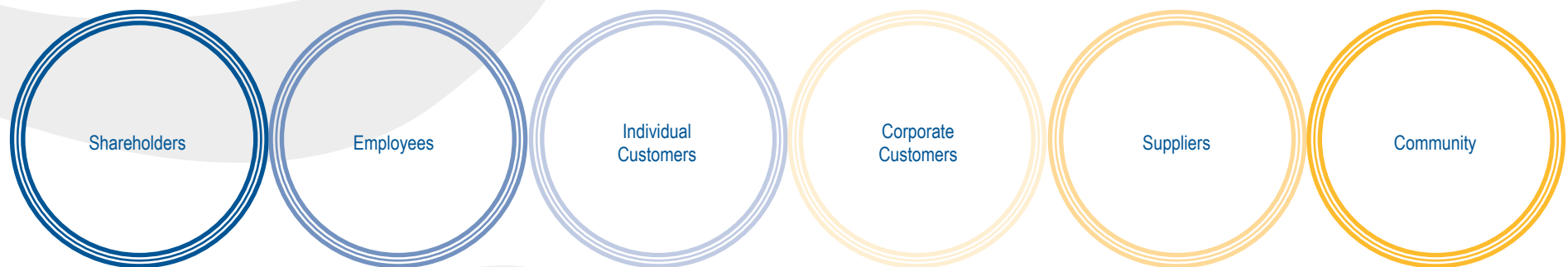


Figure 7 – Most relevant Stakeholder Groups for BI



CONSULTATION PROCESS

The confirmation of the most relevant stakeholder groups for the Organisation was followed by a consultation process with internal stakeholders, namely the Executive Committee, representatives of the Bank's principal Offices/Areas and its employees in general, with the following main objectives:

- The prioritising of Sustainability issues to assess those of the greatest relevance to the Bank (considering its own interests and the Organisation's needs and those of its principal stakeholders) which should, consequently, be highlighted in the Sustainability Report for 2015/2016 as its main management focus;
- Collecting feedback on the first issue of the Sustainability Report in 2014;
- Amassing additional input on aspects requiring improvements in the sphere of BI's sustainability management.

Several external agents were also consulted to complement the perception of materiality, BI's Sustainability reputation and the Organisation's distinctive features.

The consultation process involved the following activities:

STEP 1

CONSULTING THE COMPANY'S REPRESENTATIVES

BI's internal vision, which aims to reflect the importance of issues to the Bank itself, was based on the consolidated average classifications attributed by members of the Bank's Executive Committee on selected issues on a scale of 1 to 4 (1 – Not Important; 2 – Relatively Important; 3 – Important and 4 – Very Important). The interviews with the Executive Committee also enabled feedback to be obtained on BI's Sustainability practice and strategy.

STEP 2

CONSULTATIONS WITH EMPLOYEES

A questionnaire was sent to all BI employees asking for their opinion on issues they consider to have the greatest impact or influence on their activity and requesting the following:

- A classification of the issues, sub-divided into four Sustainability categories (eco-

nomie, environmental, social, transversal), on a scale of 1 to 4 (1 – No Impact; 2 – Low Impact; 3 – Moderate Impact and 4 – Significant Impact);

- A classification of BI's sustainability-related performance, in the different sustainability areas, on a scale of 1 (Poor) to 4 (Very Good).

The 100 replies received to the total number of 129 enquiries sent comprised a success rate of 78%.

STEP 3

WORKSHOP TO ASSESS THE PERCEPTION OF THE IMPACT OF THE SELECTED ISSUES FOR THE BANK'S PRINCIPAL STAKEHOLDERS

Taking into account the fact that the above referred to consultation process was essentially an in-house operation, a workshop, attended by representatives from BI's main Areas/Offices, facilitated by an external consultancy team, was organised. This initiative aimed to assess BI's representatives' perception of the impact the selected issues could have for the different strategic stakeholder groups, taking advantage of the multidisciplinary group's interaction with stakeholders, in the Bank's day-to-day business. Therefore, the classification of each issue, for each group of stakeholders, namely Individual Customers, Corporate Customers, Regulators, Suppliers and the Community, was obtained by a collegiate vote, based on the knowledge and expertise of each Area/Office represented. This was on a scale of 1 to 4 (1 – No impact ; 2 – Some impact; 3 – Moderate impact and 4 – Significant impact);

HIGHLY IMPACTIVE ISSUE

This could substantively influence the way in which external stakeholders assess BI or influence decisions related with BI. It reflects BI's significant (positive and negative) economic, social and environmental impacts on the activity of the external stakeholder. The external stakeholder considers it important that the information should be disclosed in a public report.



The workshop did not consider “Employees” and “Shareholders” stakeholder groups. The former because it was consulted directly on the basis of a questionnaire (as already described) and the latter as this information can be assessed indirectly, on the basis of an analogy between the BI issues considered and the issues comprising CGD’s own materiality analysis (as BI’s majority shareholder, with an equity stake of 70%).

MATERIAL ISSUES

The evaluation of material issues was based on the cross-referencing of what matters to BI and the impactful effect on its principal stakeholders (employees and other principal stakeholder groups), based on the multiplication of the respective consolidated results, on an issue-by-issue basis. The order of importance obtained by the above referred to process results in linearization which permits the issues to be ranked and classified into two levels of importance, in accordance with the following scale:

Level of Importance	Denomination	Approach in Report
P1	Material/priority issues Importance ≥ 9.0	Issues to be reported, highlighted in the report in an endeavour to achieve alignment with GRI Guidelines, as being of greater interest to Stakeholders and BI.
P2	Non-material/priority issues Importance < 9.0	Issues which have not been reported or circumstantially approached, depending on whether there are any highlights or related information it makes sense to report.

Figure 8 – Scale of importance of material issues materials



Twenty three of the collection of Sustainability issues considered for prioritisation were included in BI's Sustainability Report for 2015/2016. The consolidated classification resulting from the materiality analysis is set out in the following matrix. The "significance for the company" axis considered the information obtained in interviews of BI's Exec-

utive Committee and the "significance for stakeholders" axis (impact on stakeholders) considered the consolidated results of the various exercises for systemising the vision of stakeholders (employees and perception of impact for external stakeholders). Priority 1 issues are material (above threshold 9.0).

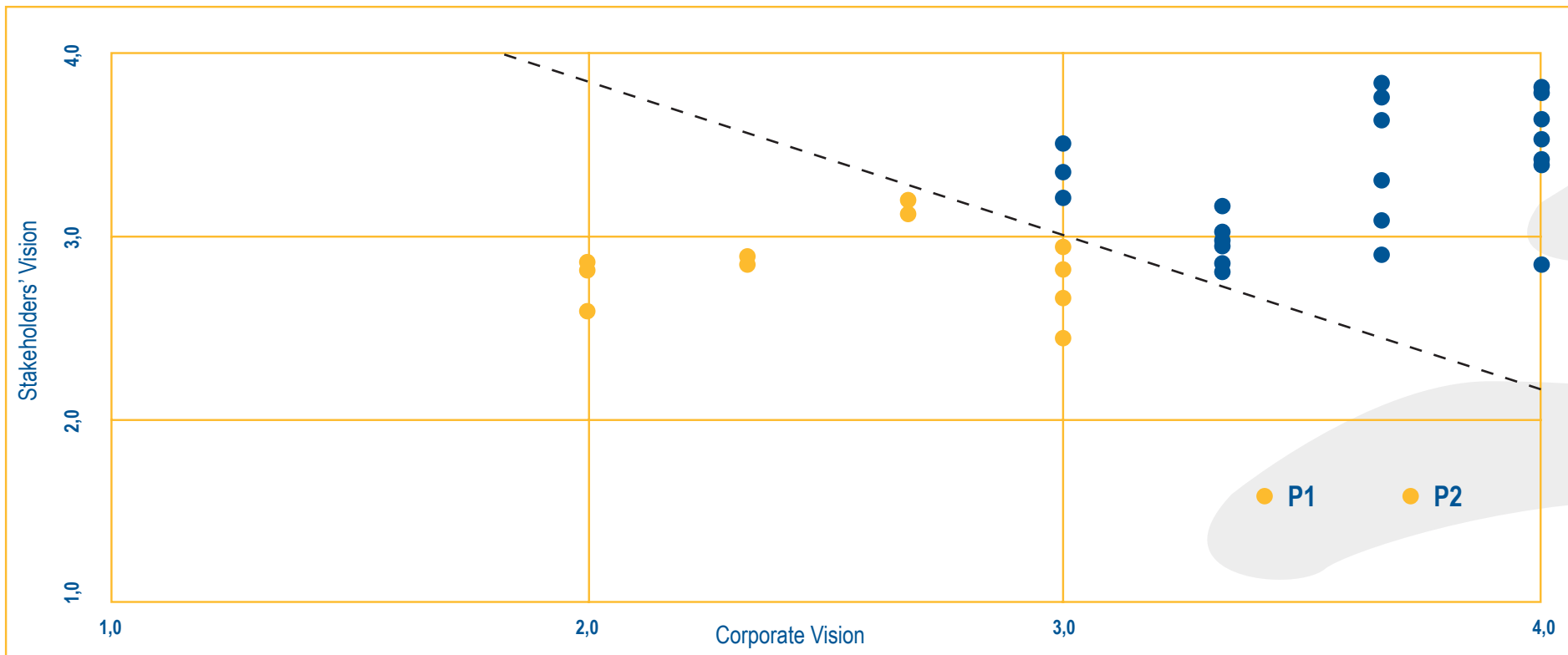


Figure 9 - Materiality Matrix



	Relevant Issues	Global Importance (P1)	Area
1	Fight against Corruption and Money Laundering	15.3	SO
2	Brand and Reputation Management	15.2	TR
3	Risk Management	14.6	TR
4	Customer Privacy	14.2	PR
5	Ethics and Conduct	14.1	TR
6	Customer Satisfaction and Quality/Excellence of products and services	13.8	PR
7	Economic Performance	13.7	EC
8	Financial Literacy and Management of Overindebtedness	13.6	PR
9	Clarity of information on products and services provided to customers (communication and responsible marketing)	13.3	PR
10	Sustainability Strategy and Commitments	12.1	TR
11	Local Communities (impact on communities and financial inclusion)	11.4	SO
12	Fight against climate change and energy efficiency, atmospheric emissions and alternative energies	11.4	ENV
13	Eco-efficiency in the use of materials and water consumption	10.6	ENV
14	Sectoral financing policies	10.6	EC
15	Products and Services Conformity	10.5	PR
16	General Conformity	10.1	SO
17	Local Hirings (employees)	10.1	EC
18	Systemised dialogue with stakeholders	9.9	SO
19	Social activities on behalf of the community	9.8	SO
20	Employee training and education and career management	9.6	LA
21	Communication and partnerships with NGOs/ SSI – Social Support Institutes	9.5	SO
22	Indirect Economic Impacts	9.5	EC
23	Employment and work/labour conditions	9.4	LA

Legend: EC – Economic; SO – Social; LA – Labour; ENV – Environmental; TR - Transversal

Table 4 – Material Issues for BI



The above table shows that it is possible to conclude that social issues lie at the core of BI's stakeholders' concerns, followed by transversal and economic issues. Issues with the highest level of global importance, following the cross-referencing of the Company's and Stakeholders' input were the Fight against Corruption and Money Laundering, Ethics, Corporate Reputation and customer-related issues namely Customer Privacy, Customer Satisfaction and Quality/Excellence of Products and Services, Financial Literacy and the Management of Indebtedness and the Clarity of Information Provided to Customers. Economic Performance was also considered to be one of the most relevant topics. These are followed by issues related with support for the community and Human Resources management. The importance of human rights and equal opportunity issues, albeit recognised, was not considered to be relevant for communication or for central management concern. This is also the case of the environmental and social factors input in terms of funding.

PERCEPTION OF BI'S SUSTAINABILITY PERFORMANCE

As already noted, in the sphere of the consultations to assess material sustainability issues, other information was obtained with the aim of helping the Bank to reflect on such matters.

Information was, accordingly, collected on employees' perception of the Bank's performance in different Sustainability-related aspects.

In general BI's performance was classified by employees as Good (with an average of 2.8 on a scale of 1 to 4) in the different sustainability areas. The perception of the external agents consulted is generally in alignment with these results which show that the Ethics and Conduct and Transparency components are those in which BI most excels, followed by its Business Model and Economic Performance.

Conversely, the fact that the lowest assessment was attributed to the Environmental Area, is potentially explained by BI's type of business, which has a low environmental footprint.

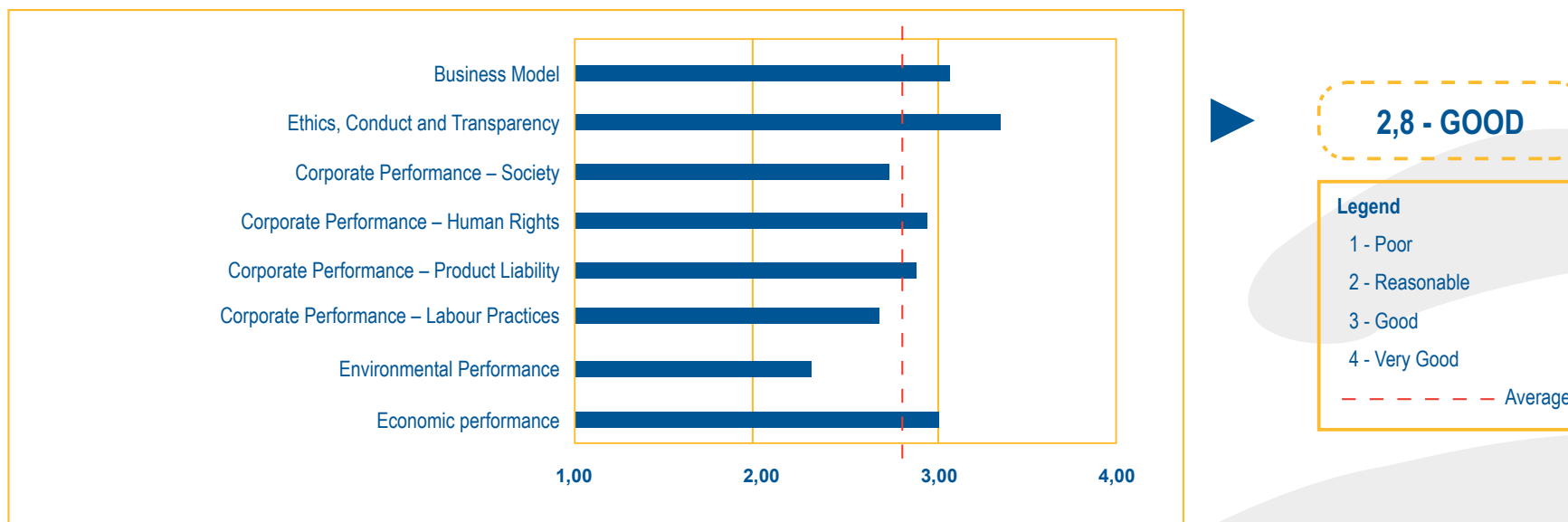


Figure 10 – Assessment of BI's performance in different sustainability areas



3.4.4. SUSTAINABILITY COMMITMENTS

BI has defined a series of Sustainability Commitments, for the three year period 2016-2018 with the aim of continuing to develop its Sustainability Strategy, considering the

objectives of improving Sustainability management and the feedback received in its consultation process.

Description	Target date 2016	Target date 2017	Target date 2018	Relevant associated issue
Annual Training on the Fight against Corruption and Money Laundering	Completed	x	x	Fight against corruption and Money Laundering
Implementation of an IT application to help detect suspicious operations		x		Fight against corruption and Money Laundering
Identification of practices to improve the risk management culture		x		Risk Management
Implementation of feasible practices to improve the risk management culture			x	Risk Management
New back-up Data Centre, with cutting edge technology on a level of access control, fire fighting, cooling, LED lighting systems, reduction of electricity costs.	Completed			Customer Privacy; Customer Satisfaction and Quality/Excellence of products and services
Implementation of an Induction Programme for new Employees to include training on BI's values and principles.		x		Ethics and Conduct; Training and education for employees and career management
Upgrade of the current core release of the IT application of version 2.03 for "3G" banking		x		Customer Satisfaction and Quality/Excellence of Products and Services
Internal training for branch office network		x	x	Customer Satisfaction and Quality/Excellence of Products and Services
Launch of renewable energies credit		x		Customer Satisfaction and Quality/Excellence of Products and Services; Fight against climate change and improving energy efficiency, atmospheric emissions and alternative energies.



Description	Target date 2016	Target date 2017	Target date 2018	Relevant associated issue
Implementation of VOIP system to achieve a substantial reduction of the Institution's communication costs	Completed			Economic Performance Eco-efficiency in use of materials and water consumption
Identification of initiatives to improve literacy and financial inclusion		x		Financial Literacy and Management of Overindebtedness
Implementation of feasible measures to improve literacy and financial inclusion			x	Financial Literacy and Management of Overindebtedness
Definition of the Sustainability Commitments Plan for the three year period 2016-2018	Completed			Sustainability Strategy and Commitments
Improved sustainability information on BI's site and intranet			x	Sustainability Strategy and Commitments
Promotion of regular operation of the sustainability committee (once per month)			x	Sustainability Strategy and Commitments
Assessment of viability of using renewable energies in Headquarters building			x	Fight against Climate Change and improving energy efficiency, atmospheric emissions and alternative energies
Optimisation of the procedure for the production of branch office network forms	Completed			Eco-efficiency in the use of materials and water consumption
Analysis of viability of dematerialising current internal management tables	x			Eco-efficiency in the use of materials and water consumption
Encouraging the implementation and benchmarking of Branch Office initiatives to improve efficiency in the consumption of resources		x		Eco-efficiency in the use of materials and water consumption
Production of Manual of Good Environmental Practice for Employees		x		Eco-efficiency in the use of materials and water consumption Training and education for employees and career management



Description	Target date 2016	Target date 2017	Target date 2018	Relevant associated issue
Definition of consumption reduction targets for energy, water and materials		x		Eco-efficiency in the use of materials and water consumption Fight against climate change and improving energy efficiency, atmospheric emissions and alternative energies
Adoption of a sustainability report in alignment with GRI guidelines	Completed			Systemised dialogue with stakeholders Sustainability Strategy and Commitments
Organisation of a stakeholders consultation process in order to assess expectations on the management and reporting of sustainability			x	Systemised dialogue with stakeholders Sustainability Strategy and Commitments
Improvement of internal control processes on the quality of sustainability information		x		Systemised dialogue with stakeholders
Revision of Careers Plan and Employee Bylaws		x		Training and Education for Employees and Career Management

Table 5 - Sustainability Commitments

3.4.5. INVOLVEMENT AND SYSTEMISED DIALOGUE WITH STAKEHOLDERS

A good relationship with its principal shareholders is an important element in the success of the Bank's activity. Proximity relationships and endeavours to provide for the principal expectations and concerns of its employees and other stakeholder groups is

essential for the continuity of BI's sustainability strategy and business prosperity. The conciliation of the interests of all concerned helps to create more sustainable value. BI is therefore taking several actions geared to its Employees and other stakeholder groups, based on the principal expectations identified in the sphere of its consultation process:



Principal Expectations	Response to principal expectations
Fight against Corruption and Money Laundering	<ul style="list-style-type: none"> • Continuous internal training • Performance of Compliance Office in its respective area • Standards and internal procedures system • Production of periodic internal control reports
Sustainability Strategy and Commitments	<ul style="list-style-type: none"> • General sustainability training • Approval of sustainability policy • Adoption of short and medium term sustainable commitments • Raising internal awareness of need to reduce costs • Production and publication of Sustainability Report
Risk Management	<ul style="list-style-type: none"> • Internal control system: performance of areas with control functions in BI • Environmental and Social Risk Policy
Clarity of information on products and services provided to customers (communication and responsible marketing)	<ul style="list-style-type: none"> • Revision of the internal regulations of the Marketing, Products and Technologies Committee
Customer Privacy	<ul style="list-style-type: none"> • Change of servers project: greater security in terms of customer information management.

Table 6 – Response to the principal expectations identified by Employees



Principal Expectations	Response to principal expectations
Ethics and Conduct	<ul style="list-style-type: none"> • Creation, continuous disclosure and implementation of the Code of Ethics and Conduct.
Fight against Corruption and Money Laundering	<ul style="list-style-type: none"> • Implementation of BI's respective procedures and policies
Brand reputation and management	<ul style="list-style-type: none"> • Mission, Vision and Values • External initiatives: Institutional spot • Internal initiatives: in-house Newsletter • Annual Publication of Sustainability Report
Customer Satisfaction and Quality/excellence of products or services	<ul style="list-style-type: none"> • Mechanisms for managing and processing complaints
Clarity of information on products and service provided to customers (communication and responsible marketing)	<ul style="list-style-type: none"> • Compliance with the regulations issued by the Bank of Cape Verde
Risk Management	<ul style="list-style-type: none"> • Internal practice and standards; Environmental and Social risk Policy

Table 7 – Response to the principal expectations identified by other stakeholder groups



INVOLVEMENT MECHANISMS WITH INTERESTED PARTIES

BI maintains relationship channels with interested parties to ensure effective, continuous dialogue with various stakeholder groups it considers to be strategic. The following

table summarises the Bank's principal means of encouraging such dialogue and relationships, in addition to their periodicity:

Stakeholder Group	Means of Involvement	Periodicity
Shareholder	<ul style="list-style-type: none"> • General Meeting • Extraordinary General Meeting 	<ul style="list-style-type: none"> • Annual • As appropriate
Individual Customers	<ul style="list-style-type: none"> • BI's Website • Social Networks • Branch Office Network • Communication Campaigns • Customer space for suggestions and complaints 	<ul style="list-style-type: none"> • Ongoing • Ongoing • Ongoing • As appropriate • Ongoing
Corporate Customers	<ul style="list-style-type: none"> • BI's Website • Social Networks • Branch Office Network • Communication Campaigns 	<ul style="list-style-type: none"> • Ongoing • Ongoing • Ongoing • As appropriate
Regulators	<ul style="list-style-type: none"> • Regulators' Specific Instructions • Requests for clarification • Participation in workgroups • Personal Supervision Actions • Production of reports • Public consultations 	<ul style="list-style-type: none"> • Ongoing • Ongoing • Ongoing • Ongoing • Ongoing • As appropriate
Suppliers	<ul style="list-style-type: none"> • Meetings and periodic contacts 	<ul style="list-style-type: none"> • As appropriate
Employees	<ul style="list-style-type: none"> • In-house Newsletter • Intranet • Training actions • Performance appraisals • In-house publications 	<ul style="list-style-type: none"> • Quarterly • Ongoing • Whenever opportune • Annual • Whenever opportune
Community	<ul style="list-style-type: none"> • Agreements with higher educational institutions 	<ul style="list-style-type: none"> • Annual
Transversal to all Groups	<ul style="list-style-type: none"> • Sustainability Report 	<ul style="list-style-type: none"> • Annual



PARTNERSHIPS AND INVOLVEMENTS WITH ORGANISATIONS

BI signed a “Cultural Bank Agreement” in partnership with the Ministry of Culture through the Autonomous Fund for Cultural Support/Cultural Bank, in April 2015, to fund national cultural projects with the objective of developing the artistic community’s business skills and multiplying allocations of funds for culture.

Pursuant to its involvement with other organisations, BI is an associate member of the following entities:

- CCISS (Eastern Cape Verde Chamber of Commerce, Industry and Services) – a private institution with “public utility status” with the main objective of promoting the domestic and international trade of economic operators, in general and that of its associates, in particular. This promotion involves a series of measures, ranging from the organisation of missions to other markets, supply of relevant information, *inter alia*.
- CCIASB (Western Cape Verde Chamber of Commerce, Industry, Agriculture and Services) – a business grouping of the Western region comprising the group of islands to the north of the archipelago of Cape Verde, with the mission of backing business based on setting up companies and promoting business competitiveness, in addition to defending the interests of economic agents and contributing towards the region’s economic development.

RELATIONS WITH SUPPLIERS

BI does not have a formal policy governing its management of suppliers. Common practice for the acquisition of products and services has been to use local suppliers whereas international suppliers are only contracted when any need or service cannot be supplied with the desired quality.

In addition to geography, another factor which could influence the selection of a supplier is knowledge of the existence of such a supplier and the quality of service provided in the past. In 2015, the proportion of expenditure on local suppliers was 76.4%, comprising an amount of kCve. 317,009. Expenditure in 2016, comprised 70.29% for a corresponding amount of kCve. 234,392.



Figure 11 – Suppliers and respective types of services in 2015 and 2016.



4. OUR DISTINGUISHING CHARACTERISTICS

4.1. BUSINESS ETHICS

4.1.1. CODE OF CONDUCT



Figure 12 – BI's Code of Conduct

Performance guided by principles of ethics and conduct is essential to the good operation of institutions and society in general and may have a positive or negative impact on their respective reputation and image.

BI's performance is based on pillars of conduct and business ethics as fundamental tools for the management of its brand, pursuant to which it has had a Code of Conduct since 2008. This document was latterly revised in 2011, and is a central feature of the activities of the Bank and its employees. The Code of Conduct, in Portuguese, comprises 34 articles designed to improve and incentivise good practice in the workplace and is therefore an essential instrument for formalising BI's ethical commitments. BI considers ethical conduct to be a factor of the utmost relevance in terms of retaining customer loyalty, its reputation, efficiency of productive processes and prudent risk management. In the performance of its activity and in its relationship with various interested parties, BI complies with the values, performance principles and standards of professional conduct set out in the Code. BI has mechanisms for disclosing information on its Code of Conduct, in the form of an internal regulation and its intranet, which are accessible to all employees. At the time of revision, each BI employee is also given a paper copy for their consultation and use. A copy of this document is also given to all new employees and trainees. BI's Code of Conduct is available to the general public on its website.

4.1.2. FIGHT AGAINST CORRUPTION AND MONEY LAUNDERING

The fight against corruption and money laundering was considered, in the materiality analysis carried out in 2015, to be the issue of greatest relevance for the Bank (see chapter 3.4 "Sustainability approach" which described the materiality exercise performed in 2015). BI is conscious of this issue's relevance owing to its potential negative impact on the economy, which may, in extreme cases, corrupt countries' political-financial systems and significantly affect their development. The law and regulation in force in Cape Verde require financial institutions to implement policies and procedures designed to protect their activity and avoid the misuse of the financial system for the purpose of money laundering and financing terrorism.



The prevention of this type of occurrence is therefore considered to be a structuring axis of BI's performance as the occurrence thereof could lead to damaging consequences for the economy, image and reputation of the Organisation, preservation of its integrity and the trust of its customers.

BI's permanent concerns in this area have led it to regulate its activity as a whole through disciplined management and the efficient and effective control of all performance areas, ensuring adequate internal validation systems and verification of compliance with its legal and regulatory obligations for the purpose, in order to avoid the occurrence of sanctions and/or financial or reputational losses which may result from compliance failures. Policies and procedures, on a national as well as on a European

Union level, as BI belongs to CGD Group, are imposed herein.

BI revised its Manual for the Prevention of Money Laundering and Countering the Financing of Terrorism, in 2013 and latterly, in 2016, bringing it into line with the legislation enacted in the meantime.

It has, in parallel, implemented a Prevention of Money Laundering and Countering the Financing of Terrorism programme to identify, mitigate and manage this risk. The programme has been further enhanced by compliance with national and international policies and procedures. Information on the principal procedures and policies implemented herein is set out below:

Knowledge and Monitoring of Customer	Politically Exposed Persons (PEPs)	Monitoring of Suspicious Operations	Communication of Suspicious Operations	Training	Independent Audit
Ensuring compliance with the duty to identify customers	Enhanced monitoring of transactions in which customers or beneficiaries are PEPs	Made by BI on the basis of its risk approach	Policies and procedures for communicating information on operations suspected of being crimes of money laundering and financing of terrorism	Training on the prevention of money laundering and countering the financing of terrorism	Internal audit is competent to assess compliance and analyse the application of all operational policies and procedures
Monitoring of customer transactions					

Figure 13 - Procedures for the prevention of Money Laundering and Financing of Terrorism



BI also has a collection of permanent measures for the prevention of repression of corruption in the form of procedures and internal regulations on opening and using deposit accounts, Bank employees' involvement in credit operations, control of access to privileged information, contracting for services, approval of expenses, external services, sponsorships and donations.

In the sphere of preventing and fighting corruption, reference should also be made to the fact, since 2011, BI, in the revisions of its Code of Conduct, introduced Article 34 in which it incentivises the internal reporting of irregular practice. Banco Interatlântico's adoption of CIPI ("Internal Communication on Irregular Practice"), in 2016, ensured confidentiality in terms of treatment in addition to non-retaliation against informants provided that complaints are made in good faith and not anonymously. This is in conformity with the guidelines issued by international and national authorities which generally recommend that companies, and particularly banking institutions, should adopt internal procedures, as an alternative to the usual reporting chain of command allowing employees to report their legitimate, significant concerns on matters related with the activity of the organisations in which they operate.

CIPI was also introduced in BI, in conformity with its own Code of Conduct (reflecting an internal regulation on Banco Interatlântico's Code of Conduct), namely providing for the values of transparency, responsibility and integrity, the principle of respect for standards on the protection of personal data, in addition to article 34 (which incentivises the internal reporting of irregular practices), which rules that BI should have an internal communication procedure on irregular practice alleged to have occurred in the sphere of its activity, duly regulated by a specific internal regulation.

A Policy for the Prevention and Management of Conflicts of Interest was produced and published in 2015. The policy defines the principles governing performance and standards of professional conduct to be complied with by the Bank, employees and relevant persons in the performance of their respective activities and functions and also defines the organisational measures and necessary procedures to ensure the adequate prevention and effective management of any conflicts of interest.

2016 was marked by a change of compliance procedures regarding the prohibition of

and limits on amounts of loans to members of the Bank's management and supervisory bodies as part of the adoption of principles and requirements for healthy, prudent management.

The Compliance Office is responsible for coordinating compliance risk management in BI and safeguards the good performance of procedures for the prevention of money laundering and financing of terrorism, as well as market abuse. It provides periodic assistance to the production of the internal control report and annual report on the activities of the Compliance risk area for the Executive Committee, identifying any non-compliances and respective remedial measures.

BI also has a Declaration on the Prevention of Money Laundering and Financing of Terrorism in which it reports the measures and respective national and international regulations it has adopted. Information is available to the general public at: www.bi.cv. In 2015, through its Compliance Office, BI trained 16 Employees (comprising 13% of its total workforce in December 2015) on the Prevention of Money Laundering/Countering the Financing of Terrorism.

Several initiatives with the participation of the Compliance Officer, were recorded in 2016, namely:

- Participation in the 4th Edition of the Workshop for Compliance Officers in CGD Entities, from 28 to 30 September;
- Participation in the Seminar for the Pre-Evaluation of the *GIABA* report on Cape Verde (Mutual Evaluation for Cape Verde will be evaluated for the 2nd time in 2017), from 6 to 9 December;
- A Seminar on the Prevention of ML/CFT attended by two BI employees, one from each branch, was held on Sal Island by the Financial Information Unit.

There were, however, no classroom training actions for BI employees, in 2016 owing to the impossibility of rescheduling the initially proposed actions due to a change in Cape Verde's legislation on AML/CFT and the Office was engaged on changing the regulations.

Although BI does not, as yet, have a systematic approach to the effective evaluation of its prevention of Money Laundering and Countering the Financing of Terrorism prac-



tice, no cases of corruption were reported in the period referred to in this Report. The sustainability commitments approved for the three year period 2016-2018 provide for the development of a training programme for the induction of new employees whose contents will include training and awareness-raising actions on the Bank’s respective policies and procedures, including a presentation of its Code of Conduct.

4.2. RISK MANAGEMENT

Risk was one of the issues under greatest consideration in the consultation process which took place in 2015.

In performance terms, BI adopts a prudent and proactive approach to the issue of risk management, insofar as it is a decisive factor for sustained growth and, consequently the success of its business. Risk Management in BI is aligned with that of CGD Group which is based on a governance model that simultaneously aims to respect best practice on the issue and enhance the solidity and effectiveness of the measurement, monitoring, reporting and control system of the risks incurred by the Group.

The Bank started work on an internal reorganisation project, in 2015, with the support of an external team for the production of procedural manuals in four of the institution’s key areas and regulations on the Internal Audit, Compliance and Risk Management Functions, the reformulation of its Organic Structure Manual (OSM) and the identification of flowcharts for its principal macroprocesses. Its implementation, scheduled for 2017, will make improvements to the institution’s internal organisation and consequently the mitigation of its different risks.

BI has been distinguishing qualitative guidelines for managing and monitoring the most important risks, which are highlighted in this chapter.

OPERATIONAL RISK AND INTERNAL CONTROL

BI defines operational risk as the “risk of losses resulting from deficiencies or failures of internal processes, human resources or systems or when deriving from external circumstances”; differentiating it from other types of risk, as it is not associated with

products or business, although it is present in processes and/or assets, and is generated internally (people, systems, etc.) or as a consequence of external risks such as the performance of third parties or natural catastrophes.

In alignment with CGD Group, the Bank has a governance model for operational risk management and internal control, designed to develop management capacities on these matters. The model is based on the identification, assessment, monitoring and mitigation of the risks, based on the following schematic representation.

The priority approach is, therefore, to identify and eliminate specific risks, whether or not they result in losses. The measurement thereof also contributes to the establishing of operational risk management priorities.

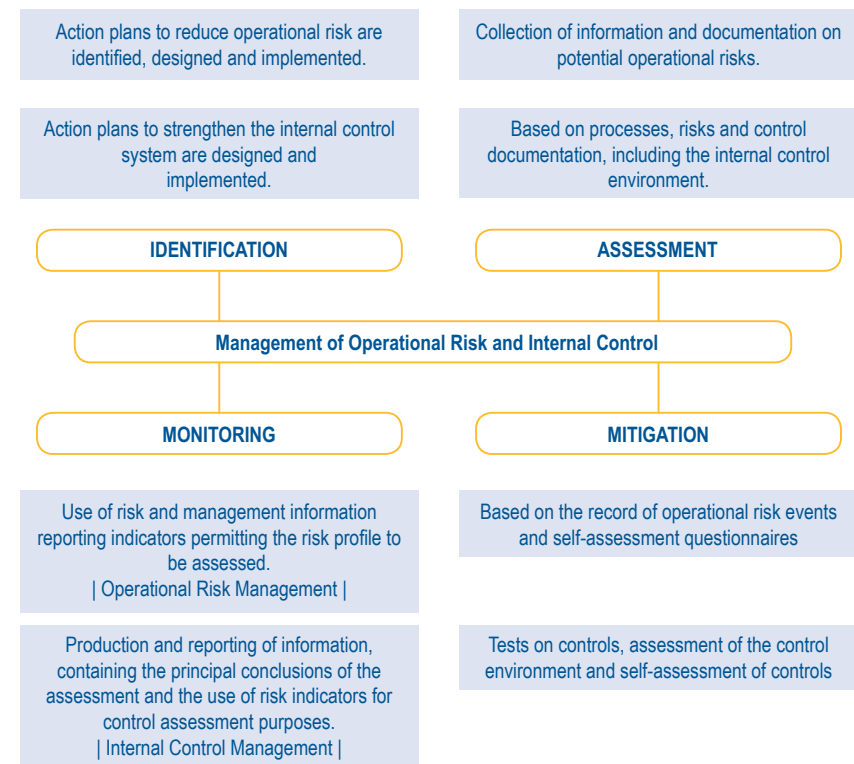


Figure 14 – Management of Operational Risk and Internal Control.



In parallel, BI has an Operational Risk Management and Internal Control Committee which is responsible for verifying conformity with the strategy and policies established on operational risk management and internal control, monitoring the management thereof and proposing action plans to the Executive Committee. The main responsibilities of the Operational Risk Management Area and Internal Control, which are part of the Compliance Office, are as follows:

- To develop and implement the strategy, policies and methodology for operational risk management and internal control;
- To assist the Board of Directors on the production of a report on BI's internal control system, indicating the internal control deficiencies identified during the course of its activity and centralising the contributions of other BI structural bodies.

These activities are closely articulated with the Risk Management Office, Internal Audit Office and Accounting and Planning Office and also consider the input of the Supervisory Board and External Auditor.

The Risk Management Office analyses, oversees, coordinates and controls all and any risk elements of BI's activity.

CREDIT RISK

Credit risk is the possibility of the occurrence of losses deriving from a customer's/counterparty's default on its undertakings to the Bank when related with a credit agreement. BI considers credit risk to be the main risk to which it is exposed owing to the nature of its business.

BI has the means to identify, assess and control its credit portfolio risk which encompasses all customer segments and which is present both at the time loans are made and when the respective risk is monitored, across the operations' lifespans.

Internal regulations on the management and control of credit risk define the levels of authority necessary in the decision to issue loans.

PREVENTION OF CREDIT DEFAULT RISK

The constant qualification of its credit analyses/processes is fundamental to enable BI

to achieve medium/long term improvements in mitigating credit risk levels.

BI has invested in the prevention and processing of Individual Customers' and Corporate defaults, over the last few years and therefore has a series of support procedures to assist customers with signs of financial distress.

The Bank strengthened the oversight of its credit portfolio, in 2015, particularly in its recovery of overdue credit and started to produce a collection of weekly and monthly tables to enable the commercial area to improve the systemisation of its overdue credit recovery process, as well as avoiding new defaults on operations.

CUSTOMER OVERSIGHT

A new business unit for the oversight of Special Customers, in the form of the Special Customers Unit was created at the end of 2015. A unit for overseeing customers at risk of legal action and with legal action in progress – "Customers with Judicial or Similar Procedures" – reporting to the Commercial Area, was also created.

The creation of these business units is part of the Bank's strategy to improve customer oversight, leverage its credit portfolio and improve overdue credit recovery.

The commercial area received training, in the same year, with the support of experienced CGD staff, with the objective of improving personal and professional aptitudes and leveraging improvements in the quality of service provided, by giving them the capacity to improve their knowledge of customers' needs and assist them in anticipating future default situations.

4.2.1. ANALYSIS OF ENVIRONMENTAL AND SOCIAL RISK WHEN MAKING LOANS

The Bank considers the incorporation of social and environmental considerations in its analysis and decision-making process on credit operations to be highly important insofar as the way in which loans are used has an impact on the local economy and society in general, pursuant to which BI approved its Environmental and Social Risk Policy, in 2015. This is now a part of the Global Risk Policy and Sustainability Policy



on loan applications associated with budgets for amounts of Cve. 50 million or more, notwithstanding the amount of the loans requested to fund the project.

In its endeavours to contribute towards the country's sustainable development, this document was produced with the following in mind:

- Reduction of poverty
- Satisfaction of basic needs
- Promotion of solidarity between populations and geographies
- Preservation of biodiversity, ecosystems and natural resources
- The fight against climate change

Figure 15 - Areas of interest to BI

The projects presented may be from different sectors of activities and be of different sizes. This explains why the environmental and social impacts of each are also different, taking into account preparation, development, creation, current management and end-of-life phases. The major risk categories provided for in the Environmental and Social Risk Policy are identified in Figure 16.

ENVIRONMENTAL RISKS

- Impacts on ecosystems and biodiversity
- Direct or indirect pollution of water, air, soil, noise and waste
- Impacts on the population's health and safety
- Impacts on existing natural resources
- Natural, technological and health risks
- Impact on populations' quality of life

SOCIAL RISKS

- Disrespect of fundamental Human Rights
- Existence of human trafficking
- Existence of sexual tourism
- Displacement of populations
- Existence of forced labour
- Conditions in the workplace
- Equal rights for the socially excluded
- Impact on cultural diversity

Figure 16 – Environmental and social categories and their impacts



The following non-financial components of the projects are analysed:

- Environmental and social impacts of the operations deriving from the investment;
- Inclusion of appropriate measures to prevent negative impacts, or mitigate and/or offset the impacts caused, if unavoidable;
- Monitoring the implementation of these measures during the performance of the project to be funded;
- Assessment of the efficacy and effectiveness of the proposed measures;
- Environmental and social impacts for which the promoter does not submit appropriate measures to prevent, mitigate or offset the impact caused;
- Inclusion on a list of sectors comprising areas of activity the Bank considers are not in line with sustainability principles.

Several projects are also automatically excluded for reasons related with the sector in which they operate.

The promoters of each project must fill in a questionnaire on the environmental and social impacts of their activity.

Upon completion of the analysis, each project is classified in accordance with the level of impact in accordance with its respective social or environmental category. For greater detail on the levels of environmental and social impact and their characteristics please consult the Sustainability Report for 2014 p.15.

If the loan is approved, intermediate reports on the implementation of environmental and social measures and their respective results are produced during the performance period.

There was no record of operations that could be subject to an appraisal of environmental and social impacts in the sphere of the application of this policy in 2015.

4.3. CUSTOMER RELATIONS

4.3.1. RESPONSIBLE COMMUNICATION

O BI oversees and permanently adapts its activity in line with the publication of new legal and regulatory obligations as well as recommendations and information on good practice as published by supervisory bodies, related with the transparency of customer relations and also operates in conformity with the values and principles set out in the Code of Conduct.

No new legal and regulatory obligations related with the transparency of customer relations were published in 2015 and 2016, as opposed to the preceding two years (see information on the respective regulation in force issued in 2013 and 2014 in the Sustainability Report for 2014 - chapter 5). As regards the advertising of BI's products and services, two new products covered by the legislation in force were launched in 2015, whereas in the following year, Internal Regulation 05/2016, which came into force in January 2016, was published in the corporate sphere.

Commitment to responsible communication and the clarity of information on products and services provided to customers have been further enhanced by BI's Code of Conduct. Several of whose articles have been highlighted below:

ARTICLE 16 – INFORMATION

BI shall provide true, clear, relevant and up-to-date information on its activity, namely as regards its economic, financial or equity status, as well as on matters referring to its corporate governance.

ARTICLE 17 – ADVERTISING AND MARKETING

1. BI shall provide clear, correct, accurate and accessible information on its products, services and respective costs, including fiscal costs, to enable Customers to make a free, considered choice.
2. BI's advertising and marketing actions, on its activities, products and/or services, are implemented in compliance with all legal and regulatory rules in force, as well as principles of truthfulness, transparency, balance and clarity.



Communication with its customers and interested parties always takes place through the usual communication channels, i.e. Branch Office Network and Offices and website, the latter including a vast range of information on the conditions attached to the Bank's offer.

In 2015, based on its Marketing and Communication strategy, the regulations pertaining to the CMPT (Communication, Marketing, Products and Technologies Committee) made up of the following permanent members, including officers in charge of the BI offices, were approved:

- Chairman of the Executive Committee (responsible for chairing the CMPT) and other members of the Executive Committee
- Image and Institutional Communication
- Marketing
- Financial Markets
- Risk Management
- Commercial Division overseen by the officers in charge of the Corporate and Individual Customers Offices
- Technology Office

Based on the issues dealt with in each section, members of other Areas of the Bank may be called upon to participate.

The CMPT is a decision-making body, responsible for discussing and considering matters related with the communication strategy, products and services and BI's technological development. Its main areas of responsibility are highlighted below:

MAIN RESPONSIBILITIES OF THE CMPT

- To discuss the guidelines for the definition of BI's institutional image as well as policies and general guidelines on sponsorships and public relations to be submitted for the approval of the Executive Committee and to control their respective performance.
- To promote and/or consider proposals for innovation in products, services, distribution networks and channels.
- To discuss pricing guidelines on products and services, including the respective forms of discrimination by channels and customer segments.
- To consider the Bank's competitive position in the market, in addition to its offer, levels of service and customer satisfaction.
- To consider the technical configuration and commercial policy for products and services, in addition to the respective proposals for change.
- To oversee and coordinate actions designed to ensure an integrated market approach, promoting cross-selling operations for products and services (including cross-border operations, exploiting its membership of CGD Group) and permitting the sustained growth in value of the Bank's customers.

Figure 17 – Areas involved in the CMPT

4.3.2. CUSTOMER SATISFACTION AND QUALITY OF SERVICE

As customer satisfaction and the quality of our service is one of the fundamental pillars of our activity, we always endeavour to adjust our way of doing business to meet their expectations.



The Bank’s model for managing and processing complaints gives it a perception of the quality of the service it provides, comprises an opportunity to improve its internal processes and helps to mitigate its operational risk.

Over the course of time BI has been improving the way it relates to customers in terms of complaints management. Customers are currently incentivised to formally set out their complaints or suggestions to which the Bank responds in the form of a communication signed by the chairman of the Bank’s Executive Committee.

BI complies with the rules and regulatory procedures published by the Bank of Cape Verde whose Customer Support Office, supervises the processing of complaints related with financial products and services. The internal complaints procedure is summarised below:

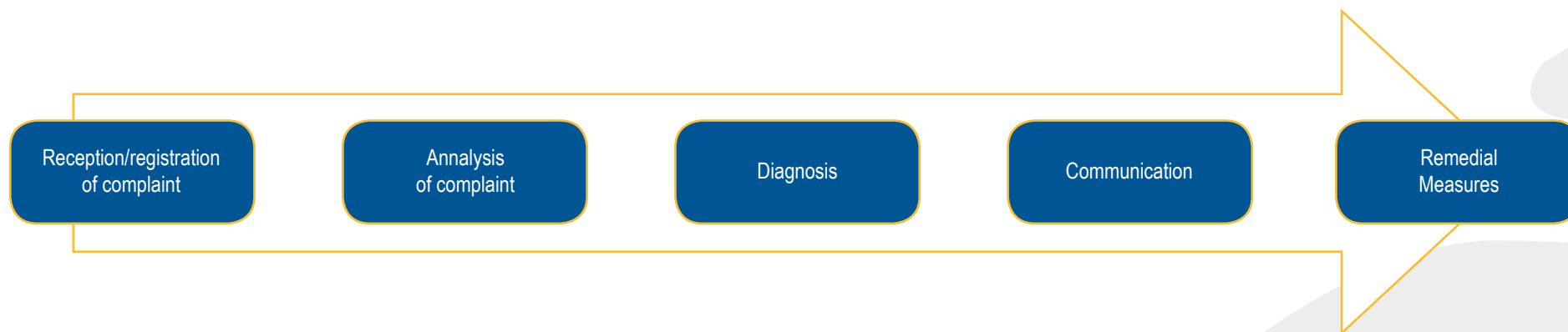
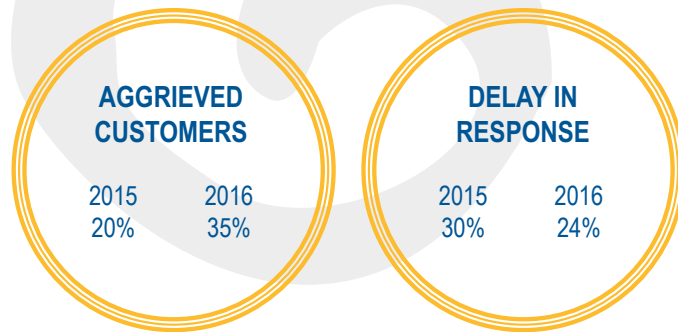


Figure 18 – Flowchart of complaints management and processing in BI

GAI – Internal Audit Office – is the Bank’s internal structural body responsible for the management of complaints and suggestions made by customers as well as the production of periodic reports with statistical information which are shared with other areas, namely those responsible for Marketing and Operational Risk management. GAI received 64 complaints from customers, in 2015, up by an approximate year-on-year 291%.

The Bank attributes a part of this increase to the fact that several of the complaints made by customers in past years were not processed by the formal complaints procedure. This is presumed to have occurred on a larger scale in 2015. 105 complaints were received in 2016, up 64% over the preceding year. The following table indicates the main reasons for and percentage of the respective complaints made by customers in 2015 and 2016:



A diagnosis of the above mentioned data shows that customers were vindicated in 76% of the complaints made in 2015 and 67% of the complaints made in 2016. Fourteen customer complaints were also accepted in 2015, resulting in indemnities amounting of Cve. 1,096,284.43 (Cve. 942,471.87 – in respect of chargebacks on VISA cards) for losses as well as the provision of an overdraft limit of Cve. 70,000.00, at 0% interest for a period of 6 months. In the following year, 35 complaints made by customers were accepted, resulting in an indemnity of Cve. 3,790,582.00 for losses.

In its concern to reduce the number of complaints in the future, BI organised training actions for the branch office network, in 2015, with the objective of improving its quality of service and customer care.

The processing of complaints enabled corrective and preventative measures to be taken and adequate responses to be given to complainants based on various explanatory letters sent by the Chairman of the Bank's Executive Committee, stressing the internal importance attached to customers' complaints and improving the Bank's image in the eyes of its customers.

All responses to complaints were sent to the BCV's Consumer Support Office (GAP), on the BCV's Extranet platform.

4.3.3. FINANCIAL INCLUSION

The issue of financial literacy and management of overindebtedness was the 3rd most referred to issue in the Social – Product area and comprises one of the aspects of the Bank's Sustainability Policy, approved in 2015. Owing to the Bank's recognition of its importance, endeavours are made to respond to the expectations of interested parties in undertaking to identify and implement initiatives to improve the literacy and financial inclusion of its customers and citizens in general.

The Bank's activity regarding this matter comprised its publication of the BCV's Financial Education Series Handbooks, since 2011. In the Customer Area of its website, these publications were produced in the sphere of the Bank of Cape Verde's Financial Education Programme. It also published the Payments System and Consumer Series Handbooks, in a joint effort with the referred to regulatory body to promote financial information in the country.

The Bank also developed internal projects, one of which consisted of the production of information leaflets on cheques, published in the Customer Area of its website since 2013 and through its branch office network, helping to improve knowledge and use of cheques as a means of payment.

In addition to the above referred to initiatives, BI, whenever possible, endeavours to promote physical access to its offer and financial inclusion. Several examples of its activity are given below:

- The opening of the Achada Grande Frente branch, in 2010, located in a major business hub on Santiago island;
- The country's second largest ATM network, in spite of the fact that it only covers four of the archipelago's islands;
- BI has provided its customers with its Bin@Net Internet Banking service since 2004. This service had 15,044 subscribers by 2016.



4.4. ENVIRONMENTAL PERFORMANCE

BI, in its concern over the planet’s sustainable development and ecosystems, endeavours to disseminate a culture of socio-environmental responsibility. In 2015, it approved its Sustainability Policy which it has used to lay the groundwork to consolidate its activity in respect of environmental issues, through two performance areas:

- Improving the management of use of natural resources;
- Implementing an environmental and social risk policy on credit and its investments as an economic agent.

BI implemented several initiatives, in 2015 and 2016, with the specific objective of improving its environmental performance in addition to several projects with more transversal objectives, but in which environmental efficiency was also considered, particularly:

- The new Datacentre. BI set up its own production and back-up Data Centres (DC), *in lieu* of those shared with other Companies. The new DC uses cutting-edge technological equipment in terms of cooling, with low levels of energy consumption, control of operational parameters such as humidity and temperature, together with other improvements. LED lighting is used. Work started on the process in 2015. It was completed in 2016;
- Acquisition of a machine for the adequate calibration of the tyres on BI’s vehicle fleet, helping to reduce its associated fuel consumption;
- Inclusion of environmental topics at internal meetings in order to raise employees’ awareness of the need to adopt good practice and environmentally correct conduct such as better use of energy resources;
- Study on the replacement of fax machines by multifunctional printers with the objective of reducing the costs of communications sent by fax and of consumables;
- Acquisition of printers with features designed to achieve the more efficient use of consumables and the equipment itself;
- BI also started to “virtualise” its physical servers. The changes will make an impact on reducing the energy consumption of this type of equipment, owing to a reduction

of the level of cooling requirements and occupancy of physical space. This policy is here to stay with the upgrade to the memory of these servers in 2016, enabling them to house more virtual servers;

- Assessment of the installation of solar panels on the Headquarters building to promote the use of renewable energies.

As regards environmental performance and in addition to the environmental indicators reported in the Sustainability Report for 2014, new indicators have been produced, taking into account the alignment of this report with GRI guidelines as well as the issues considered to be materially relevant in the environmental domain in accordance with the materiality analysis of 2015.

4.4.1. ENERGY AND EMISSIONS

BI continued to consume diesel fuel, in generators, in 2015 and 2016, in order to generate the electricity to supply its buildings as well as its fleet of vehicles in the event of power cuts. Figure 19 illustrates the diesel consumption of BI buildings from 2014 to 2016.

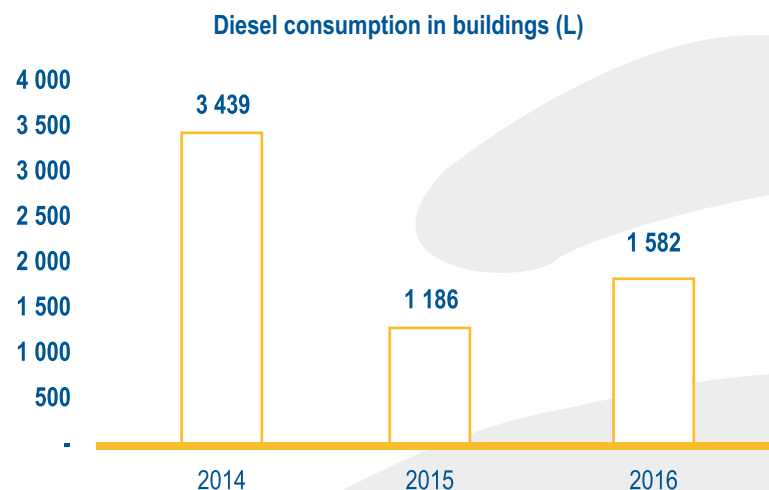


Figure 19 – Evolution of diesel consumption in Buildings (litres)



The consumption of diesel fuel in buildings between 2013 and 2014 was up 13%, owing to the occurrence of several power cuts across this period by the sole domestic supplier – Electra – as well an electrical connection fault in the Achada de Santo António building, that, in order to function, was forced to use a generator. Diesel consumption was down 54% between 2014 and 2016, as the supply from the grid normalised, with fewer power cuts.

The vehicle fleet’s petrol consumption (Fig. 20), was up by a considerable 67% in 2014, over the preceding year, owing to the acquisition of two new petrol engine vehicles. The petrol consumption figures, in 2015, however, remained relatively stable in comparison to the preceding year in recording a slight reduction of around 6%.

The increase of around 11% in diesel consumption, in 2015, is related with this year’s inclusion of the consumption of the vehicles of the Executive Committee, which had not been included in past years.

The year-on-year 2016 petrol and diesel consumption figures were down by around 32% and 9% respectively.

In global terms, total energy consumption in terms of fuel is set out as follows:

DIRECT ENERGY CONSUMPTION OF CENTRAL BUILDINGS (diesel)	
2015	2016
43 GJ	57 GJ

FUEL CONSUMPTION OF OWN FLEET (petrol and diesel)	
2015	2016
603 GJ	529 GJ

TOTAL ENERGY CONSUMPTION	
2015	2016
646 GJ	586 GJ

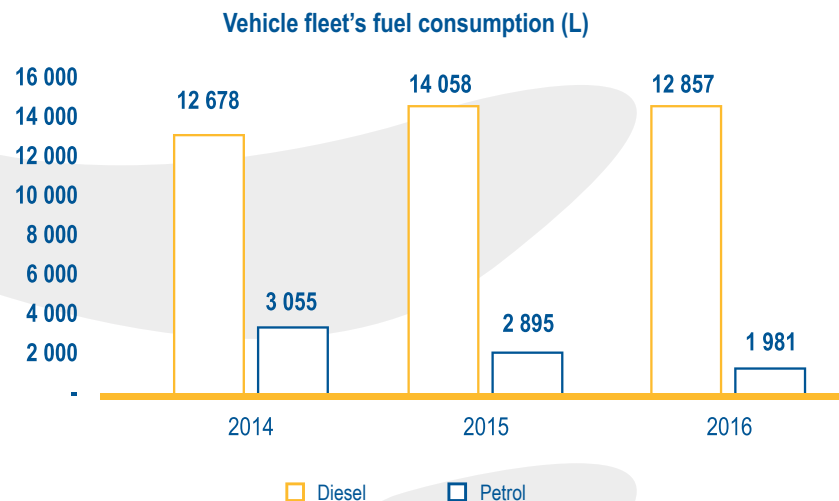


Figure 20 – Evolution of fuel consumption of vehicle fleet (litres)



Electricity consumption is down 5% since 2013. The decrease was less marked and particularly in the period 2014-2015 (by around 2%) as an eventual consequence of fewer power cuts on the national grid, already referred to in the preceding item, with a slight reversal of the situation in 2016 owing to an increase of around 4% in electricity consumption. The energy consumption reduction policy being implemented by BI and the adoption of an environmentally more correct conduct by its Employees are also potential reasons for the reduction of electricity consumption over the last few years. The evolution of electricity consumption (KWh) across the period under analysis is schematised in the following chart:

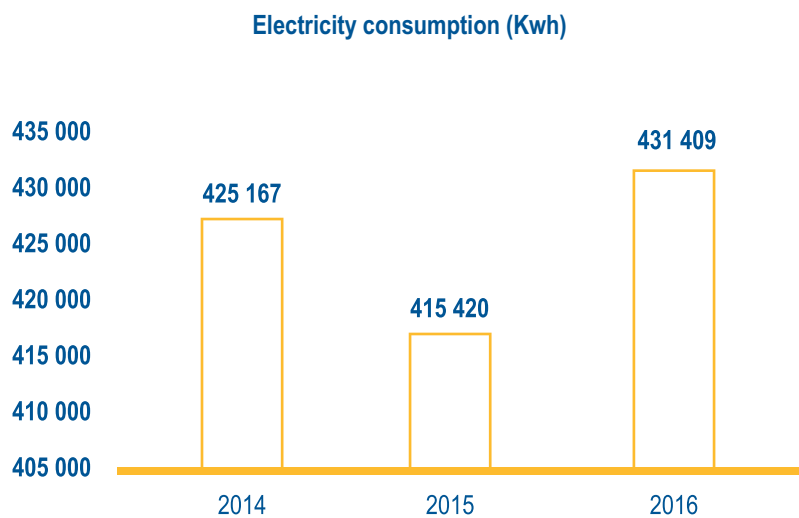


Figura 21 – Evolution of electricity consumption (kwh)

The total electricity consumption of BI's buildings, in 2015, was 1496 GJ (1553 GJ in 2016).

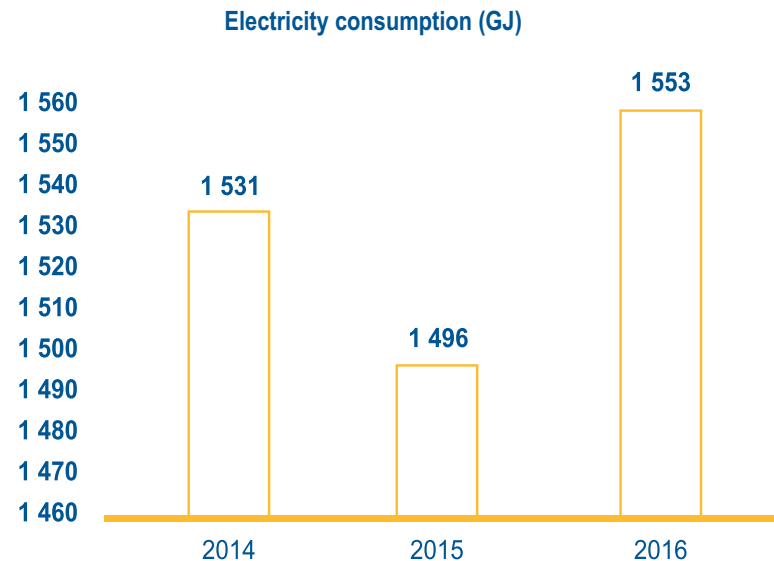


Figure 22 – Evolution of electricity consumption (gigajoules)

The energy consumption ratio for 2015 was 160 Kwh/m², against 166 Kwh/m² in 2016.

Taking CGD's Low Carbon Programme into account, BI started to account for its greenhouse gas emissions (GHG) in 2012, in accordance with *The Greenhouse Gas Protocol (GHG Protocol)*, as the reference methodology for quantifying greenhouse gas emissions. The calculation accounts for emissions from direct (scope 1) and indirect (scope 2 and 3) energy consumption, in conformity with the referred to protocol's classification. The following table identifies the sources of the GHG emissions considered for each of the referred to scopes.

Scope 1	Fuel consumption of buildings and fleet
Scope 2	Electricity consumption
Scope 3	Flights (travel on behalf of the Bank in third party vehicles)



There were no significant changes in scope 1 and scope 2 emissions which remained relatively stable over the period under analysis. There was a slight decrease in 2015 in comparison to 2014. There was a significant increase in the emissions originating from flights in 2015 and 2016, in comparison to emissions in 2013 and 2014 (> 60%).

Emissions of Greenhouse Gas (tCO2e)

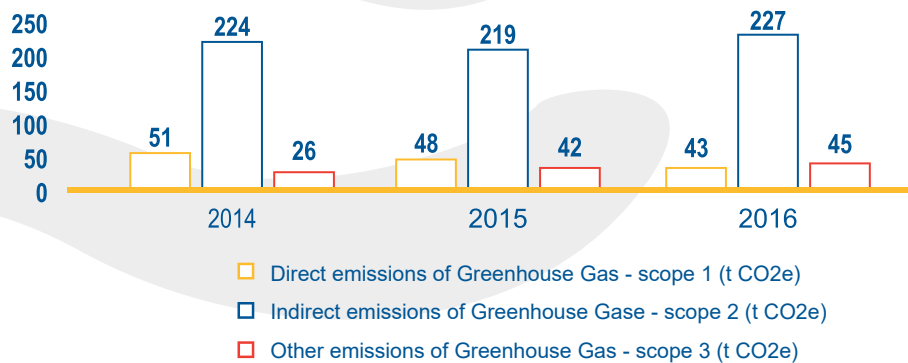


Figure 23 - Greenhouse Gas Emissions (tonnes of carbon dioxide equivalent)

The main reason for the increase is related with the higher level of frequency of travel of several members of the Bank's Statutory bodies to attend meetings of the Board of Directors.

4.4.2. WATER

All water consumed by BI is delivered from the municipal supply or by tankers. The use of tankers is essential for two reasons. The first involves water shortages on the public supply network (under the management of the Electra company) creating a need to arrange for a third party supply. As BI also has two branches which cannot be supplied by the network, the Bank is forced to use tankers.

Total volume of water consumption (m3)

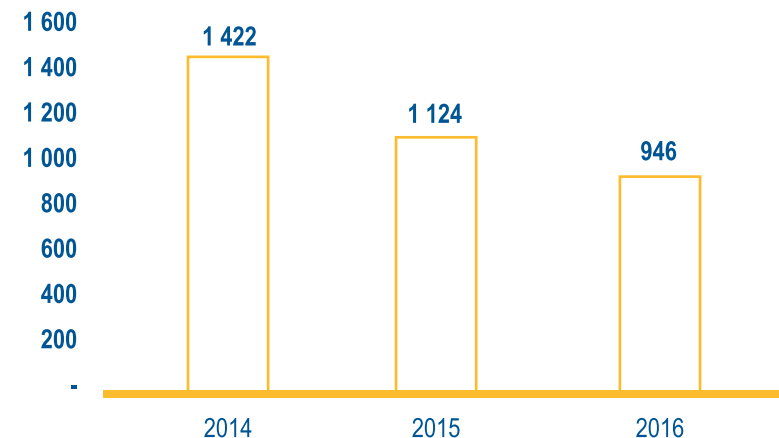


Figure 24 – Total volume of water consumption (cubic metres)

Water consumption from 2014 to 2015 was more than 20% down. A reduction in consumption of around 16% continued to be witnessed across the period 2015 - 2016. This reduction mainly derives from the repair of leaks on the water tank of the ASA branch.

Water consumption per employee in 2015 and 2016 was 8.9 m³ and 7.1 m³, respectively. These figures are lower than the year 2014 figure of 10.6 m³ per employee and



are, in part, indicative of the effectiveness of the work being performed with employees as regards the better use of this resource and greater concern over water wastage.

4.4.3. MATERIALS

The Bank has overseen and recorded its consumption of materials, since 2012 both in its central buildings and branch office network, namely on account of its contribution to reporting Sustainability indicators in the sphere of the production of Caixa Geral de Depósitos’s Sustainability Report. The most expressive consumption of material was white photocopying paper accounting for more than 95% of consumables, followed by envelopes which account for more than 2%, in the reporting period. The Bank, in its concern to achieve greater eco-efficiency in its use of materials, is engaged on developing initiatives which could help reduce consumption, several of which have already been defined (see table of commitments on p.22).

	2014	2015	2016
White photocopying paper	5.53	6.95	6.23
Envelopes	0.22	0.18	0.14
Plastic (bank cards)	0.03	0.03	0.03
Plastic cups	0.03	0.01	0
Advertising material: posters and leaflets	0.07	0.03	0

Figure 25 – Evolution of the consumption of materials (tonnes) in central buildings and branch office network.

4.5. EMPLOYEES

The Bank considers its employees to be one of the company’s principal assets and therefore manages the development of its human resources through its implementation of good social responsibility practice, non-discrimination, based on equal opportunity between men and women and invests in the advancement of their capacities and skills.

4.5.1. HUMAN CAPITAL

BI had a total of 133 employees, at 31 December 2016 (64% women and 3 trainees). There are no outsourced employees all of whom work on a full time basis. Around 67% of the total number of employees have an individual employment contract and only 42 employees have fixed-term work contracts.

The years have witnessed an increase in the size of the staff complement which has kept pace with the Bank’s growth and its effective needs in terms of human resources. BI does not have a policy or practice giving preference to local hirings. The Bank’s Top Management is nominated by the General Meeting of Shareholders. Starting 2015, with the addition of another two members on the Board of Directors (totalling 7), most of its members are recruited in the Cape Verde market. Hirings for first line functions are also conducted in the Cape Verde market.

2015
126 Employees



Under 30 years old	9	21
From 30 to 50 years old	33	59
More than 50 years old	3	1

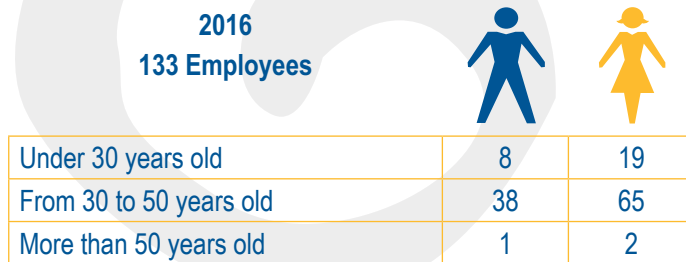


Figure 26 – Total employees by gender in 2015 and 2016.

There were nine new hirings in 2015, and an additional ten in 2016, accompanied by one and six exits, respectively. Information on the hirings and turnover rates by age band can be seen in Figure 27.

NEW HIRINGS RATE

	2015		2016	
Under 30 years old	11%	13%	38%	26%
From 30 to 50 years old	0%	3%	0%	0%
More than 50 years old	0%	4%	0%	0%

TURNOVER RATE

	2015		2016	
Under 30 years old	0%	0%	0%	16%
From 30 to 50 years old	0%	0%	2%	2%
More than 50 years old	0%	100%	0%	0%

Figure 27 – Hiring and turnover rates in 2015 and 2016.

The legal periods in force in Cape Verde are 60 consecutive days for maternity and 2 working days for paternity leave. Cape Verde's Labour Code (CLC) establishes maternity leave (article 271, nos. 1 and 2) in addition to a father's leave entitlement, in the event of a mother's death or a mother's physical or mental incapacity. In such circumstances it provides an entitlement to a maternity and paternity subsidy, respectively, calculated under the same terms (Decree Law 5/2004 of 16 February 2014, articles 40 and 41). The CLC (article 186 no. 2, sub-paragraph j) states that up to two absences by a father on the occasion of the birth of a child are justified.

In 2015, the return to work rate following maternity and paternity leave was 83% for women (not 100% as one worker only returned in 2016) and 100% for men. These percentages were the same as in 2014. The respective rates, in 2016, were 50% and 100% for women and men respectively.

Retention and return to work rates in 2015 and 2016

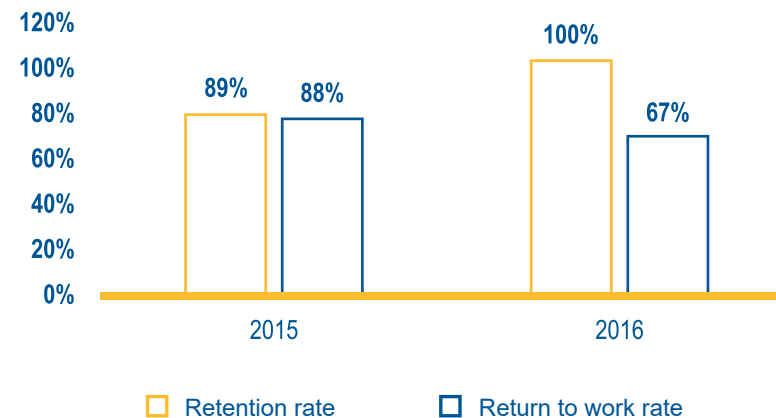


Figure 28 – Retention and return to work rates recorded in 2015 and 2016



The retention rate, in 2015, was 80% for women and 100% for men as opposed to a total rate of 100% for both genders, in 2016.

EMPLOYEE BENEFITS

BI provides its employees with the following social benefits as part of its social support policy.

LOANS TO EMPLOYEES

BI, as a financial institution, has defined a series of more beneficial conditions for loans to its permanent employees.

Consumer Credit

This type of credit is available to all BI employees who are members of the Bank's permanent staff complement and who, at the time of application, have completed 12 months of effective service on an open-ended employment contract. There are, however, other constraints which require employees not to be in default on loans that they should not be involved any disciplinary processes in progress and that they should not have had an unjustified absence from work in the last working year prior to their loan application. Employees who have retired from BI are also entitled to apply for a loan, subject to the same conditions as defined for active employees.

The loans are made for the following purposes:

- Healthcare: healthcare assistance for the uninsured part of the expenses incurred on the illness of a member of the family, provided that such expenses are eligible for part payments for this type of assistance or/and other expenses on the healthcare of a family member;
- A family's certifiably precarious situation;
- Funeral expenses of family members when duly justified;
- Exceptional expenses related to education and professional training;
- Expenses incurred on the acquisition of computer equipment for own use.

LOANS FOR THE ACQUISITION, CONSTRUCTION OF AND IMPROVEMENTS TO OWN HOMES

The loan eligibility criteria are generally set out in the consumer credit regulations, with the introduction of several variations in terms of the length of employment which, in this case, is 18 months. The repayment periods are defined with the aim of permitting the full repayment of the loans up to the month preceding the month in which the beneficiaries reach their 70th birthday or, if older, provided that this is accepted by the Board Member responsible for Human Resources.

Benefits which are not attributed to temporary or part time employees in BI are Employee Loans and Mortgage Loans, in light of the regulations in force, as well as career advancements, as set out in current Employee Bylaws. There are no other benefits enjoyed by full time employees that are not attributed to (any) part time employees.

OTHER BENEFITS

The Bank provides several other benefits, namely:

- Exemption from the payment of commissions on banking services, as BI customers;
- A 25% subsidy of the amount of fees payable for courses in Cape Verde, when considered to be of interest to the institution, for employees with a positive performance appraisal.
- Based on agreements entered into with establishments providing healthcare services, BI arranges for various specialist consultations for its employees, respective spouses or the like and children.
- Subsidies for employees who travel on the job with the possibility of choosing whether the subsidy covers accommodation, meals and transport.
- Employees' monthly salaries are paid 14 times a year, with the 13th and 14th months considered as benefits, subject to the discretion of appropriate instance for all employees, whatever their type of contract.
- Employees with certain management responsibilities enjoy the use of vehicles and a fuel allowance in addition to those to whom the attribution of such benefits justifies the better performance of their functions;



- Mobile phones and a respective call allowance are given to most employees in leadership positions;
- The Bank has given its support to social events and initiatives scheduled by BI's Employees Association, such as events which stimulate good interpersonal relationships of which special reference should be made to the Christmas party for employees and their children;
- Accidents in the workplace life insurance for all Employees, including professional trainees;
- Meal allowances.

4.5.2. TRAINING AND EDUCATION

BI considers Training and Education to be one of the guideline axes for its employees' development, pursuant to which, in 2015 and 2016, it arranged for internal and external training actions totalling:

TRAINING HOURS	
2015	2016
1104 H	874 H

There was an increase in the scope of training over the 634 training hours given in 2014. This indicator reflects the importance of its employees' training for the Bank, with the objective of providing continuous training and improving their knowledge. Information on the average number of training hours, by gender and functional category, is given in the following tables.



2015

Professional category	Total number of employees	Total number of training hours	Average number of training hours by professional category
Administration	0	0.0	0.0
Technical	14	286.5	20.5
Banking Employees	72	817.8	11.4
General Services Assistants	0	0.0	0.0
Total	86	1104.3	12.8



26 MALE EMPLOYEES
387.8 HOURS



60 WOMEN EMPLOYEES
716.5 HOURS

2016

Professional category	Total number of employees	Total number of training hours	Average number of training hours by professional category
Administration	0	0.0	0.0
Technical	15	364.3	19.2
Banking Employees	45	510.0	4.6
General Services Assistants	0	0.0	0.0
Total	60	874.3	14.6



23 MALE EMPLOYEES
361.5 HOURS



37 FEMALE EMPLOYEES
512.8 HOURS

BI performs an annual assessment of its training needs based on the filling in of a form specifying training needs which is distributed at the end of the year to all departments and analysed by the Executive Committee. The Bank provided its employees with a vast range of training actions in on diverse issues and various areas in 2015 and 2016. Several training actions were given, several of which by the Bank of Cape Verde and OPACC.

In general, training was given to 68% of the total number of employees in 2015 and 45% in 2016. BI also subsidised 25% of Masters and Postgraduate courses for two employees in 2015 as well as a Masters degree for another employee in the following year. The following table contains information on the training schedule for 2015 and 2016.



TRAINING IN 2015

- Fiscal reform in Cape Verde
- General Sustainability Training in Cape Verde
- Seminar on the fundamentals of risk management
- Training on the new IRPS and IRPC codes
- Special Regime for Micro and Small Enterprises
- *Workshop* on Measures for the Prevention of Money Laundering/Countering the Financing of Terrorism
- Training in IRFS
- Internal training – Customer reception services
- Internal training – Commercial Negotiations
- Internal training – Banking Operations and Techniques
- Internal training (GGR) – Loan Simulator – Individual customers
- Internal training (GFC) - Prevention of Money Laundering/Countering the Financing of Terrorism
- Practical Internal Audit Course
- Control Tests
- Seminar on Auditing and Internal Control
- Seminar on Logistics and Procurement
- Forum: “The role of Innovation in the Development of the Postal Services”
- Closure of the accounts for 2015 using the Accounts Standardisation and Financial Reporting System
- Basic Training in Statistical Classifications

TRAINING IN 2016

- Workshop: “Migration of the *Banka* R2.03 release to the *Banka* 3G release”
- Training: Exercise in closing the 2015 financial year 2015: Accounting and Fiscal Issues”
- Training: “Closing of accounts”
- Seminar on AML/CFT
- Training “How to prepare a Sustainability Report”
- Internal training: “Commercial Area”
- Internal training: “Bank’s Leading Representatives”
- Training: “*Sifox Backoffice*” and “*Sifox Deal*”
- 1st Global Session – Risk Management Function
- Seminar: *Basel II & Beyond*
- *Intercommunity 2016 Global Event*
- 4th *Workshop for Compliance Officers*
- Property Registration Operation
- National ML/FT Assessment
- Training Seminar: Pre-assessment of *GIABA* for Cape Verde

4.5.3. CAREER MANAGEMENT

Career Management activity is performed in line with the dispositions of the Employee Bylaws in force since September 2002, which include the BI’s Professional Advancement System. This regulation defines the rules governing access and advancement for each professional category and also establishes a table of functions performed on a secondment basis and respective regulations.



The Bank’s Professional Advancement Regulation was produced on the basis of principles such as flexibility and the functional and operational mobility of employees in order to create and develop conditions to enable human potential to make a decisive contribution to achieving the institution’s goals.

The principal objectives of BI’s Professional Advancement System are therefore:

- To leverage flexibility in terms of human resources management;
- To allow multidisciplinary performance levels;
- To provide each employee with a career path;
- To leverage horizontal and vertical mobility within the organisation;
- To incentivise best performance and encourage a positive competitive approach.

BI’s Professional Advancement System also includes Instruments for the Appraisal of Individual Performance which enable it, based on a performance appraisal programme, to perform an annual appraisal of its employees in terms of their skills, attitudes and achievement of objectives.

75% of employees were appraised in 2015 and 2016. The Executive Committee eliminated the inclusion of staff members assessed directly by the Board of Directors from

the scope of application of the Appraisal System in force as it considered the model to unsuitable for these employees.

Work also began on a process for updating career plans and employee Bylaws, in 2015, with the aim of adapting them to current circumstances.

4.6. COMMUNITY

Conscious of its social responsibilities and in the belief that the growth of its business will only be possible on the basis of the existence of a joint relationship with the communities surrounding the areas in which its services operate, BI remained strongly committed to social responsibility projects to meet the more emergent social needs, in 2015 and 2016. In the context of this social responsibility conduct, its second Sustainability Report described the principal involvement initiatives with the Community with the aim of achieving social inclusion and solidarity as well as to promote and develop knowledge and culture.

BI allocated Cve. 8,492,843.00 in 2015 and Cve. 5,505,447 to investment in the community, in 2016, under the sponsorship law, as follows:

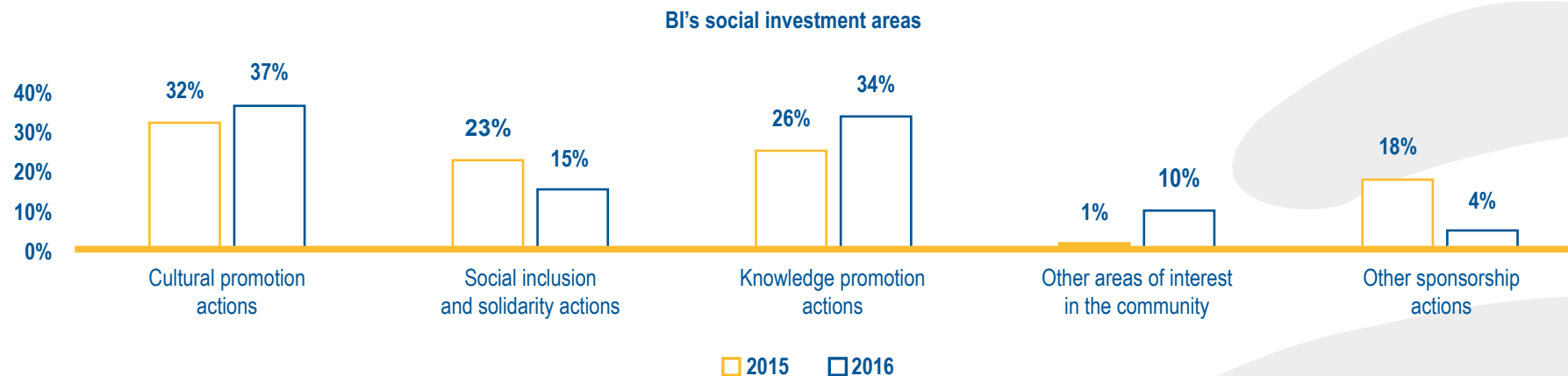


Figure 29 – BI's social investment areas



To operationalise its vision in terms of social responsibility, BI has built up partnerships with diverse social solidarity institutions based on donations and its social support. This has enabled it to develop lasting projects geared to reducing poverty and promoting equal opportunity. The projects backed by it have succeeded in helping the needier segments of local communities with which these institutions work, to the benefit of older people and children and contributing to their development in general terms. Donations were made to the following 12 social institutions in the same period:

2015	2016
ADCR-BI	<i>Aldeias Infantis SOS</i>
Padre Campos Foundation	Padre Campos Foundation
Operation Carinho	<i>Jardim Mini Black Panthers</i>
<i>Jardim Mini Black Panthers</i>	<i>Jardim Brincar e Crescer</i>
<i>Jardim Brincar e Crescer</i>	<i>Colégio Português</i>
<i>Infância Feliz</i> Foundation	<i>Abraço Verde</i> Foundation
<i>Criança Cabo-verdiana</i> Foundation	
<i>Aldeias Infantis SOS</i>	
<i>EPIF</i> Foundation	
Project <i>Lar</i> – Praia Rotary Club	

The following is a list of several social responsibility projects backed by BI in 2015 and 2016, highlighted on account of the special partnership built up with the Bank:

- **Black Panthers Association:** BI has been one of this association's partners since 2009. Founded in 1980 in the location of the Bank's headquarters (in Várzea da Companhia), its mission is to help the community's needier members while also training and keeping children and young people busy, mainly through sport. BI has sponsored the *Mini Black* nursery used by the organisation to provide meals, helping more than 60 underprivileged children to occupy their leisure time.

- **Padre Campos Foundation – Parish of *Santíssimo Nome de Jesus*:** Sponsored by BI since 2003. It has a kindergarten in São Martinho which gives shelter and supplies two daily meals to the neediest children from the two parishes of the municipal district of R^a Grande de Santiago, on Santiago island.
- ***Aldeias Infantis SOS* Cape Verde:** Sponsored by BI since 2008, this NGO was set up more than 30 years ago and takes in abandoned children, orphans or children in danger of losing parental control in addition to helping families in distress to assume their parental responsibilities.
- ***Jardim Brincar e Crescer*:** Supported by BI since 2009. Under the aegis of the *Amigos de Tira-Chapéu* Association which receives children from needy families and undertakes to look after them when their parents are at work.

BI's social commitment and institutional proximity relationship with these institutions, grows stronger as the year pass by.

2015 and 2016 were also years of cultural support. The Bank, herein, has sponsored various artistic and literary organisations such as the Mindelact Association and the *Academia Cabo-Verdiana de Letras*. In the sphere of music it has helped the artist Ricardo de Deus to launch his new CD *Vem de lá* and has encouraged the work of young singer Cremilda Medina. Its contribution to sport enabled *Club ABC* to take part in the International Senior Basketball Tournament. Information on institutions sponsored by BI, in 2015 and 2016, is given in the following tables:



SPONSORSHIPS IN 2015

- Internship bonus
- Cremilda Medina – *Noite cabo-verdiana* at *Hotel Trópico*
- Mindelact Artistic and Cultural Association – Book – Caplan Neves and 21st Edition of the Mindelact Festival 2015
- *5al da Música* – Homage to Cape Verde Woman’s Day
- Miraflores Educational Centre – 10th Birthday Commemorations
- Helena Centeio – Book – *Storia, Storia: Contos tradicionais de Cabo Verde-Ilha do Fogo*
- AJOC – Commemorations of Freedom of the Press Day
- IPP – II Strategic Dialogue
- *Casa das Bandeiras* – Replacement of the Foundation’s roof
- Portuguese Embassy – 6th Edition of *PORfesta* 2015
- French Embassy – Commemorations of the 40th Anniversary of Cape Verde’s Independence
- ADCR-BI – Commemorations of 1st May
- *Academia Cabo-Verdiana de Letras* – 1st ACL Magazine
- *Clube Desportivo ABC* – International Senior Women’s Tournament
- Fresco Produções – Book – *O Manduco*
- Hermínia Curado Ferreira – Book – *“Padre Campos, o Missionário do Espírito Santo”*
- José M. Correia – Book – *Nas Rotas dos Tubarões Azuis-40 anos da história da Seleção Nacional*
- Ricardo de Deus – Launch of CD

SPONSORSHIPS IN 2016

- *Academia Cabo-Verdiana de Letras* – Support for the setting up and operation of the institution, material support for initiatives
- Donana Foundation – Assistance to the Cape Verde Food Bank and training of 1st student on the “Education for Citizenship” course
- *Giri Bola* Association – Support for the *Liga Play* project
- Geraldo Almeida – Publication of the 4th Edition of the Civil Code
- *Casa das Bandeiras* – Support for the organisation of the *Nhô San Filipe* Festival 2016
- BI Employees Association - Commemorations of 1st May and Christmas Party for Employees and their children
- *Harmonia* – *Kriol Jazz* Festival
- Pedro Silva Baptista – Book launch – “Economic Diplomacy”
- IPP – Holding of the 3rd Strategic Dialogue
- Opening of Safende Space, Commemorations of Children’s Day – 1 June
- Fátima Bettencourt – Publication of book – *Prosas Soltas*
- Portuguese Embassy – 7th Edition of *PORfesta*
- Sandro Jorge Pimentel Barros (“Lubim”) – Charity event
- *Agência Cabo-Verdiana de Imagens* – Production of the 4th Edition of the *Eu posso ajudar* Gala
- *Cátedra Infante Dom Henrique de Estudos Insulares e Globalização* - Organisation of international conference; “Atlantic Island Cultures and Globalisation” as part of the 4th *Instituto dos Mares da Lusofonia* Congress
- *Chiquinho* project – Promotion of theatrical production: *Como quem ouve uma melodia muito triste*
- UCCLA – Meeting of Portuguese-speaking Writers
- Cremilda Medina – Launch of 1st single
- CNDHC – National Human Rights Prize
- *5al da Música*



The following schematic representation shows that for more than 15 years BI has been a partner in the most diverse areas and different spheres, with the aim of creating strategic partnerships backing culture, sport, education and social inclusion.

The Bank does not have a systematic means of assessing the impacts and local development of the projects sponsored by it but does have a very clear idea of the importance of these institutions to the communities they serve, based on a proximity approach it has maintained with them over the years.

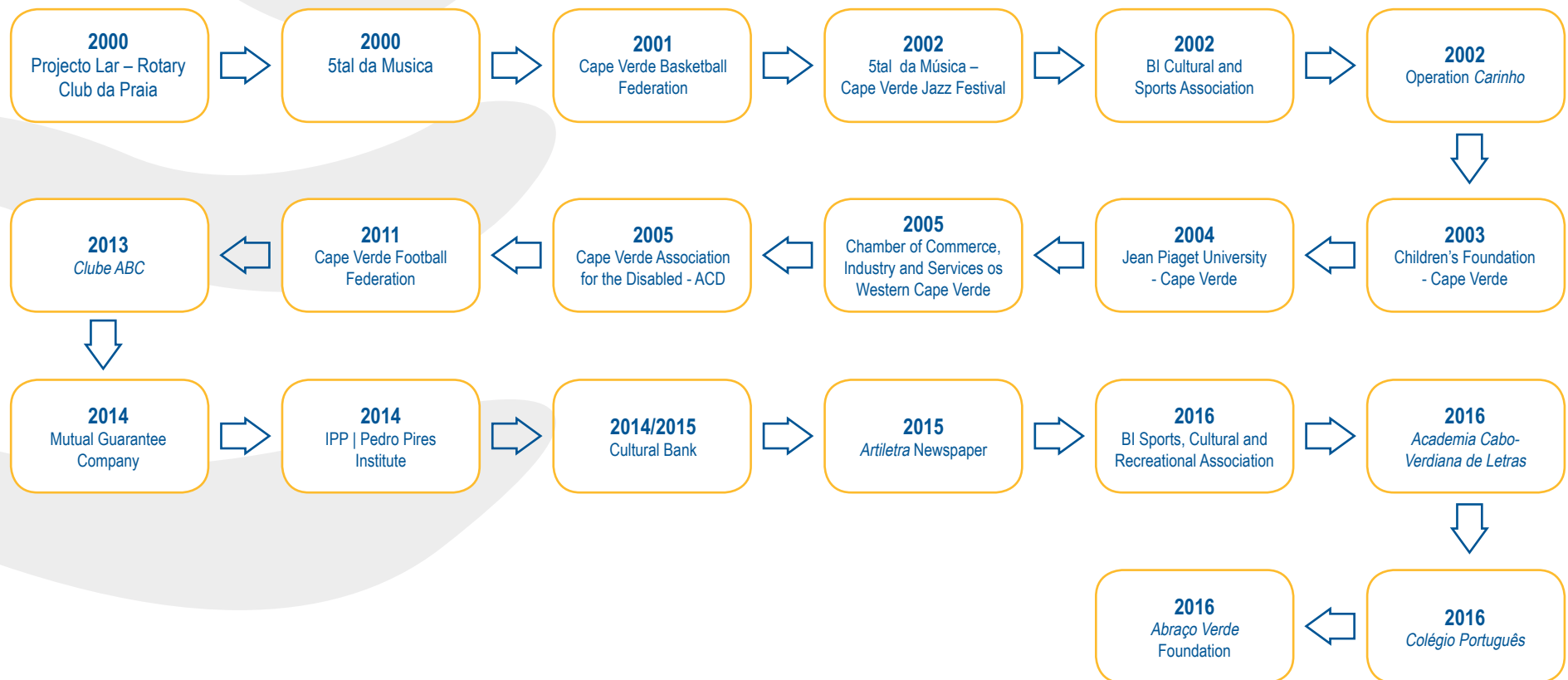


Figure 30 - Agreements entered into by BI in the sphere of its social responsibility policy.



5. APPENDICES

5.1. GRI INDEX

INDEX - PART A

Designation of GRI item		Response
STRATEGY AND ANALYSIS		
G4-1	Message from the organisation's board of directors	Sustainability Report 2015/2016, p.4.
G4-2	Principal impacts, risks and opportunities	Sustainability Report 2015/2016, pp.13-27, pp.33-35 and pp.39-45.
ORGANISATIONAL PROFILE		
G4-3	Name of organisation	Banco Interatlântico, SA (BI in short) Sustainability Report 2015/2016, p.5.
G4-4	Principal brands, products and services	Sustainability Report 2015/2016, p.10. Website: www.bi.cv : Individual customers » Solutions for Individual Customers http://www.bi.cv/Conteudos/Artigos/detalhe.aspx?idc=333&idsc=1689&idl=1 Companies » Corporate Solutions http://www.bi.cv/Conteudos/Artigos/detalhe.aspx?idc=334&idsc=1691&idl=1
G4-5	Location of organisation's headquarters	Avenida Cidade de Lisboa, P.O. Box 131, Praia, Santiago, Cape Verde.
G4-6	Number of countries in which the organisation operates and name of those in which its principal or most relevant sustainability-related operations are located	Sustainability Report 2015/2016, p.9. Annual Report 2016, p.17. Annual Report 2015, p.13.
G4-7	Type of ownership and legal form of organisation	BI is a public limited liability company, with Caixa Geral de Depósitos as its majority shareholder. Sustainability Report 2015/2016, p.8. Annual Report 2016, p.12. Corporate Governance Report, p.8. Annual Report 2015, p.8.



G4-8	Markets in which the organisation operates	Sustainability Report 2015/2016, pp.9 and 10. Annual Report 2016, p.17. Annual Report 2015, p.13.
G4-9	Size of organisation	Sustainability Report 2015/2016, pp.10-12 and pp.46 and 47. Annual Report 2016, p.30. Annual Report 2015, p.26.
G4-10	Workforce / labour	Sustainability Report 2015/2016, p.45-52. Annual Report 2016, pp.30 and 31. Annual Report 2015, pp.26 and 27.
G4-11	Collective wage-bargaining agreements	There are no collective wage-bargaining agreements in BI.
G4-12	Suppliers chain	Sustainability Report 2015/2016, p.27.
G4-13	Significant changes to organisation or its supply chain	There have not been any significant operational changes either to the supply chain or relations with suppliers in the years under analysis, in comparison to 2014.
G4-14	Precautionary principle	Several environmental indicators reflecting BI's environmental performance and showing the Bank's concern over adopting the use of natural resources in its sustainable management practice are reported. The Environmental and Social Risk Policy in BI's issue of loans, owing to the fact that it recognises that the principal environmental and social impact Bank can have on society is associated with the way in which the loans are used is also described in the Sustainability Report. Sustainability Report 2015/2016, pp.13 and 14. Website: www.bi.cv Institutional » Sustainability » Sustainability Policy http://www.bi.cv/upl/%7Bb3e02d1a-2acc-435c-b4cf-ec8b8bf0e2ec%7D.pdf



G4-15	Charters, principles or other external initiatives subscribed for by the organisation	BI started to adopt the sustainability report aligned with the guidelines of the <i>Global Report Initiative</i> in 2015. BI's majority shareholder – CGD – subscribed for the <i>Global Compact</i> as well as other sustainability initiatives. More information is available from its website at www.cgd.pt : Institutional » Sustainability » Partnerships and Subscriptions https://www.cgd.pt/Institucional/Sustentabilidade-CGD/Programas-parcerias/Pages/Programas-Parcerias.aspx
G4-16	Membership of associations	Sustainability Report 2015/2016, p.26

MATERIAL ASPECTS IDENTIFIED AND LIMITS

G4-17	Structure of organisation and limits of the report	This report encompasses the whole of BI, SA's activity.
G4-18	Definition of the contents of the report	Sustainability Report 2015/2016, pp.13-26.
G4-19	Material aspects	Sustainability Report 2015/2016, pp.15-26.
G4-20	Limits of the material aspects outside the organisation	Sustainability Report 2015/2016, pp.24-26.
G4-21	Limits of the material aspects inside the organisation	Sustainability Report 2015/2016, pp.25 and 26.
G4-22	Reformulations of information supplied in past reports	There is no record of any reformulation of information supplied in past reports.
G4-23	Significant changes in scope	This is BI's first sustainability report in alignment with GRI guidelines, in which, for the first time the production of a systematic identification of relevant sustainability aspects has been identified. The report was produced in conformity with the "essential" option of version 4 of these guidelines (GRI G4).

INVOLVEMENT OF STAKEHOLDERS

G4-24	Stakeholders involved in the Organisation	Sustainability Report 2015/2016, pp.16 and 17 and pp.25 and 26.
G4-25	Basis for the identification and selection of Stakeholders for involvement	Sustainability Report 2015/2016, pp.16-19.
G4-26	Approach for involving Stakeholders	Sustainability Report 2015/2016, pp.17 and 18 and pp.24 and 25.
G4-27	Principal topics and concerns raised when engaging Stakeholders and measures adopted by the organisation	Sustainability Report 2015/2016, pp.15-26 and pp.37 and 38. Customer Satisfaction in BI is measured by the complaints management process.



PROFILE OF REPORT

G4-28	Period covered by the report	The sustainability information referred to in this report is for the period between 1 January 2015 and 31 December 2016.
G4-29	Data of most recent preceding report (if any)	Sustainability Report 2014.
G4-30	Reporting cycle	Biannual.
G4-31	Contact for questions on the report or its contents.	sustentabilidade@bi.cv
G4-32	Summary of GRI Content and the "in accordance" option chosen by the organisation.	Sustainability Report 2015/2016, pp.57-72.
G4-33	External certification	BI's Sustainability Report 2015/2016 has not been externally certified. The information reported on several of BI's sustainability indicators was included in CGD's sustainability report for 2015 which was externally certified by Deloitte & Associados, SROC, S.A. The referred to information included in CGD's sustainability report has been identified in the "GRI Index 2015" available in CGD's sustainability area.

GOVERNANCE

G4-34	Governance structure of the organisation, including the highest governance bodies' committees	Annual Report 2016, p.13. Annual Report 2015, p.8.
--------------	---	---

ETHICS AND E INTEGRITY

G4-56	Mission, vision, values, principles, standards and conduct of the organisation related with economic, environmental and social aspects	Sustainability Report 2015/2016, pp.6 and 7 and p.27-40.
--------------	--	--



INDEX - PART B

BI Material Issue (P1) GRI Aspect	Code of GRI G4 indicator	Designation of GRI G4 indicator	Response
Brand Management and Reputation			Sustainability Report 2015/2016, pp.5-40.
Management approach			
Economic Performance			
Sectoral Financing Policies			
Management Approach			
Economic Performance	G4-EC1	Economic value generated and distributed	Sustainability Report 2015/2016, p.11.
	G4-EC3	Coverage of liabilities provided for in the organisation's pension/benefits plan.	BI did not have a benefits/pensions plan in 2015 and 2016. In BI, all of the Bank's employees subscribe to the national social security system and its retirement pensions for which the social security system is fully responsible.
	G4-EC4	Financial assistance received from the government	BI did not receive any financial assistance from the Government in 2015 and 2016.
Indirect Economic Impacts	G4-EC8	Significant indirect economic impacts, including the extent of the impacts.	Sustainability Report 2015/2016, pp.10-13 and p.27.
Portfolio	FS6	% of portfolio by business line and by specific regions, size and sector.	Sustainability Report 2015/2016, pp.10-13.
Sustainability Strategy and Commitments			
Management approach			Sustainability Report 2015/2016, pp.13-27.



Systemised Dialogue with Stakeholders			
Management approach		Sustainability Report 2015/2016, pp.15-27.	
Ethics and conduct			
Fight against corruption and Money Laundering			
Management Approach		Sustainability Report 2015/2016, pp.28-31.	
Fight against Corruption	G4-SO4	Communication and training on anti-corruption policies and procedures	Sustainability Report 2015/2016, pp.28-31.
	G4-SO5	Confirmed incidents of corruption and actions taken	No confirmed cases of corruption in BI in 2015 and 2016.
Risk Management			
General Conformity			
Management Approach		Sustainability Report 2015/2016, pp.31-35.	
Conformity	G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions deriving from non-conformity with laws and regulations.	There was no sanction/significant fine in BI in 2015 and 2016.
Clarity of information on products and services provided to customers (communication and responsible marketing)			
Customer satisfaction and Quality/excellence of products or services			



Customer Privacy			
Products and Services Conformity			
Management Approach			Sustainability Report 2015/2016, pp.35-38.
Labelling of Products and Services	G4-PR3	Type of information on products required by the organisation's procedures in respect of information and labelling of products and services and percentage of significant categories subject to such requirements	No new legal and regulatory obligations related with transparency in terms of customer relations were published in 2015 and 2016. Sustainability Report 2015/2016, p.36.
	G4-PR4	Total number of cases of non-conformity with regulations and voluntary codes related with information and the labelling of products and services, by type of results.	BI did not record any non-conformities with regulations and voluntary codes related with information and the labelling of products and services in 2015 and 2016.
	G4-PR5	Results of customer satisfaction surveys.	No customer satisfaction survey was carried out in 2015 and 2016.
Marketing Communications	G4-PR7	Total number of cases of non-conformity with regulations and voluntary codes related with marketing communications, including advertising, promotion and sponsorship by type of results.	BI did not record any non-conformities with regulations and voluntary codes related with communication and Marketing in 2015 and 2016.
Customer Privacy	G4-PR8	Total number of complaints and claims accepted	BI did not record any non-conformities related to breaches of privacy and loss of customer data in 2015. One complaint was recorded in this sphere in 2016.
Conformity	G4-PR9	Monetary value of significant fines applied owing to non-conformity with laws and regulations on the supply and use of products and services.	There was no sanction/significant fine recorded by BI related to the supply and use of products and services in 2015 and 2016.
Fight against climate change, energy efficiency, alternative energies and atmospheric emissions			



Eco-efficiency in the use of materials and water consumption			
Management Approach			Sustainability Report 2015/2016, pp.39-45.
Energy	G4-EN3	Energy consumption within the organisation	Sustainability Report 2015/2016, pp.40 and 41.
	G4-EN5	Energy intensity	Sustainability Report 2015/2016, pp.42 and 43.
	G4-EN6	Reduction of energy consumption	Sustainability Report 2015/2016, pp.39-43.
Emissions	G4-EN15	Direct greenhouse gas emissions (GHG) (Scope 1);	Sustainability Report 2015/2016, pp.43 and 44.
	G4-EN16	Indirect greenhouse gas emissions (GHG) from the acquisition of energy (Scope 2);	Sustainability Report 2015/2016, pp.43 and 44.
	G4-EN17	Other indirect greenhouse gas emissions (GEE) (Scope 3).	Sustainability Report 2015/2016, pp.43 and 44.
	G4-EN19	Reduction of greenhouse gas emissions	Sustainability Report 2015/2016, pp.44.
Water	G4-EN8	Total withdrawal of water by source	Sustainability Report 2015/2016, p.44.
Materials	G4-EN1	Materials used, by weight or volume	Sustainability Report 2015/2016, p.45.
Local Hiring of Employees			
Employment and working/labour conditions			
Training and Education for employees and career management			
Management Approach			
Presence in the market	G4-EC6	Proportion of top management members hired from the local community in operational units	Sustainability Report 2015/2016, p.46.



Jobs	G4-LA1	Total number and rates of new hirings of employees and employee turnover by age band, gender and region	Sustainability Report 2015/2016, pp.46 and 47.
	G4-LA2	Benefits granted to full time employees which have not been granted to temporary or part time employees by the organisation's important operational units.	Sustainability Report 2015/2016, pp.48 and 49.
	G4-LA3	Return to work and retention rates following maternity/paternity leave by gender.	Sustainability Report 2015/2016, pp.47 and 48.
Training and Education	G4-LA9	Average number of training hours per year per employee, by gender and functional category	Sustainability Report 2015/2016, pp.49-51.
	G4-LA10	Skills management and continuous learning programmes contributing to the continued employability of employees in the period of preparation for retirement	Sustainability Report 2015/2016, pp.51 and 52.
	G4-LA11	Percentage rate of employees regularly receiving performance and career development analyses by gender and functional category.	Sustainability Report 2015/2016, p.52.
Financial Literacy and Management of over-indebtedness			
Local Communities (impact on communities and financial inclusion)			
Activities of a social type on behalf of the community			
Indirect Economic Impacts			
Communication and partnerships with NGOs/SSI			



Management approach			
Local Communities	G4-EC7	Development and impact of investments in infrastructure and services offered;	Sustainability Report 2015/2016, pp.52-56.
	G4-SO1	Percentage rate of operations with implemented programmes for engaging staff from the local community, assessment of impacts and local development.	Sustainability Report 2015/2016, pp.52-56.
	FS13	Access points in low density or economically depressed areas by type	Sustainability Report 2015/2016, pp.9, 10, 52-56.
	FS14	Initiatives to improve the accessibility of low wage earners or the underprivileged to financial products/services	Sustainability Report 2015/2016, pp.9, 10, 52-56.

5.2. METHODOLOGICAL NOTES

G4 - EC5

The lowest salary paid by BI is Cve. **31,610.00**, corresponding to level A1I. BI did not have any employees at this level at 31/12/2016 with the lowest current employee level being **A1IV** (for an amount of Cve. 45,610.00). Considering this level, the difference between the lowest salary level in BI and the minimum national wage for men and women is 75%.

G4 - EC6

For BI, top management is the Bank's Board of Directors.

G4 - 10

There are no outsourced employees.

BI does not have any part time employees.

G4 - LA1

Turnover rate = (Number of exits during reporting period / Total number of workers at the end of the reporting period) x 100, by age band and gender

New hirings rate = (Number of new hirings / Total number of workers x 100, by age band and gender.

G4 - LA3

The calculation formulas are: Return to work rate = (Total number of employees returning to work after parental leave / Total number of employees taking parental leave) * 100, by gender

Retention rate = (Total number of employees retained 12 months after return to work following parental leave / Total number of employees returning from parental leave in the preceding reporting period) *100, by gender.



G4 - LA9

The average number of training hours per employee and professional category was calculated by the following formula:

Average number of training hours per employee per professional category = Total number of training hours by professional category / Total number of employees in each category.

Average number of training hours by gender = Total number of training hours by gender / Total number of employees of each gender

G4 - LA11

Employees in the staff complement for less than 6 months are not appraised unless otherwise decided by the Executive Committee.

G4 - EN1

Total quantity of most relevant materials by type, but without segmentation between the total quantity of direct, non-renewable materials, as this segmentation is not adequate to the services sector.

The unit weight of the reported materials was calculated by directly weighing the materials or based on the materials' specifications (grammes and sizes).

The data on white photocopying paper for 2015 is not directly comparable with 2014 and 2013 taking into account the fact that the consumption of this type of material by the branches located on Sal, São Vicente and Boavista islands was added this year.

G4 - EN3

Energy consumption was converted into energy units (GJ), using the conversion factors set out in the following table:

Conversion factors	Factor	Value	Source
Electricity	GJ/kWh	0.0036	International Energy Agency
Diesel	PCI (TJ/Gg)	43.000	GHG Protocol (August 2012) www.ghgprotocol.org/calculation-tools/all-tools
	Density (kg/l)	0.840	
Petrol	PCI (TJ/Gg)	44.300	
	Density (kg/l)	0.740	

G4 - EN8

Most of the water consumed by BI Cape Verde is delivered from the municipal network, with the exception of duly identified situations in which the water consumed is from tankers. The consumption of the Headquarters is included in Central Buildings as it is not possible to separate it from the consumption of several central services (SGE, Administration and GAL).

G4 - EN15, G4 – EN19

The following emission factors were used to calculate direct GHG emissions:



Conversion and emission factors for the consumption of fuel in buildings

	Units	Conversion factor	Source
Diesel	kg/l	0.84	GHG Protocol (August 2012) www.ghgprotocol.org/calculation-tools/all-tools
	TJ/Gg	43	
	Units	Emission Factor	
Diesel	kg CO2/TJ	74100	
	kg CH4/TJ	10	
	kg N2O/TJ	0.6	

Conversion and emission factors for own fleet's fuel consumption

	Units	Conversion factor	Source
Petrol	kg/l	0.74	GHG Protocol (August 2012) www.ghgprotocol.org/calculation-tools/all-tools
Diesel	kg/l	0.84	
Petrol	TJ/Gg	44.3	
Diesel	TJ/Gg	43	
	Units	Emission Factor	
Petrol	kg CO2/TJ	69300	GHG Protocol (August 2012) www.ghgprotocol.org/calculation-tools/all-tools
	kg CH4/TJ	10	
	kg N2O/TJ	0.6	
Petrol	kg CO2/GJ	74100	
	kg CH4/TJ	10	
	kg N2O/TJ	0.6	

G4 - EN16

The consumption reported in the E3 indicator was used to calculate the indirect emissions of scope 2. The emission factors used are set out in the following table.



Electricity consumption emission factors

	Emission Factor 2012 (g/kWh)	Emission Factor 2013/2014/2015 (g/kWh)	Source
Other Africa (2011)	0.527	-	File CO2 EMISSIONS FROM FUEL COMBUSTION – International Energy Agency
Other Africa (2011)	-	0.527	

G4 - EN17

On-the-job travel in third party (i.e. non-Bank) vehicles was used to calculate the indirect emissions of scope 3. The calculation methodologies are set out below.

Emission Factors for on-the-job travel third party (i.e. non-Bank) vehicles

	Unit	Emission Factor			Source
		CO2	CH4	N2O	
		(kg CO2)	(kg CO2e)	(kg CO2e)	
Flights – Domestic (<463km)	Pkm	0.165	0.0001	0.00163	2012 Guidelines to Defra/ DECC's GHG Conversion Factors for Company Reporting
Flights – Short Haul (>463km and <3700km)	Pkm	0.094	0.00001	0.00093	
Air – Short Haul – Economy Class	Pkm	0.09	0.00001	0.00088	
Air – Short Haul – Business Class	Pkm	0.135	0.00001	0.00133	
Flights – Long Haul (> 3700km)	Pkm	0.108	0.00001	0.00106	
Air – Long Haul – Economy Class	Pkm	0.079	0	0.00078	
Air – Long Haul – Business Class	Pkm	0.228	0.00001	0.00225	
Taxis	Vkm	0.205	0.00005	0.00177	
Motor vehicles (unspecified fuel)	Km	0.194	0.00011	0.00108	
Boat	Pkm	0.019	0.00001	0.00015	





Banco Interatlântico

Av. Cidade de Lisboa | CP 131 - A | Praia - Santiago - Cabo Verde

Telefone: + (238) 260 3684 / 261 4008 | Fax: +(238) 261 4253 | E-mail: bi@bi.cv | Site: www.bi.cv

