



2019/ **2020**

SUSTAINABILITY REPORT

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MARCO BELO GALINHA
Chairman of the Board

BUILDING A BETTER FUTURE

“The BEL Group aspires to consolidate the foundations necessary to create a better future for the coming generations and to that end, we are well aware of the role and social and environmental responsibility that our companies must undertake and commit to”.

MESSAGE FROM THE CHAIRMAN



In its role as an aggregator of various companies operating in different sectors, our group has characterised itself by an ongoing desire to improve on a daily basis through the common efforts of each and every one.

Today we are a strong group and want to continue to believe in an auspicious and encouraging future, based on innovation, social responsibility and the excellence of our products and services.

We believe that the future of the coming generations is influenced by what we do today

The survival of a company does not depend solely on pure management logic focused solely on profit, but also on the connections, commitments and values which are established and shared with the community.

The BEL Group is thus guided by principles which arise from responsible entrepreneurship, commitment to people, society and environmental development. This, and pledging our best efforts to establish relations guided by values which inspire us and support our ethical, transparent and socially responsible

management, which creates a wealth of solidarity shared with the community.

We face problems as challenges and we seek recourse to talent and everyone's efforts so as to overcome them, while also respecting commitments to clients, suppliers, the workforce and other stakeholders who believe in our work and pledge to do ever more and ever better.

Growth, innovation, competence, trust, sharing, responsibility, discipline, ethics, entrepreneurship, union, professionalism, competitiveness, transparency are more than mere words. They are dimensions which we assimilate as inspiration within our companies and as the heritage of the BEL Group."





Never like today have organisations had so many tools at their disposal to contribute to a future with greater security, more access to knowledge, more technological development, more social equality and structures which allow for a better quality of life.

It is precisely for this auspicious future that we are fighting on a daily basis and in the ever increasing sustainable context with which we identify. We are genuinely committed to that sustainable objective. This year the BEL Group signed the **United Nations Global Pact**, and committed to a formal involvement in business management practices and universally accepted principles as regards human rights, labour issues, environmental protection and anti-corruption, through the implementation of fruitful and responsible relations with the various social actors – from Governments to citizens.

***We are working for
a more sustainable future***

In a specially challenging year for humanity, marked by the pandemic caused by the SARS-COV-2, the BEL Group is focused on contributing to a society in which the values of sharing and ethics, responsibility and transparency must be even more seriously asserted. It is in this context that the reporting of non-financial information, which we are now publishing, publically confirms that our companies are built on and by people for people, undertaking a commitment to sustainability on every page, with the certainty that all our actions reflect on a very near future.

**Cooperation, sharing, ethics, responsibility
and transparency are essential
to the BEL Group**



**United Nations
Global Compact**



INTRODUCTION

Focused on the challenges of climate change and on the social and economic demands, which year on year bring cultural differences in clients, partners and other stakeholders to a market which is gradually marked by global threats. In addition there is a constant quest for balance between promising advances in science and the need to guarantee that we act responsibly in the access and use of our planet's resources. **The BEL Group is thus publishing its 2019-2020 Sustainability Report, and reporting its results in the fields of governance, society, economics and the environment.**

“Sustainability is an imperative of companies today – It is essential for success over time and to guarantee that value is created and passed on to society. In order for companies to be sustainable, they need must assume responsibility for (...) developing their operations, responsibly and in compliance with universal principles and act in such a way, as to achieve social consensus in its support. Then so as to include sustainability in their DNA, companies must commit at the highest level, report their progress annually and assume commitments in the community in which they operate”.

United Nations, Shaping a sustainable future, p. 7.

*Sustainability is an imperative for
the companies of today*

Environmental concerns are an unavoidable issue in today's societies. It is urgent that we act responsibly and encourage all those around us to purchase from fair markets, collaborate with the community, support the knowledge economy, and contribute to human development thus guaranteeing the progress of people, family networks and institutions. If until now we presented products and services to the market, which by their very nature, promote growth and development, today we are going further and communicating our effective contribution to the fairer and more balanced society that we all crave.

Concerns with sustainability are present in the decisions that we take

In a context where social inequalities raise awareness, in the entire world, and demonstrations and a demand for a voice by the most diverse social groups, we observe a direct relation between the economic effects of climate change and the increase in social disparities, with growing concerns for the increase in poverty amongst the poorest populations and groups. In

this context the BEL Group asserts itself with a long term vision on sustainability, a concept which we have defined as the responsible and appropriate use of the available natural resources so as to satisfy current needs without endangering the satisfaction of the needs of future generations, in an involvement with the world which combines social, economic and environmental dynamics.

We are aware that, given the international trends in matters of sustainability and social responsibility, countries have already started to adopt the available tools and policies and carrying out investments with the aim of reinforcing resilience in the face of climate change and accepting that the old methods are markedly inefficient. We are witnessing models of governance and of management which have since the beginning of the twenty-first century, been alert to what Porter called "shared value". This concept has evolved towards models which will go well beyond the economic and financial objectives of organisations and Governments; we are also seeing the emergence of ever more conscious and well informed consumers, who demand that companies act responsibly in their operations.



Agenda 2030 defines clear objectives as the way forward and it is precisely on this path that the BEL Group finds itself, boasting an encompassing and responsible vision and aspiring to an effective contribution to improved living conditions for people and for a decrease in asymmetries between social groups.



By committing to a governance model for sustainability, the BEL Group remains faithful to its mission: “creating value with values”. This ethical dimension underlies all the social, environmental and economic concerns affecting the decisions taken in regards to the whole community of stakeholders

We have thus signed the UN Global Compact and as such, the BEL Group assumes the current principles of the Universal Declaration of Human Rights¹, the Rio Declaration on Environment and Development², and the International Labour Organisation Declaration on Fundamental Principles and Rights at Work³ and the United Nations Convention Against Corruption⁴. The companies comprising the BEL Group support and respect the protection of Human Rights as recognised internationally, as well as non-participation in violations of those rights. At the BEL Group, we accept concerns with the environment and adopt practices and business models which are geared to, and focused on, that objective.

¹ https://www.ohchr.org/en/udhr/documents/udhr_translations/por.pdf

² https://www.un.org/esa/dsd/agenda21_spanish/res_riodecl.shtml

³ https://www.ilo.org/public/english/standards/declaration/declaration_portuguese.pdf

⁴ https://www.unodc.org/documents/lpo-brazil/Topics_corruption/Publicacoes/2007_UNCAC_Port.pdf



In the various operational areas of the Group we guarantee:



The BEL Group is also highly involved in social transformation projects, undertaking active social responsibility in its interactions with the surrounding community.

In this Sustainability Report, the reader will have access to information on the group's projects, the non financial results and the impacts of all activities within the communities, and establishing a relation between the principles of inclusion and with the concepts of relevance and responsibility in compliance with the Accountability Principles Standard (2008), particularly in the approach, implementation and actions according to material topics as well as the identification of the different interested parties.

We are presenting a reporting structure in the "**core**" version in compliance with the guidelines of the Global Reporting Initiative Standards, with data pertaining to the period ranging from 1st January 2019 to 30th August 2020.

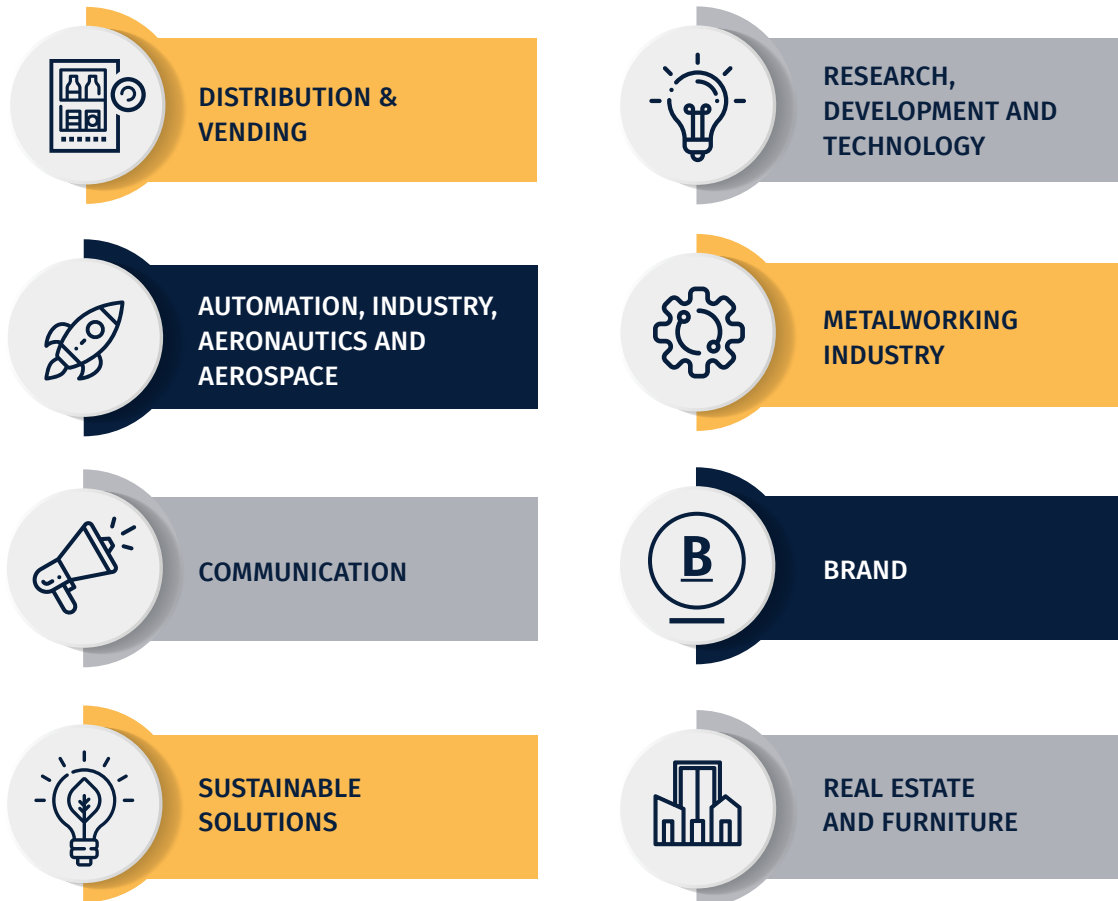
In order to maintain the level of trust and transparency for which the BEL Group is recognised, the current document has been submitted to external and independent scrutiny. Certain that the information it contains has to be the most complete and accurate possible, we published the detailed information on the BEL Group results in the Financial Report.



THE BEL GROUP

1.1. The BEL Group

Founded in 2001, the BEL Group comprises various companies with national and international recognition which operate in major business sectors:



Over the last 18 years, the BEL Group has grown exponentially, both as regards the organic development of the original companies, as well as via the important acquisitions which have strengthened Group's consolidation.

The BEL Group has grown through investment in the area of distribution and vending, sectors which had been its core business. Today however, the Group has grown far beyond these sectors, and has developed its operations and intervention into traditional industrial sectors such as, industry 4.0, real estate, media, polling, market research and a very strong R&D component.

One of the most important sectors in the Group is real estate, with a strong orientation and vocation for sustainability

Investment in new business sectors has proven to be the foundation stone of the development and diversification of the BEL Group. The Group is guided by the attitude of sustainable and socially responsible growth across all its business operation and activities. Particularly in the aerospace and automation sectors, of ever-growing importance in the twenty-first century, focusing state-of-the-art technological development and advanced research, essential contributions both for BEL Group companies, as well as for competitiveness in the technology and financial markets.



1000
hectares of
sustainable
intervention

Today there are projects under development which comprise over 1000 hectares of intervention, with particular focus on energy efficiency of buildings; the production of solar energy, which leads to the optimisation of mobility via electrical power; the programmed use of soils and ordnance; efficient management of water resources, specifically through water recycling; monitoring and protection of ecosystems, among other environmental aspects.

The communications sector is also one of the Group's long term business focus and which recently materialized with the buy-in into the Global News – Media Group. The BEL Group recognises that this is a sector undergoing a mutation phase. Media groups are testing new business models and creating synergies within the groups themselves, reducing expenditure with human resources, seeking to adapt to the new context characterised by innovation and the need to meet the challenge of reduced advertising revenues – their major source of financing in the recent past, together with the sale of content. However, despite the complexity and difficulty of this sector, it remains one of the pillars of democracy in the “post-truth” era. Never has information been so accessible, but neither until now, has its credibility ever been so questioned. In the light of all this, we deem the excellence of journalism more necessary than ever before. For decision-making and forming public opinion we need credible, quality journalism which informs on what is happening, not just where, when and who, but also how and why and in what context.

The BEL Group has entered into this business sector because it believes in an independent, trustworthy and plural journalism which recognises that the scrutiny it permits is one of the greatest allies of the State and of democracy.

As part of its guidelines, the BEL Group has reinforced investment in the interior of the country in the form of various projects in new industrial and distribution units and the contracting of human resources. The Group also has initiatives at an international level, to be reported on at a later date when the investment demonstrates enough relevance to be included in the Sustainability Report.

MISSION

At its core the BEL Group aims to create companies of value as a mission! Businesses which define us as people who carry within us an unassailable ethical dignity, continuously striving to guarantee the total satisfaction of our clients, suppliers and employees.

*creating companies of
value with values!*

At the BEL Group, work is not just carried out by people, but also for people, with the firm objective of reaching a solid level of social and economic development, which will constitute an honourable heritage for future generations and not a burden that they must bear.

VALUES

The values undertaken by the BEL Group represent the principles which fundament and are at the heart of our business operations. They are cardinal points which prevents us from straying from the path that we consider more ethically valid and responsible.

Values are fundamental principles of our corporate activity:



PURPOSE

We are living in a period of transition in which the public understanding of corporate purpose is becoming crystallised as long term creation of value, founded on its social value. As a business group, ESG concerns – environmental, social and governance – have been an integral part of our decision making process.

***A Corporate Group which
inspires and cares***

We want to be and to inspire our stakeholders to be the best version of them.



1.2. The BEL Group in numbers



TURNOVER

2019

261 M€

Until August 2020

236 M€

ASSET VALUE

2019

84 M€

Until August 2020

121 M€



Production of ELECTRICAL POWER (SOLAR)

2019

88 596 MJ

Until August 2020

192 830 MJ

Ratio of ENERGY INTENSITY

2019

2,35 tep/M€

Until August 2020

1,31 tep/M€

Consumption ELECTRICITY

2019

4 647 348 MJ

Until August 2020

3 609 021 MJ



WASTE Production

2019

9,11 t

Until August 2020

1,01 t

FOSSIL FUEL Consumption

2019

322,05 t

Until August 2020

182,49 t



TAP WATER Use

2019	Until August 2020
2022 m ³	2137 m ³

PAPER USE

Reams of Paper 2019	Equivalent Trees 2019
4498	176
Until August 2020	Until August 2020
2737	107



Total	
HUMAN RESOURCES	
2019	Until August 2020
454	422



INVESTMENT R&D 2019 e 2020 (until August)
1,14 M€



Number of WORKPLACE ACCIDENTS

2019	Until August 2020
7	8

Rate of WORKPLACE ACCIDENTS

2019	Until August 2020
8,50	13,84
(WHO rate)	

FATALITIES

2019	Until August 2020
0	0

1.3. Corporate Governance

At the BEL Group we believe that corporate sustainability begins with its values and in the way that it projects them on all its actions and operations.

The BEL Group Board of Directors manages the group in compliance with the modern demands and principles of corporate governance, guided by a set of values and principles which densify the most demanding standards of ethics and integrity applied to management.

The BEL Group is oriented by a management philosophy centred on people and guides its decision making process by ethical responsibility.

Corporate Governance is supported by a Code of Ethics which comprises principles, values, basic guidelines and structural ethical coordinates, on which the institutional culture of the BEL Group defines itself.

The management guidelines of the BEL Group are founded on the above principles and performance dimensions.

All the Directors and employees of the BEL Group companies have a special duty to carry out their roles in such a way as to guarantee the highest standards of ethics, professionalism,

competence, integrity, loyalty, zeal, responsibility, efficiency, transparency, honesty, collaboration and confidentiality in compliance with the rules of the Code of Ethics and Conduct and all other internal regulations.

The values of the BEL Group represent the principles which fundament its action and stand at the heart of its corporate operations and in the relation it establishes between directors, employees, partners, community and other stakeholders.

These values are the compass which guides the Group's path and which provide material and axiological sense to its whole performance as founding tenets which comprise the roots of the genetic code of the BEL Group.

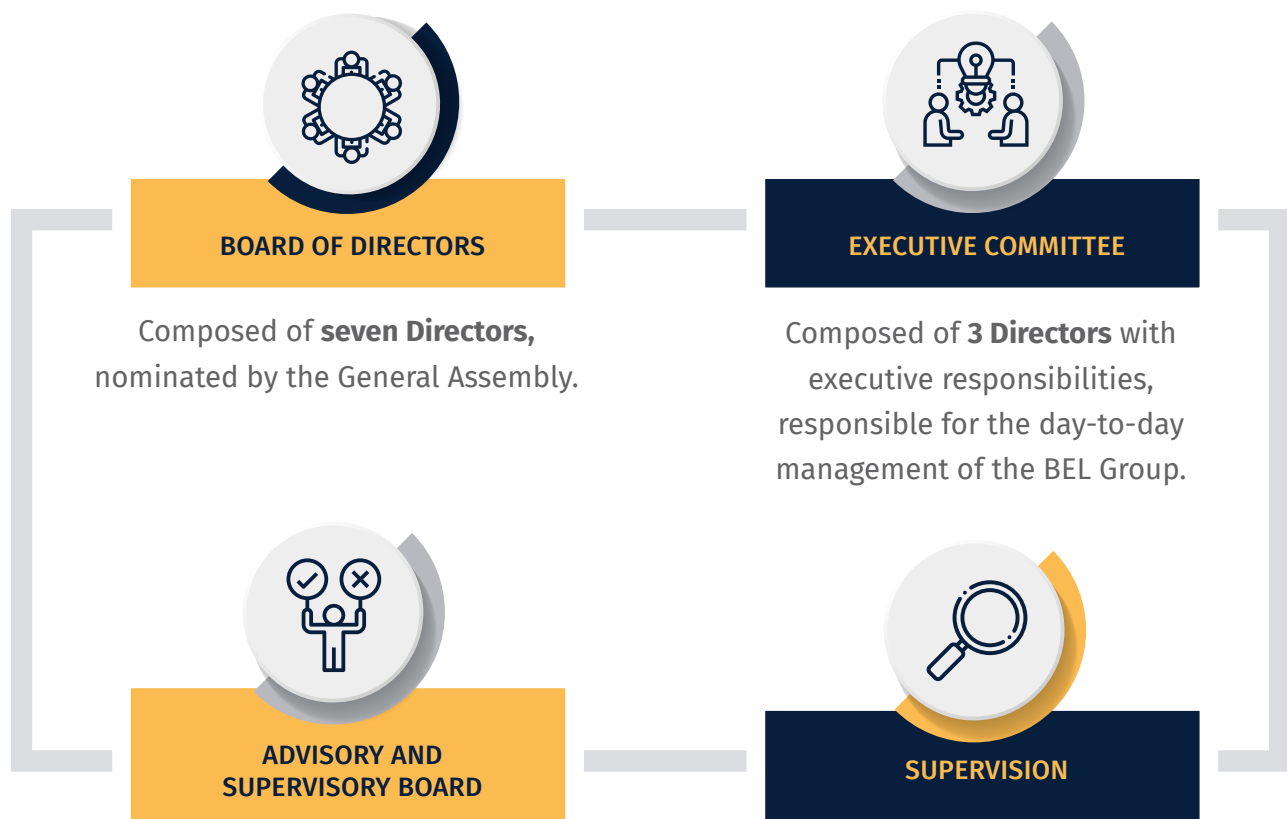
Only with values can we create value

1.3.1. Separation of Power

The system of “*checks and balances*” is an important dimension of the corporate governance of the BEL Group. Its implementation is possible due to an organizational structure in which the necessary information flow for the decision making process, is produced by means of a participative and collaborative process which allows for the taking of the best decision possible, within the scope of the values of the Group.

The relevance of subjects related to sustainability – namely at the level of social, environmental and economic aspects which impact the activity of stakeholders – places the management of this issue as the direct responsibility of the Board of Directors, in articulation with the Advisory and Supervisory Board. In this way, the BEL Group not only assumes its purpose of governance for sustainability, as well as the monitoring of policies and implementation at senior management level.

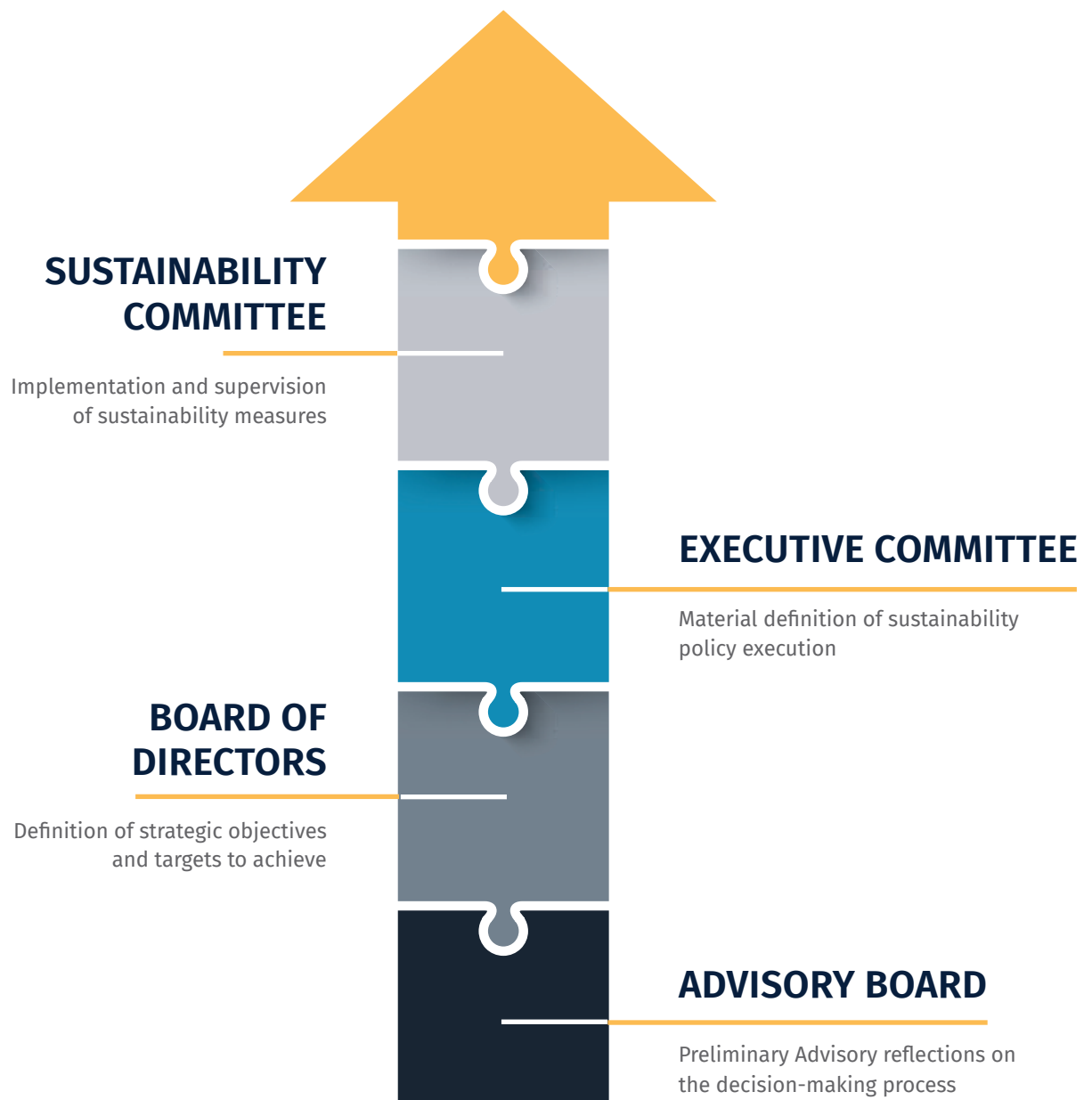
At the BEL Group there is a commitment of leadership to place sustainability as a polarising dimension of the whole of its organisational structure.



An Advisory body composed of **nine individualities** that have the mission of contributing to the decision making process with expert knowledge and provide guidance to the major decisions of the BEL Group.

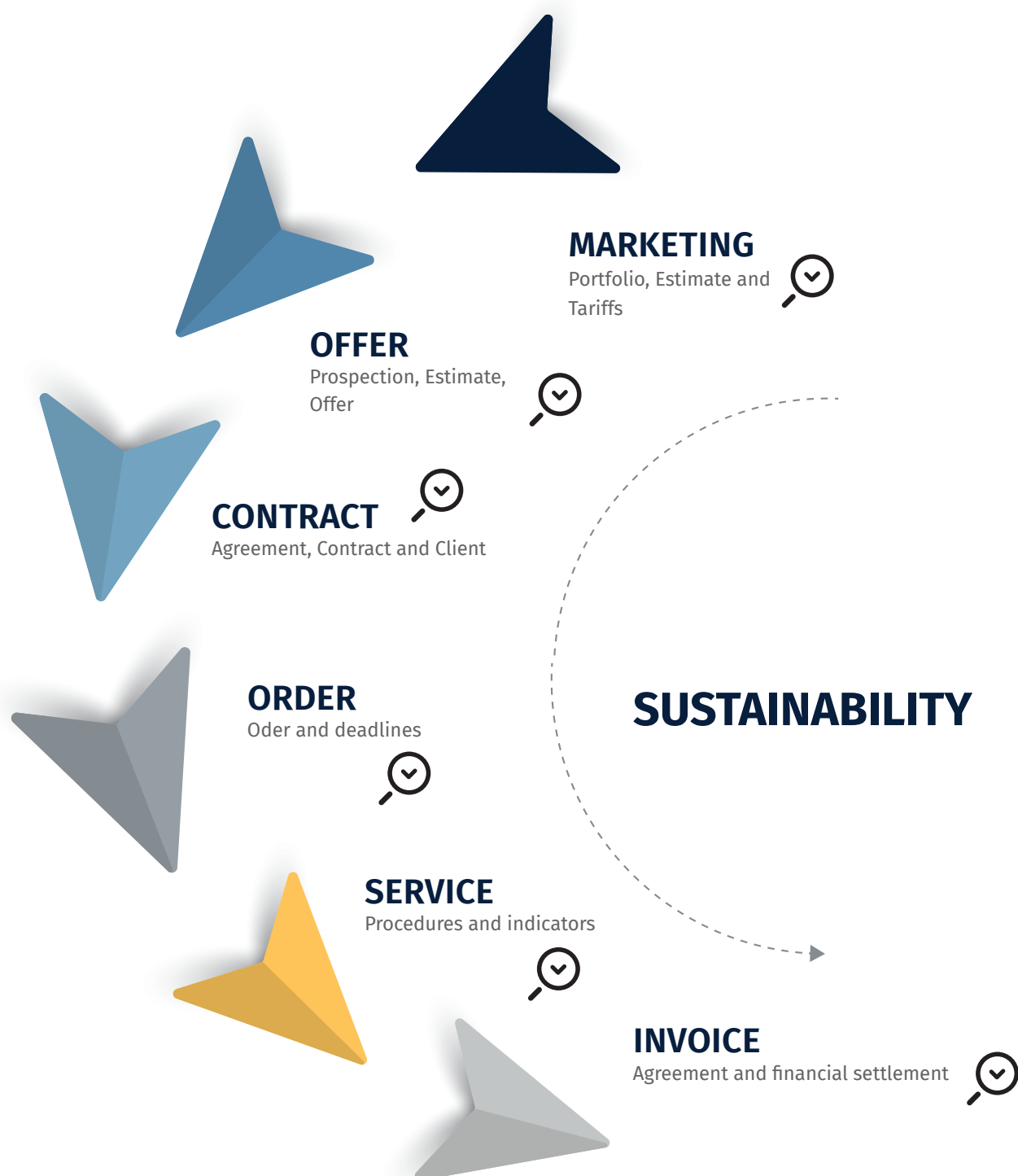
Single Auditor.

1.3.2. Management for Sustainability



Management for Sustainability (GPS) is transversal to all decision-making processes, with a permanent dialogue existing from the preliminary reflection phase until the supervision of the implementation of the measures. The Committee for Sustainability results from the intersection of all the major management and strategic definition bodies, placed at the core of our *decision-making GPS*.

1.3.3. Value Chain



HUMAN RESOURCES

Recruitment, preparation, compensation, motivation, training, termination.

IT

Processes, procedures, selection, systems, technologies, indicators.

ASSETS AND SUPPLIERS

Quality, acquisition, payment, maintenance, repair, replacement.



STRATEGIC ORIENTATION OF THE BEL GROUP



2.1. Strategic Orientation of the BEL Group



MORE THAN A BUSINESS: A PURPOSE

Despite the BEL Group operating in various sectors, each with its own specificity, the focus on governance geared to sustainability and concerns for social, economic and environmental dimensions, is a transversal brand of all the companies which make up the Group.

The structural economic growth and long-term value logic depend on the pillars of sustainability on which the company and the relations with the various stakeholders are built.

***Social, human and environmental causes
are also our causes!***

A company is not isolated from its surrounding environment and the reality which shapes it. This awareness leads to the need to support social, human and environmental causes which allow for the creation of a fairer, more developed future and with better living conditions for future generations.

The management of resources be it in the companies or outside them, is one of the most important issues of our time. The quest for solutions translated into an economy of means reduction in expenditure without endangering the quality of the service rendered, is one of the major objectives of the Group.

The dimension of efficiency appeals to a wider interpretation of productivity as being that of, the capacity to create value with rigorous cost management. Efficiency in services rendered and in the solutions presented does not result in losing sight of the pursuit of working methods which are efficient and translate into conservation of resources, particularly in those cases where there are alternative procedures which can lead to more efficient results. Energy efficiency has been one of the major concerns of the Group. Nowadays all the vehicles driven by Managers and Directors are 100% electric and powered by photovoltaic and electrical panels. Recycling, water usage efficiency and paper consumption are also indicators of the Group's commitment with efficient management focused on the reduction of its ecological footprint.

**All the Board of
Director and Manager's
vehicles are 100%
electric and powered
by solar photovoltaic
panels.**

Consistent with the mission and purpose of the BEL Group, its governance model is based on the constant concern with sustainability externalised in a commitment with solidarity and the community through which the Group assumes its responsibility as an enabling agent of social transformation processes.



2.1.1 Human Resources

A company does not exist without people. It is the people and the values they proclaim and share which are at the heart of the results and which determine the direction of the company.

The Group has defined a management philosophy centred on people, endowing them with the necessary trust so that their fundamental ethical values can reveal themselves and thus creating a veritable institutional culture.

Gender parity, equal opportunities, non-discrimination on the basis of race, religion or other unfounded differentiators, are basic values which are absolutely inalienable within the principles of the Group.

The companies of the BEL Group respect every principle as regards human rights, with any form of unfounded discrimination based on arbitrary criteria not being tolerated and subscribing to the ILO (International Labour Organisation) Declaration on the principles and fundamental rights at work.

The recruitment of people is carried out in compliance with criteria of merit, training and qualifications for the position, by a department which guarantees compliance with rules of good repute, transparency, impartiality and independence to that effect.

Knowledge, know-how, training and continuous learning are necessary in order to render good service. The rapid evolution of technology today creates adaptation challenges at speeds which differ from those of the past, requiring the monitoring of the process and the acquisition of new knowledge and the exchange of information via an interfering synergy which is reflected in the performance of all our companies.



Qualified training of our human resources is an added value which is reflected in the quality of the services rendered, the goods that we produce and in our presence as regards our stakeholders. In 2019-2020 we ministered over 1000 hours of internal and external training in very diverse areas of expertise. For 2021 we foresee the implementation of an on-going ambitious training plan appropriate to the needs and reality of each company.

The existence of a safe and healthy work place is one of the priorities which the BEL Group values, especially as regards the prevention of professional risk and the promotion of the health and safety of its workers.

2.1.3 Social Transformation

Companies are responsible for the fundamental role of supervising processes of social transformation for sustainability.

This mission is part of the concept of social responsibility to which the BEL Group is committed in its daily operations. From the decisions of the Board of Directors, to the simplest actions, this awareness emerges unveiled in all that we do and in the way that we do it.

Social transformation begins by being a commitment and a mission as regards our employees and their families.

In 2020, the Group implemented an **initiative to boost birth** rates with the offer of an incentive to all those employees who become parents.

The Group is also creating a **grant for educational merit** to be allocated during the current academic year, to the children of employees who excel at the different educational levels they are attending.



After the declaration of the state of emergency and in the context of the pandemic, approximately two tonnes of food products were distributed to the families of our employees, an initiative which was repeated during the 2020 Christmas period with a donation of approximately 500 Christmas hampers.



Social transformation is, on the other hand, a process which involves each and every one of us, and underlies the environmental sustainability practices implemented in the Group: the reuse of paper, the think-before-you-print policy, separating waste for recycling, opting for green and renewable energy, a massive reduction in the consumption of water in plastic bottles, are just some of the examples of our daily habits.

Responsibility for social transformation also marks the interaction of the Group with other stakeholders in the implementation of initiatives which involve the community.

In the period covered by this report, the Group organised a conference on ethics, equality and corporate leadership, involving university lecturers, politicians, managers and the community, promoting debate and reflection with the civil community on issues connected to the core governance for sustainability.

***Hand in hand with the world's
largest event on innovation
for sustainability***

The Group was represented at the world's largest event on innovation for sustainability – Planetiers World Gathering with our CEO having been a keynote speaker, where he presented the theme of purpose-driven companies, a reflection on the role of companies in the social transformation process.

Relations with the academic and business community, the universe of culture and society in general, are evidenced by the participation and intervention in countless conferences, debates, seminars, training initiatives, the most relevant of which are: the interview with the winner of the Nobel Peace Prize, Professor Mohan Munasinghe, in partnership with Planetiers and Jornal Económico, participation in Poliempreende, of the Instituto Politécnico de Leiria, on **“the Future of Entrepreneurship”**, participation in the conference **“Coimbra Region – Entrepreneurship and sustainability”**, mentorship for Start-ups in the context of the **“Semapa- Techstars Lisbon Mentor Days”**, participation in the **“5th International Symposium on Command and Leadership”**, intervention in **“Ethics and the 3 Ps”** at ISEC, among many, many others.



In 2020 the Group initiated a partnership with the “**Girl Move Academy**” project. Since 2013 this institution has worked on the training of young Mozambican girls, providing them with an education academy and professional internships. The BEL Group welcomed two corporate management interns providing them with mentorship in such areas as: financial management, human resource management, project management, marketing and advertising, communication and strategic vision.



The Group also supports education by sponsoring the only outdoor amphitheatre of the **Nova School of Business** and Economics and by being involved in initiatives organised by the academic community and in 2020, associated itself to the Bagos D'Ouro institution and supporting the acquisition costs of school materials distributed to needy children in the region of the north of the country.

PACTO DE MOBILIDADE EMPRESARIAL PARA LISBOA



*The Group joined the **Corporate Mobility Pact for Lisbon**, in which it commits to adopt “measures so that the city of Lisbon has a safer, more accessible, ecological and efficient mobility systems as per the fundamental principles of collaboration, commitment, transparency and security”.*

Responsibility for social transformation is also present in the support given to other institutions of recognised public and social utility: the Portuguese Red Cross, the Portuguese League Against Cancer, the Association of Children of the Heart, the Social Shop of Penha da França, Far Away Faith, among others. Direct actions were also carried out among the homeless in Lisbon with the distribution of Christmas food hampers and winter clothing.

In the philosophy of the Group, transforming the world also involves investment in R&D initiatives. The launch of the BEL Group R&D has that very purpose. In the period covered by this report the Group carried out investments which exceeded one million Euros in Research and Development with new projects of undeniable scientific and social value (see below) underway.



2.2. Relevant BEL Group Projects

This report we present all the various projects which the BEL Group is currently developing. Among these some are more worthy of reference due to such factors as the value of the investment on R&D and their focus on sustainability: health focused technology, sustainable real estate projects and investment in a research centre equipped with human and material resources for technical and scientific development. These are three very important domains which express the commitment of the Group with the environment, society and the community as well as with innovation at the service of sustainable solutions which allow for value creation.



INNOVATION IN HEALTH

In the first place, the Group is committed to technological and solution development for the health sector, with the challenge of developing resources which contribute to the combat of the COVID-19 pandemic or other risks which may potentially result in harmful effects on health. To this end we have a project underway which involves robotics for decontamination and disinfection of environments exposed to biological risks such as the SARS-CoV-2 which represents a highly important investment for the community in the face of the current pandemic and which introduces a new paradigm in the field of hospital disinfection, but applicable beyond this domain: e.g. hotels, industry, office spaces, schools, homes, public transport and spaces, just to name a few.

It is important to mention that the Group has submitted an application to the National Institute for Intellectual property for a patent licence for an Automated Guided Vehicle with the capacity for disinfection and decontamination of walls, ceilings and surfaces of any infrastructure exposed to biological risks, via a highly modular system with a high level of safety.

The BEL Group is also part of a joint venture which has been entrusted by NASA to develop and produce a ventilator for medical use so as to equip the hospitals in an area where various shortages have been identified in the context of the SARS-CoV-2 pandemic. This project has an international dimension, involving a consortium from around the world which is actively working on the production of those ventilators, with a view to certification and introduction into the market as regards all the required guidelines and orientations on safety for this equipment. The national consortium, of which the BEL Group is a part, will guarantee the distribution of the ventilator in the Iberian Peninsula and in the Portuguese speaking African countries.



REAL ESTATE

Whether in phases of expansion or consolidation, the BEL Group, has continued to foster new real estate projects and so contribute to urban development and to the social fabric of communities. These projects do not simply aim to guarantee the economic viability of the operations, in that they are anchored on the reduction of energy and environmental impacts, so as to power a sustainable future.

In the various projects underway which englobe sustainability features, the focus is polarised on aspects of major importance such as: energy efficiency of buildings; the production of electrical power from solar energy which induces mobility optimisation through electricity; the programmed use of soils and land management; efficient water management, namely via recycling; monitoring and protection of ecosystems; nature tourism and ecotourism.

In addition to the sustainability paradigm, we consider that this sector can benefit from investment in research and development through the promotion of collaboration between scientific and technological system entities and the BEL Group. This recent perspective allows for the generation of good scientific and technological innovation results. This is why it is deemed that certain projects can generate return on investment for the economy and for the quality of life for populations, in an area where aggregate intervention exceeds 1000 hectares.



RESEARCH AND DEVELOPMENT

Modern societies increasingly depend on technology for their development. Within a structure such as the BEL Group which includes various companies operating in the field of technology, innovation and state-of-the-art development are crucial for their survival and affirmation. For that very reason, the company's creative and innovation component has to be methodical, continuous, resilient and strategic, both as regards training of human resources as well as the development of new products and services.

**Innovation strategy, research and development in the company
is powered by four fundamental pillars:**



Training current and new human resources via PhD programmes end of course projects, summer internships and specialized training programmes for example, is foremost. This approach stimulates both employees to develop their skills and allows the Group to get to know the available source of recruitment for new human resources. On the other hand, the company is also giving something back to society and helping the universities to adjust fields which are relevant for the labour market.

In second place, innovation activities also allow the company to mature technology fundamentals so as to improve the quality and profitability of the services it provides, be it in the aerospace sector (i.e. ESA) or in the larger research centres (ITER, ESO, CERN).



Thirdly, a focus on the maturing or development of new technologies which allow for high return in the mid and long term, while also contributing to the resolution of pressing problems such as those related to the climate change, security in aerospace and space exploration.

Our research is centred on sustainability

The areas where the BEL Group has research and development activities include materials (aerogel, i.e. based on silica, as well as the additive production in titanium), robotics and automation (autonomous mobile robots and automatically guided vehicles), aeronautics (electronic for hostile environments and intelligent algorithms), space (instrumentation, electrical energy management, remote detection and geospace monitoring), health (autonomous systems for disinfection and support to the pandemic).

Finally and in fourth place, the company is focused on researching ideas and concepts which, in the future may, contribute to altering the paradigm of the development of modern societies.

The ambition of the team is to continue to develop high added value technologies, focusing on their industrialisation and commercialisation. Although various technologies are being heavily promoted, the first major focus must be on the demonstration of commercial and industrial viability of innovative materials for thermal insulation, mainly of buildings. After scientific and technical viability of the product has been demonstrated, the main focus is centred on the construction of prototypes to validate scalability and economic advantage of solutions under development, with the construction of sustainability prototypes (recycling and maximisation of the lifespan of products), optimisation of the ecological footprint (intelligent solar panels) and the upgrading of advanced technologies in mind (i.e. industry 4.0).

The most relevant results connected to innovation activities over the last twelve months – already achieved or under implementation – are as follows:

2

**Concluded
Doctorates**

15

**Summer
Internships**

6

**End of course
projects**

1

Competition

A competition for university students with a view to developing a natural navigation technology (NavCam) which already involves over two dozen elements, the submission of 3 patents in the field of materials, autonomous robots for the medical sector and recursive method algorithms for the processing and analysis of massive data.



The BEL Group is also involved and has a strong connection to the core concerns with sustainability in the Copernicus programme which allows for a response to such challenges as climate change, rise in sea levels, melting ice caps, natural catastrophes, or even food safety. The objective is to place a minimum of 12 satellites in orbit for

better observation of the Earth, which will supply information for research and comprehension of climate processes and help mitigation initiatives of the effects of humans on the Earth. Of the six Copernicus missions via Active Space technologies, the BEL Group is represented in the Copernicus Imaging Microwave Radiometer (CIMR), which consists in temperature measurements and the concentration of ice in the sea and the measurement of salinity on the ocean surface; in Copernicus Land Surface Temperature Monitoring (LSTM), responsible for supplying observations of the earth surface for sustainable agriculture and forecasting eventual periods of drought; and in the Copernicus Hyperspectral imaging Mission (CHIME), the objective of which is to supply information for an ever-more sustainable management of agriculture and biodiversity, in addition to allowing for the characterisation of soil properties.



The importance of research and development activities with the BEL Group strategy has been at the origin of the establishment of the BEL Group Research and Development, with a view to centralised fostering of these initiatives via both the material and human resources of added value which exist in our companies.



RELATIONS WITH THE STAKEHOLDERS



3.1. Relations with the Stakeholders

The commitment to and interaction between the BEL Group and its stakeholders are defined not just by the nature and dimension of business itself, but also at the level of the social, economic and environmental impacts resulting from business operations.

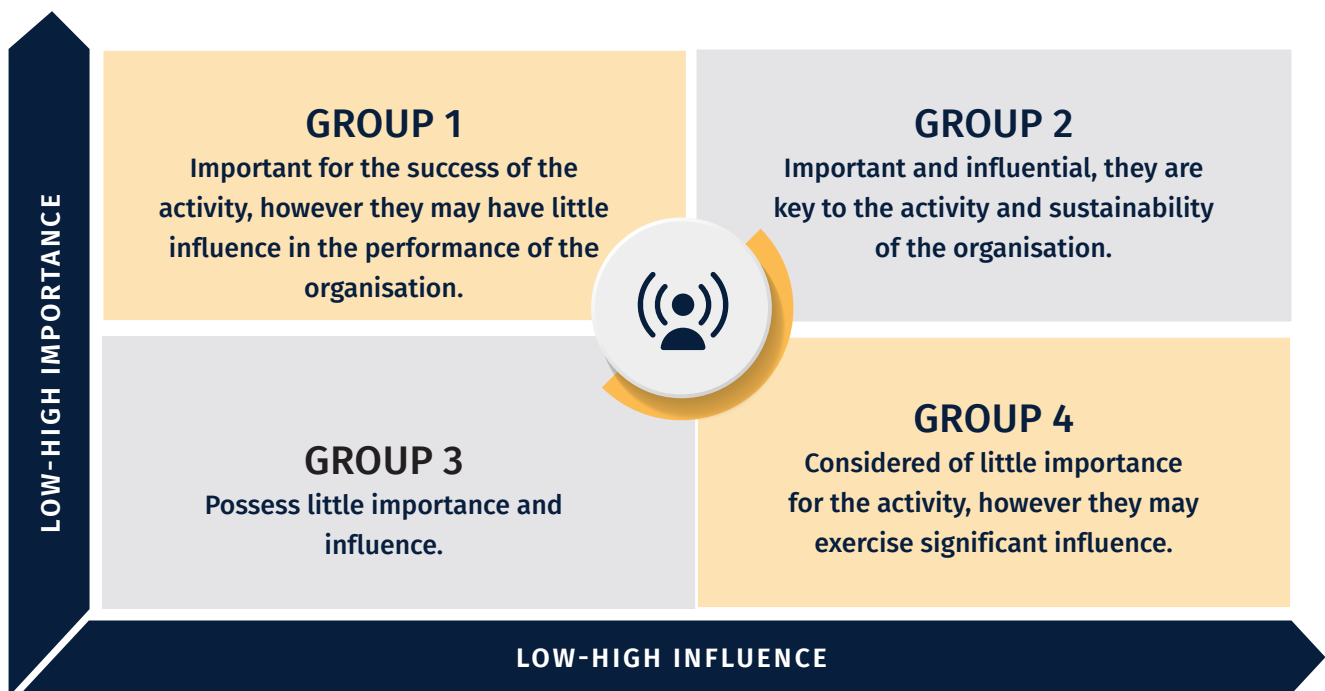
The group values feedback and contributions from internal and external stakeholders. Continuous effort and preoccupation are the factors which incorporate the stakeholder priorities in business and corporate sustainability strategies of the BEL Group, such as focus on environmental performance, working conditions, integrity and ethics, company performance, regulatory compliance, among others.

The BEL Group and supplier chain have not demonstrated any significant changes in the period covering the current report.

INTERNAL STAKEHOLDERS	EXTERNAL STAKEHOLDERS
<ul style="list-style-type: none"> • Board of Directors • Human Resources • Workers Committee • Internal product suppliers and services. 	<ul style="list-style-type: none"> • Clients and Visitors • External suppliers, products and services • Community • Media • Universities

Establishing lasting relations with the stakeholders is a key issue for the BEL Group. In this way the companies implement tools and processes allowing for the identification and comprehension of the specific needs and the current and future concerns of their stakeholders.

Importance and Influence Matrix of Stakeholders



GROUP 1

STAKEHOLDERS	MEANS OF COMMUNICATION AND INTERACTION	
COMMUNICATION	Newsletter; Intranet, WhatsApp, Facebook, LinkedIn, Twitter, Slack, Trello, Zoom and Teams Channels	
HUMAN RESOURCES	<ul style="list-style-type: none"> Internal daily communication with recourse to e-mail, direct contact and sharing of digital files 	<ul style="list-style-type: none"> Opinion surveys
INTERNAL SUPPLIERS OF PRODUCTS AND SERVICES	<ul style="list-style-type: none"> Visits and audits Reciprocal training 	<ul style="list-style-type: none"> Performance Assessment

GROUP 2

STAKEHOLDERS	MEANS OF COMMUNICATION AND INTERACTION	
BOARD OF DIRECTORS	<ul style="list-style-type: none"> • Assemblies • Reports 	<ul style="list-style-type: none"> • Replies to specific questionnaires
CLIENTS AND VISITORS	<ul style="list-style-type: none"> • Website • Phone Calls/Call Centres • Suggestions and complaints systems • Visits 	<ul style="list-style-type: none"> • Client magazines • Shops • Participation in sector fairs and events
EXTERNAL SUPPLIERS OF PRODUCTS AND SERVICES	<ul style="list-style-type: none"> • External suppliers of products and services – visits and audits • Reciprocal training • Supplier portals 	<ul style="list-style-type: none"> • Performance assessment • Participation in sector fairs and events

GROUP 4

STAKEHOLDERS	MEANS OF COMMUNICATION AND INTERACTION	
COMMUNITY AND NGOS	<ul style="list-style-type: none"> • Report & Accounts • Support to initiatives and projects • Handling external requests • website 	<ul style="list-style-type: none"> • Partnerships with representative institutions • Community involvement projects • Opinion surveys • Conferences
MEDIA	<ul style="list-style-type: none"> • Report & Accounts • Conferences 	<ul style="list-style-type: none"> • Interviews • Replies to specific questions
UNIVERSITIES	<ul style="list-style-type: none"> • Meetings, reports • Development projects 	<ul style="list-style-type: none"> • Publication of technical articles



MATERIALITY

4.1. Materiality

The current report is produced according to the standards of the Global reporting Initiative (GRI) Sustainability reports, and as such the content is defined with a basis on the Reporting Principles as pertains the inclusion of Stakeholders, the Sustainability Context, Materiality and Scope (GRI 102-46).

The objective of redirecting the operation of the BEL Group is founded on the need to respond to material issues of the Sustainable Development Goals (SDG)⁵, both internally and externally, taking the expectations and concerns of our stakeholders into account.

The SDGs are a new global model for the eradication of poverty, encouraging prosperity and well-being of communities, environmental protection and the combat of climate change and demonstrate the route to sustainability management for the following years.

The BEL Group is committed to the future and as such recognises the need to contribute towards the SDGs and assume the commitment to developing operations in such a way as to achieve the defined SGD targets as follows.

SUSTAINABLE DEVELOPMENT GOALS



⁵ <https://www.un.org/sustainabledevelopment/sustainable-development-goals/>

TARGETS



QUALITY HEALTH CARE

Guarantee access to quality health care and the promotion of well-being for all, of every age.

- Reduction of the number of deaths and injuries due to road accidents by 50% worldwide until 2020.
- Achieve universal health coverage, including protection from financial risk, access to essential quality health services and safe, efficient and quality access to essential medicine and vaccinations at accessible prices for all.



QUALITY EDUCATION

Guaranteed access to inclusive, quality and equitable education, and the promotion of opportunities for lifelong learning for all.

- Guarantee equal access for all men and women to technical, professional and advanced quality education, at accessible prices, including that of universities until 2030;
- Substantially increase the number of youth and adults with relevant qualifications, including technical and professional skills, to employment, dignified work and entrepreneurship until 2030.



GENDER EQUALITY

Achieve gender parity and the empowerment of all women and girls.

- End all forms of discrimination against all women and girls, everywhere;
- Guarantee the full and effective participation of all women and equal opportunities for leadership at all levels of decision making in political, economic and public life.;
- Adopt and strengthen solid policies and applicable legislation for the promotion of gender equality and the empowerment of all women and girls, at every level.



ACCESSIBLE AND RENEWABLE ENERGIES

Guarantee access to reliable, sustainable and modern energy sources for all.

- Substantially increase participation in renewable energies at a global energy level until 2030.
- Duplicate the global rate of improvement in energy efficiency until 2030.



DIGNIFIED WORK AND ECONOMIC GROWTH

Promote inclusive and sustainable economic growth, full and productive employment and dignified work for all.

- Attain higher levels of economic productivity through diversification, technological modernisation and innovation, including via focus on high added value sectors and intensive labour;
- Promote policies directed towards development which support productive activities, decent job creation, entrepreneurship, creativity and innovation, and incentives for the creation and growth of micro, small and medium sized companies, including access to financial services;
- Achieve full and productive employment, and decent work for all men and women, including for youth and people with physical disabilities, and equal pay for equal work until 2030;
- Substantially reduce the proportion of young people without work, education or training until 2020;
- Implement immediate and efficient measures so as to eradicate forced labour, end modern slavery and people trafficking, guarantee the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and until 2025 end all child labour in all its forms.;
- Protect labour rights and promote safe and protected work environments of all workers, including migrant workers, in particular migrant women and people in precarious work.

10



REDUCTION OF INEQUALITIES

Reduction of inequalities inside countries and between countries.

- Empower and promote social, economic and political inclusion for all, irrespective of age, gender, physical disability, race, ethnicity, religion, economic condition or other until 2030;
- Guarantee equal opportunities and the reduction of inequality of results, including through the elimination of discriminatory laws, policies and practices and the promotion of appropriate initiatives to this end;
- Adopt policies, specially at the level of fiscal, wage and social protection, and progressive attainment of greater equality.

12



SUSTAINABLE PRODUCTION AND CONSUMPTION

Guarantee sustainable consumer and production standards

- Achieve sustainable management and efficient use of natural resources until 2030;
- Achieve a healthy environmental management of chemical products and all waste, across the whole life cycle until 2020, in compliance with international timeline commitments undertaken, and significantly reduce their release into the air, water and soil, as well as minimising their negative impact on human health and the environment;
- Support developing countries and strengthen their scientific and technological skills to change to more sustainable production and consumption standards.

13



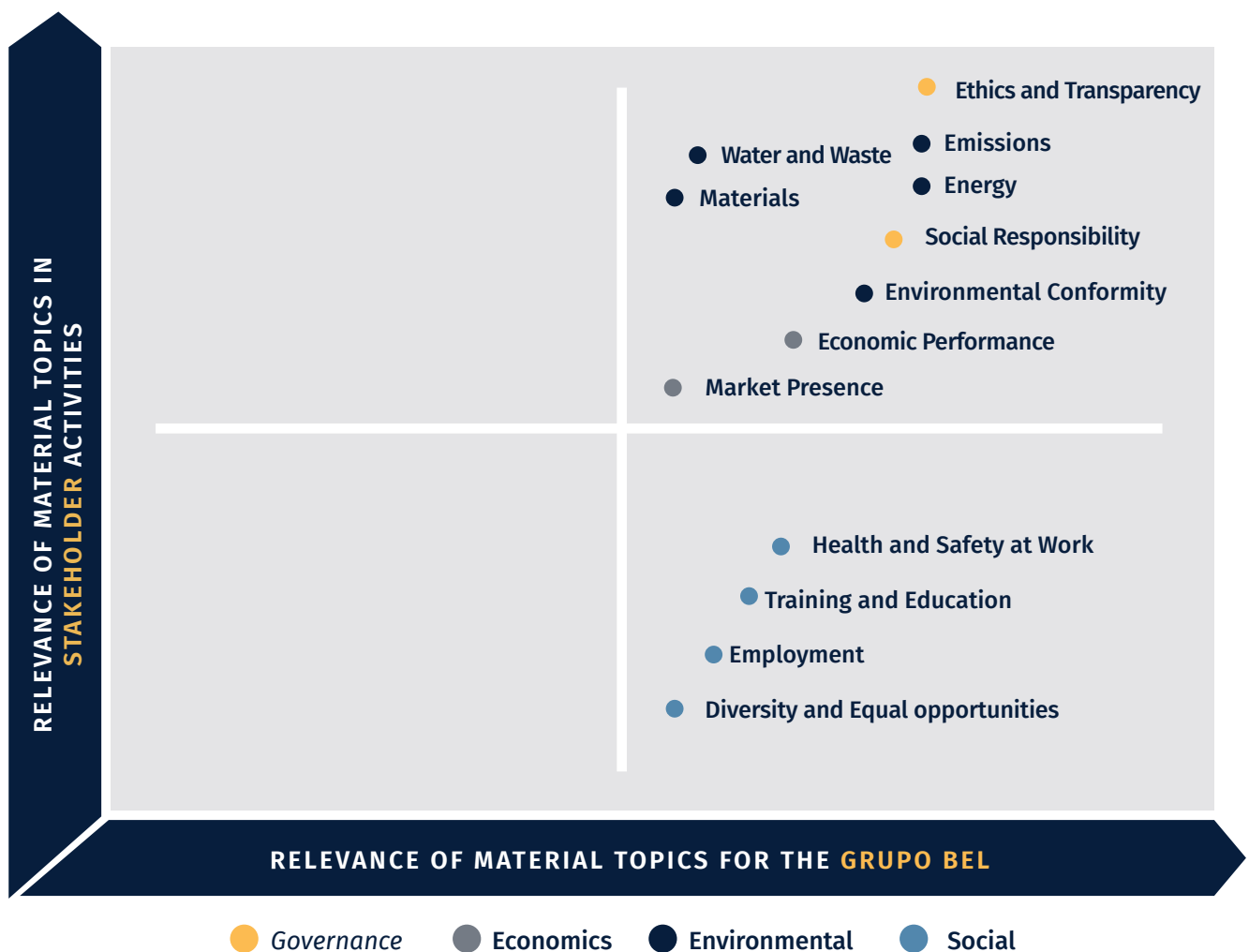
CLIMATE ACTION

Adopt urgent measures to combat climate change and its impacts.

- Integrate measures related to climate change into national policy, strategy and planning;
- Improve education, increase awareness and the human and institutional skills on mitigation, adaptation, impact reduction measures and early warning as regards climate change.

The Materiality Matrix identifies the topics considered critical to the different stakeholders and guides us as to how to define the BEL Group's action strategy. This Matrix is fundamental to the decision making process and the definition of priorities at the level of business and sustainability, and is considered an essential instrument of support to senior management.

Materiality Matrix



According to the risk analysis carried out within the scope of the principles of materiality for non-financial aspects of each topic, four topic areas are defined for the sustainability of the BEL Group. For each area strategic vectors are determined and are the basis of whole activity of the Group, thus allowing for the identification of material topics.

Areas - GOVERNANCE

STRATEGIC VECTORS	MATERIAL TOPICS (GRI, non-GRI and sector guidelines)
<ul style="list-style-type: none"> • Ethics and transparency • Social Responsibility 	<ul style="list-style-type: none"> • Ethics and transparency • Social Responsibility

Areas - ECONOMICS

STRATEGIC VECTORS	MATERIAL TOPICS (GRI, non-GRI and sector guidelines)
<ul style="list-style-type: none"> • GRI 201: Economic performance • GRI 202: Market presence 	<ul style="list-style-type: none"> • 201-1: Direct produced and distributed economic value • 201-2: Financial implication and other risks and opportunities in the face of climate change • 201-3: Benefit packages defined by the Organisation • 201-4: Financial support received from the Government • 202-1: Ratio between the lowest salaries and the local minimum wage, by type, in the relevant operational units.



Areas - ENVIRONMENTAL

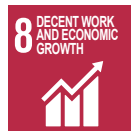
STRATEGIC VECTORS	MATERIAL TOPICS (GRI, non-GRI and sector guidelines)
<ul style="list-style-type: none"> • GRI 301: Materials • GRI 302: Energy • GRI 303: Water • GRI 305: Emissions • GRI 306: Waste • GRI 307: Environmental Compliance 	<ul style="list-style-type: none"> • 301-1: Materials used • 302-1: Energy consumption within the Organisation • 302-3: Energetic power • 303-1: Water usage as a shared resource • 305-1: Direct GEE Emissions (scope 1) • 306-4/5: Recycled and eliminated waste • 307-1: Incompliance with environmental laws and regulations

Areas - SOCIALS

STRATEGIC VECTORS	MATERIAL TOPICS (GRI, non-GRI and sector guidelines)
<ul style="list-style-type: none"> • GRI 401: Employment • GRI 403: Health and Safety at work • Education and training • GRI 405: Diversity and Equal opportunities 	<ul style="list-style-type: none"> • 401-1: New recruitments and rotation rate • 401-3: Rates of return to work after maternity leave by gender • 403-2: Types of accidents and frequency rates, occupational illness, days lost, absenteeism and number of accidental deaths • 403-9: Occupational illness and occupational accidents • 405-1: Diversity in management and in human resources



4.1.1. Material Topics of Governance

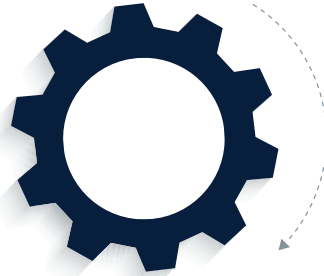


The BEL Group builds its **paradigm of governance on the triptych of “ethics, transparency and responsibility”**. These three dimensions weave into a holistic action matrix which guides decision-making processes and the relation which is maintained ad intra and ad extra with all of its stakeholders. The governance guidelines are produced on the basis of these three parameters, with the aim of achieving goals which connect to sustainability through the adoption of a code of conduct which is coherent with the values of the Code of Ethics and Conduct.

“Corporate Governance has been in practice since the very existence of corporate entities. However little more than half a century has been dedicated to the study of the subject(...) Current practice is still linked to existing legal concepts of companies dating from the XIX century, and which are totally inadequate within the emerging global context(...) it is necessary to find a vibrant alternative which guarantees that power, in any type of corporate entity and strategic alliance around the world, is applied in such a way as to guarantee both the efficient performance of the company, and the appropriate level of accountability and social responsibility.”

(B. Trickner, *Corporate Governance – Principles, Policies and Practices*, 2009)

During the period under analysis, the BEL Group accelerated its implementation of a governance and organisational structure in line with the said postulates, having introduced significant alterations into its governing model.

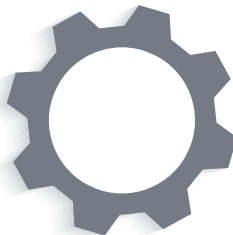
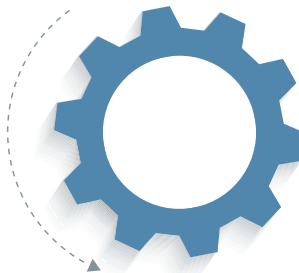


TRANSPARENCY

Regular and transparent reporting to our stakeholders

SUPERVISION

Creation of an aggregate body of knowledge to monitor the implementation of management policies.

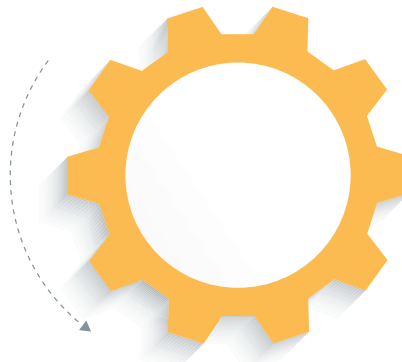


RESPONSIBILITY

Allocation of the sustainability strategy to the Board of Directors

ETHICS

Creation of an Ethics Committee to accompany and implement the Code of Ethics



KNOW-HOW

Expansion of the Board of Directors through highly experienced and expert non-executive



4.1.2. Economic Material Topics

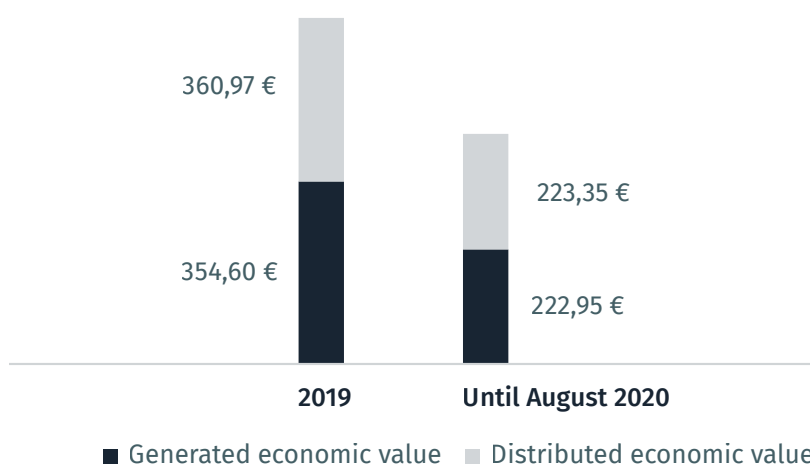


GRI 201: ECONOMIC PERFORMANCE

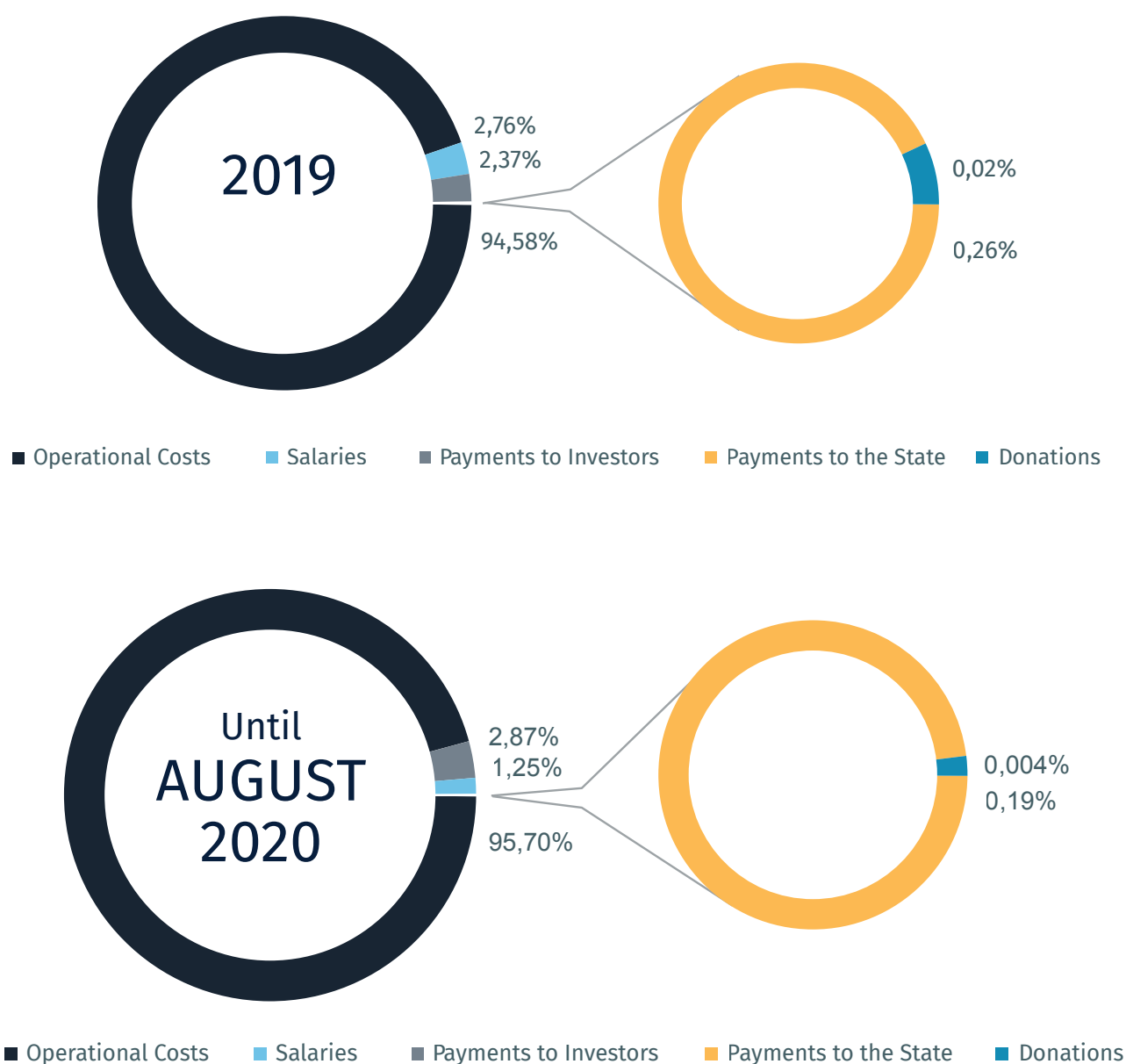
GRI 201-1: Direct economic value produced and distributed

In 2019 the BEL Group generated an economic value of 354,60 M€ and achieved 222,96 M€ in 2020. The Accumulated Economic Value (difference between the Economic Value Generated and what is Distributed) totalled -6,38 M€ in 2019 and 395,86 M€ in 2020. The Economic Value Distributed includes operational costs, salaries, donations and payments to investors and to the State.

Economic Value generated and distributed



The Economic Value Distributed in 2019 and 2020 is divided in the following way:



PAYMENTS TO THE STATE
22 333 896,50€

Consult Appendix III – Material Indicators and/or the Report and Accounts for 2019 and 2020 for further information on the economic and financial performance of BEL Group.



GRI 201-2: Financial implications and other risks and opportunities in the face of climate change.

The BEL Group is responsible for preventing impact on the environment, the motive for which it has been implementing various measures and developing actions for energy use of its facilities, thus reducing the use of fossil fuels in conjunction with the reduction of greenhouse gas emissions which impact on the atmosphere as a result of its activity. In its decisions the Group, applies the Principle of Precaution, carrying out a prior risk analysis in such a way as to guarantee the inexistence of negative impacts.

The risks and opportunities resulting from climate change are demonstrated in the following table:

	 RISKS	 OPPORTUNITIES
MANAGEMENT OF HUMAN RESOURCES	<ul style="list-style-type: none"> • Difficulty in the implementation of the Sustainability Policy • Event which hampers work in the workplace <hr/> <ul style="list-style-type: none"> • Preventing work event presential 	<ul style="list-style-type: none"> • Teambuilding initiatives related to the environment • Creation of the department for Sustainability Management <hr/> <ul style="list-style-type: none"> • Offer work solutions remote
MANAGEMENT OF ENVIRONMENTAL RESOURCES	<ul style="list-style-type: none"> • Extreme atmospheric event which directly impacts of electricity supply <hr/> <ul style="list-style-type: none"> • Climate change which directly impacts the cost of fossil fuel, namely the cost of fuel acquisition which impacts directly on distribution 	<ul style="list-style-type: none"> • Continuation of the application of photovoltaic panels, on the various premises of the Group, which allow for minimal use of electricity from the power grid <hr/> <ul style="list-style-type: none"> • Gradual increase of the acquisition of electrical vehicles so as to substitute fossil fuel energy
MANAGEMENT OF PHYSICAL RESOURCES	<ul style="list-style-type: none"> • Limited autonomy of electrical vehicles 	<ul style="list-style-type: none"> • Reinforce and installation of electrical chargers in all the companies of the Group



2 million kilometers
travelled with
renewable energies



4.1.3. Environmental Material Topics



GRI 301: MATERIALS

GRI 301-1: Materials used

The materials used by the BEL Group are wholly acquired from external suppliers. This topic demonstrates the materials relevant to administrative activities, such as paper consumption, in that this is one of the most expressive figures.

Paper Consumption at the BEL Group



INTERNAL PAPER CONSUMPTION

2019 Until
August 2020

Var

Number of
sheets printed

18 756
12 959

-31%

Number of sheets
printed/employee

125
86

-31%

Number of
equivalent trees

1,47
1,01

-31%

INVOICING PAPER CONSUMPTION

2019 Until
August 2020

Var

Number of
sheets allocated

2 230 243
1 355 790

-39%

Number of invoice
sheets/client

77,3
47,0

-39%

Number of
equivalent trees

174,26
105,94

-39%

TOTAL CONSUMPTION

2019 Until
August 2020

Var

Total sheets

2 248 999
1 368 749

-39%

Total reams

4 498
2 737

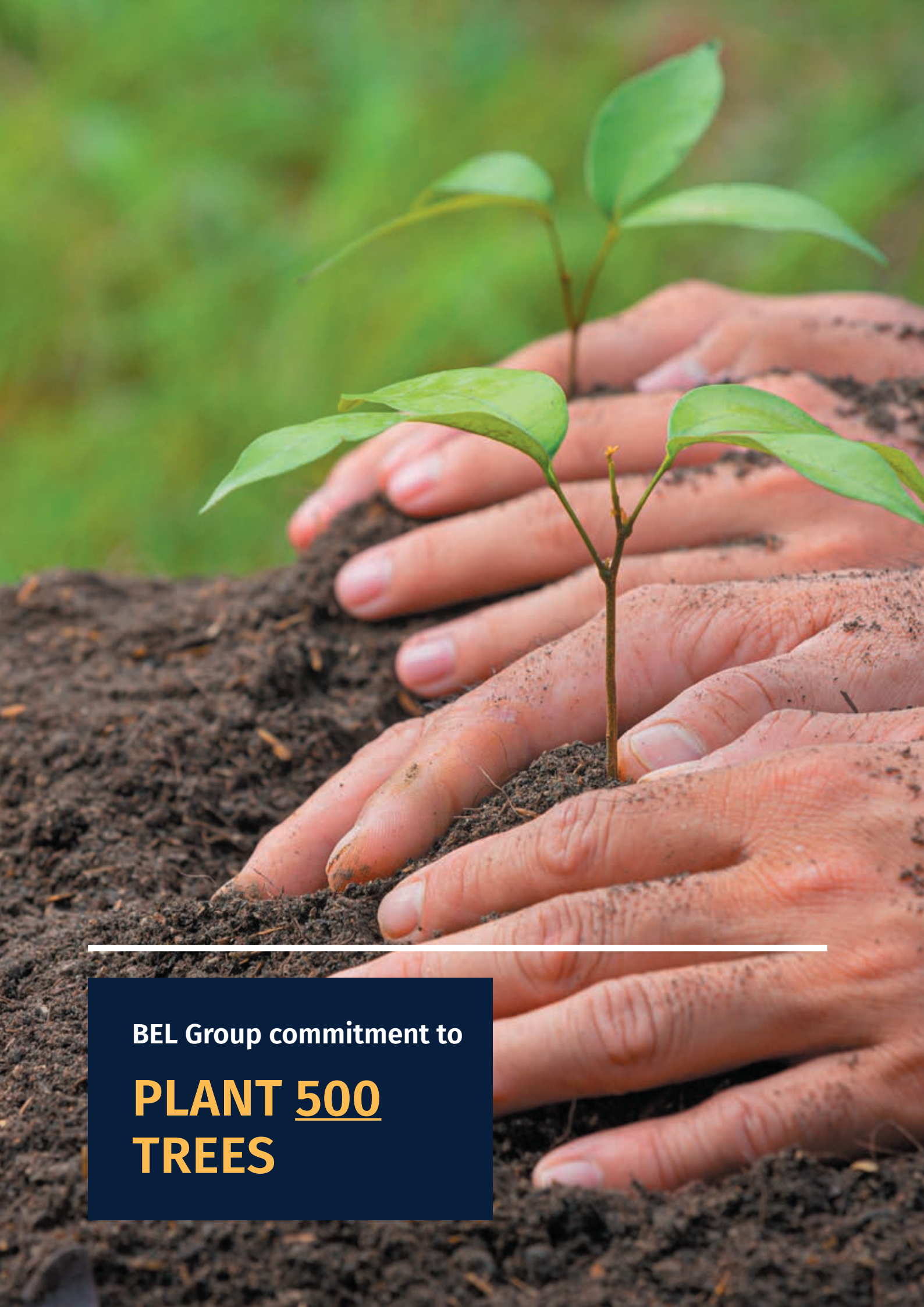
-39%

Number of
equivalent trees

176
107

-39%

Note: Considering that 1 equivalent tree = 25.59 reams of paper



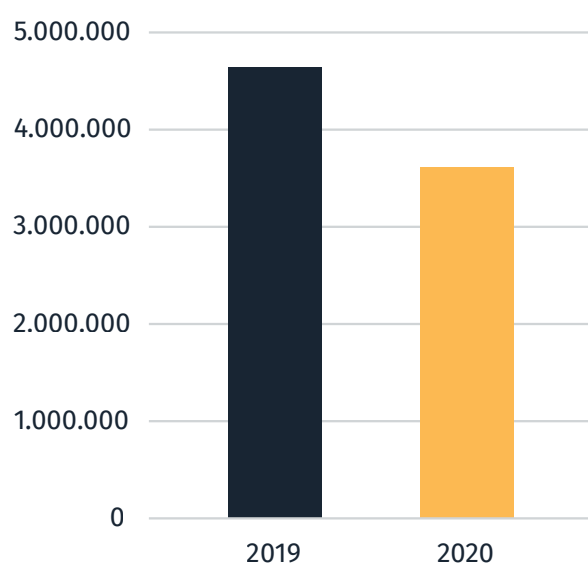
BEL Group commitment to

**PLANT 500
TREES**

GRI 302: ENERGY**GRI 302-1: Energy Consumption within the Organisation**

Over 2019 and 2020 the following types of energy were consumed: electric energy and fossil fuels (petrol, diesel, natural gas). Electrical energy is partially obtained from renewable origins, especially solar energy.

In 2019, the BEL Group consumed 4 647 348 MJ of electricity and 3 609 021 MJ in 2020, an expected reduction given that only 8 months of 2020 were considered, as well as the introduction of remote working systems due to the pandemic situation resulting from COVID-19 to the installation of new photovoltaic panels and the termination of the rental contract of one of the companies which contained production lines on the Group premises.

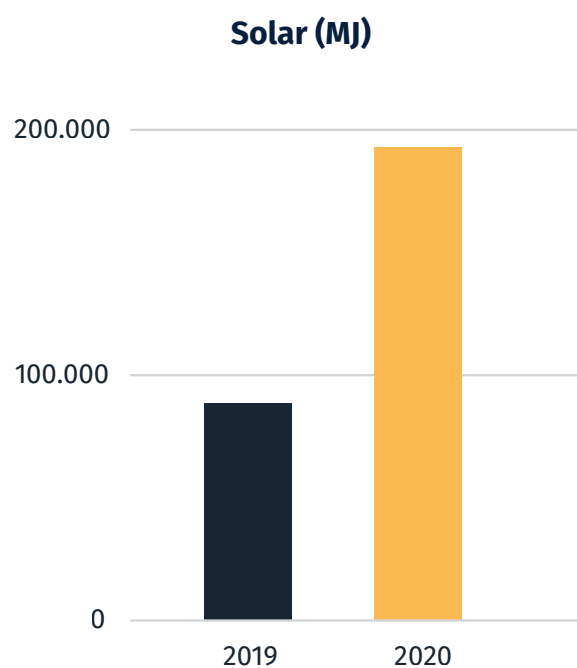
Electricity Consumption (MJ)

The BEL Group defends an ecological attitude as pertains to energy consumption. **A significant investment is being made on photovoltaic panels** for the distribution companies so that the infrastructure operates solely on solar energy. The use of clean and renewable energies as well as the use of vehicles exclusively powered by electricity is preferred, the aim being that of gradually substituting the current combustion fleet for electrical vehicles.

To this end, the Group has invested in ecological transports as a differentiating factor and a boost to raising awareness of more environmentally friendly corporate practices.



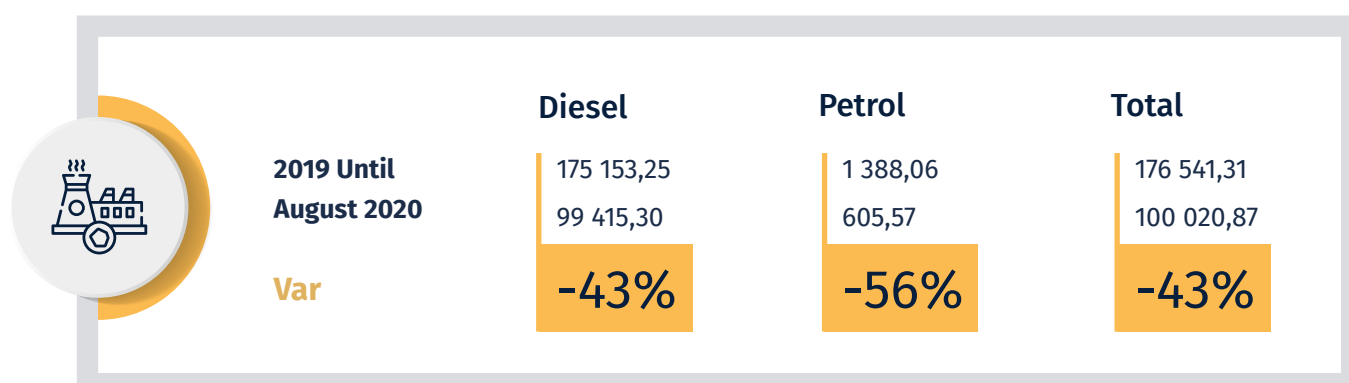
Today, all the electrical vehicles are mainly powered by solar energy (almost 80%), derived from photovoltaic panels installed in the companies of the Group.



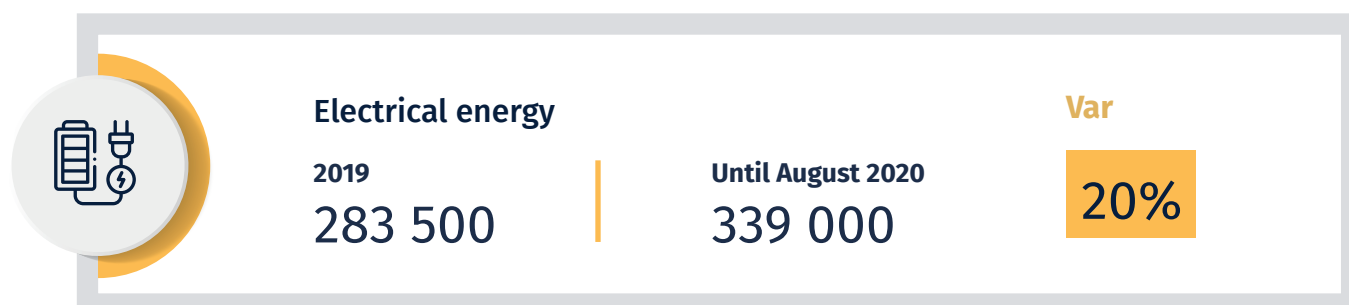
There is a marked increase in the use of solar energy in 2020 in comparison with the previous year, with a verifiable increase of 118%.

The consumption of fuel is mostly due to the service vehicle fleet, the majority being petrol powered vehicles. The preference is for the acquisition of vehicles with less polluting emissions.

Consumption of fossil fuel by the vehicles (GJ)



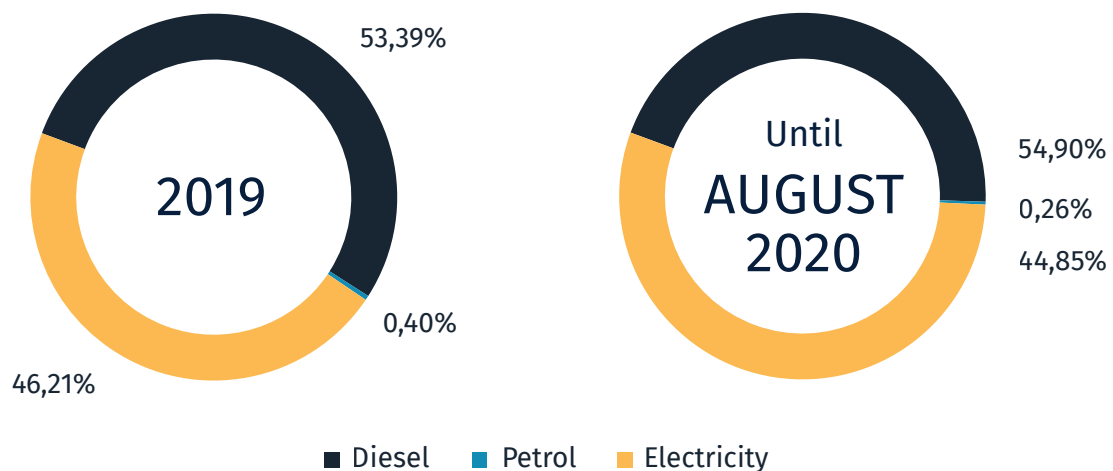
Note: Considered that 1 tree equivalent \approx 25.59 reams of paper.



GRI 302-3: Energy Intensity

Determining the ratio of the energy intensity the BEL Group took into consideration the total “tep” by total business turnover, such as the energy consumption as evidenced in this report – within the organisation, where all the energy sources used are reported.

Consumption of energy resources at the BEL Group



As evidenced by the graphs, it can be seen that diesel and petrol have been subject to a reduction of 8,54% and 0,14% respectively. However, and as expected, it is possible to see a considerable increase in their contribution to electricity component – 8,69%, given the acquisition of new vehicles in the Group fleet.

Ratio of Energy Intensity*



The conversion of energy consumption to the tep follows the guidelines established in table 1 of Dispatch n° 17313/2008

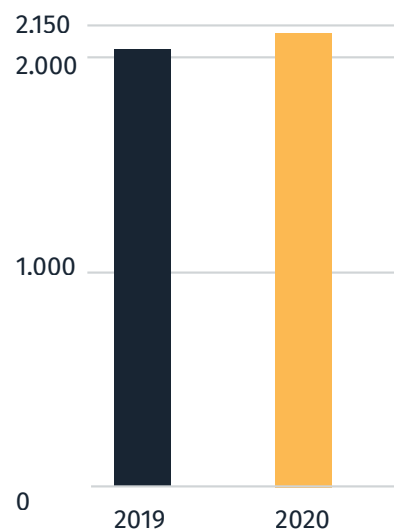


GRI 303: WATER**GRI 303-1: Water usage as a shared resource**

Water is an abundant natural resource essential to the existence of life on Earth, although limited, a reason in itself for the level of importance it should be attributed.

40% of the consumption of drinking water by BEL Distribution is carried out via a system which recycles and reuses the water.

The figures presented in the following table reflect the consumption of water used by the companies of the Group.

Water from the mains (m³)

In comparison to 2019, the year of 2020 saw an increase of 6% until the month of August (a difference of approximately 115m³)

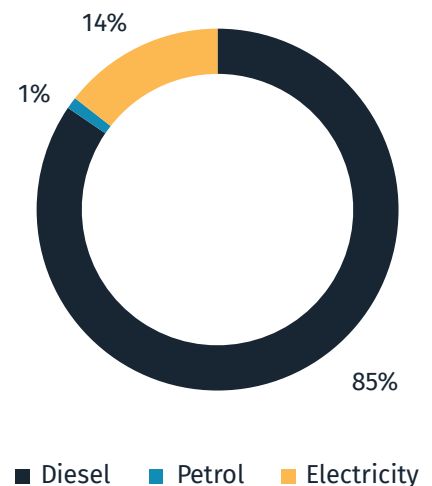
Specific Consumption of water

GRI 305: EMISSIONS**GRI 305-1: Direct GEE Emissions (scope 1)**

The BEL Group adopts a responsible and proactive behaviour and attitudes as regards the prevention of climate change. Climate change and scarcity of resources and the impact of these factors on future generations is a growing concern in the strategy of the Group. The Group has assumed sustainability as an essential factor in its strategy for growth.

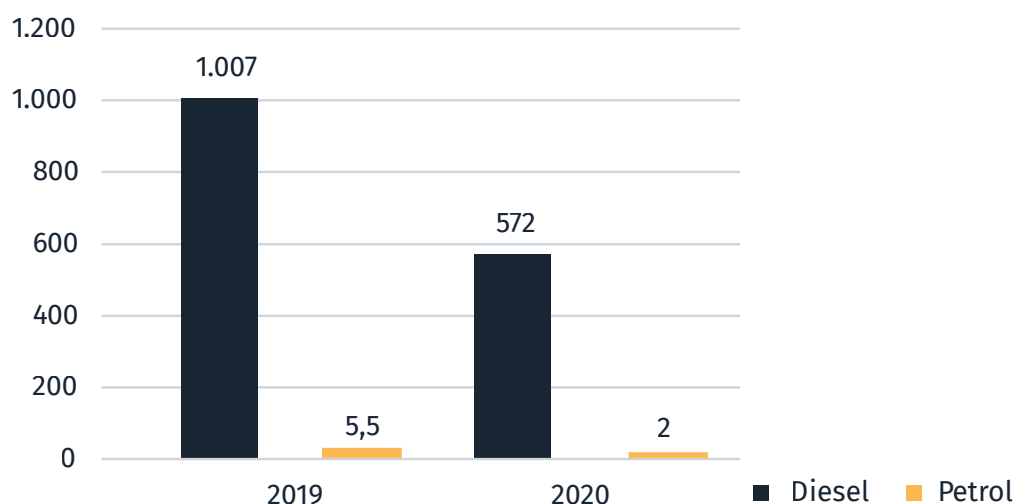
The Group has grown its electric fleet significantly, and now owns the company, Mistério da Terra S.A., one of the most modern fleets of electrical cars in Portugal.

On average 2 370 000 km are travelled annually in electrical vehicles with zero CO₂ emissions. The BEL Group annually runs 41, 100% electrical vehicles (14% of the total fleet of vehicles), and 23 charging points, dispersed throughout the various units.

Distribution of vehicles by type (2020)

**EMISSIONS
2020**
-43%

From 2019 to 2020 the number of petrol and diesel driven vehicles has been maintained and 13 electrical vehicles were acquired for the Group fleet. However despite the number of fossil fuel driven vehicles being maintained, we can verify that the associated emissions registered in 2020 have registered a relevant decrease, most notably as regards diesel, of 435 Tonnes (-43%).

CO₂ E (t) Emissions

The BEL Group takes a responsible approach to environmental conservation in order to nurture and enhance natural resources for future generations.

The most recent measure adopted by the BEL Group, in February 2020, was to join the Business Mobility Pact for Lisbon, in which it undertakes to adopt “measures so that the city of Lisbon has a safer, more accessible, greener and more efficient mobility system, according to the fundamental principles of collaboration, commitment, transparency and safety” (BCSD Portugal).

In this sense, the Group integrates social responsibility and environmental preservation as a commitment to life.

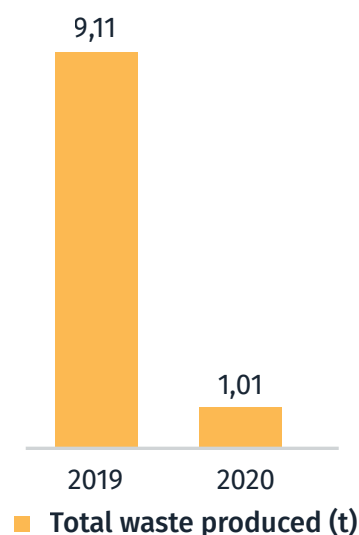
GRI 306: WASTE

GRI 306-4/5: Waste recovered and disposed of

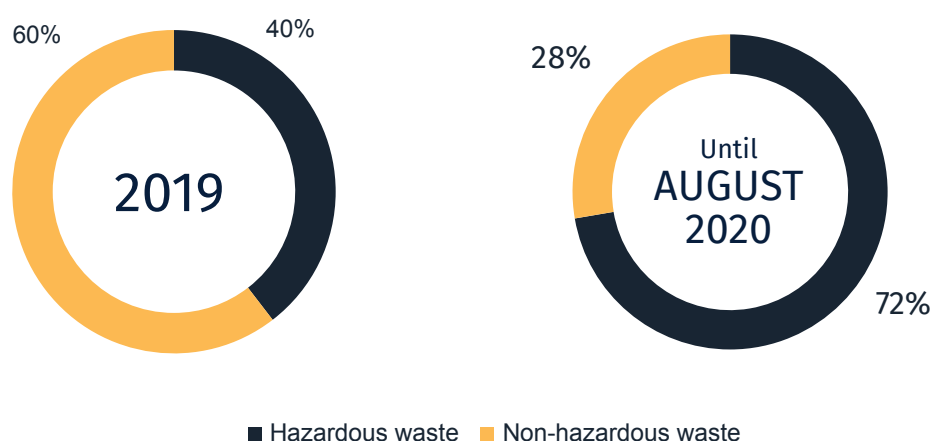
The management of resources is one of the most important issues of today. The search for solutions that result in savings of resources and the reduction of costs, without compromising the quality of the service provided, is one of the main objectives for our companies.

In 2019 and 2020 the BEL Group produced around 9t and 1t of waste, respectively, with a significant decrease in the quantity produced, as well as the quantity of non-hazardous waste (by about 5t) and hazardous waste (by around 2.9t).

The waste presented relates to activities where its production is more relevant, namely Group companies – Futurete and Active Space Technologies.



Waste produced by hazardousness



Despite the favourable decrease in waste production, it can be seen that the amount of hazardous waste for 2020 had a percentage increase of 32% - 72%. This increase can be justified by its storage until disposal date. There is thus an increase in 2020, since hazardous waste from the previous year has been accounted for.

With regard to waste recovery and elimination operations, in the company Active Space Technologies, all waste produced is recovered, while in the company Futurete the production of waste - essentially scrap and acid - is eliminated/recovered by an external entity.

On this topic, the BEL Group has developed a process for reusing cardboard and plastic in order to protect the environment. In the future, our ambition is to adopt a **Zero-Waste policy**, recycling and/or reusing all waste.

GRI 307: ENVIRONMENTAL COMPLIANCE

GRI 307-1: Non-compliance with environmental laws and regulations

As a result of all the BEL Group's concerns due to the committed work and effort towards compliance with the applicable legislation, in the years 2019 and 2020, no penalty for non-compliance with legislation or regulations in the environmental area was applied to the Group.



4.1.4. Material social issues



GRI 401: EMPLOYMENT

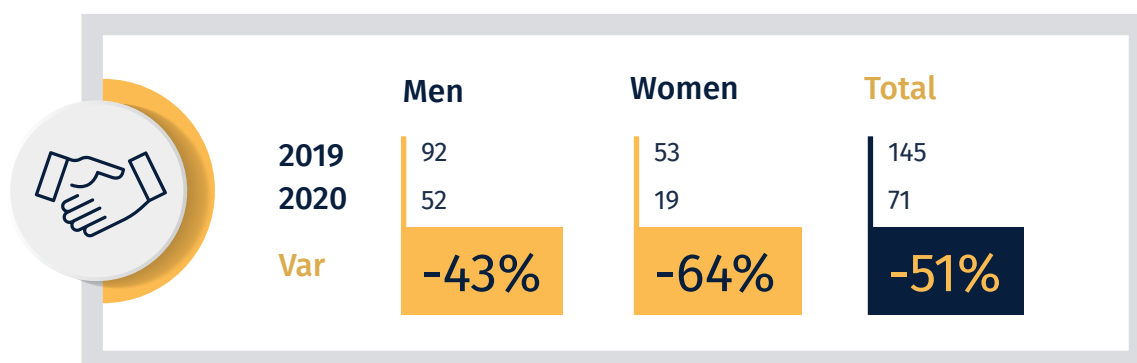
GRI 401-1: New employee hires and employee turnover

In 2020 it can be seen that the hiring of human resources was halved compared to the previous year, which is to be expected considering the accounting of the months in the different years, as well as the COVID-19 pandemic that appeared in 2020.

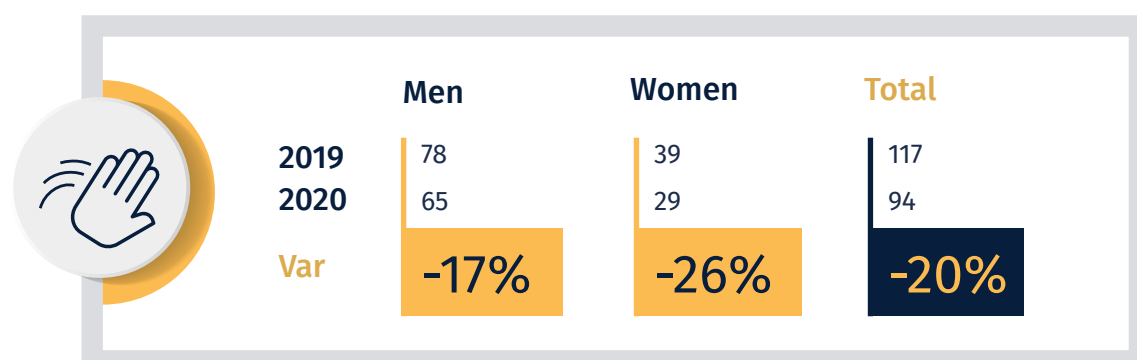
The 30 to 50 year-old age group is the one with the highest percentage in relation to the total number of recruitments in 2019, with a percentage of 33% and 23% for men and women, respectively.

In 2020, there is predominance in the hiring of male human resources between the ages of 30 and 50 and under 30, with 39% and 23%, respectively.

New hirings (2019, 2020)



Departure of human resources (2019, 2020)



Employee Turnover Rate (2019, 2020) *




* number of employee departures / total number of employees

GRI 401-3: Rates of return to work after parental leave, by gender

The companies of the BEL Group recognise the possibility of parental leave for both genders, men and women.

Parental leave, by gender



	WOMEN		MEN	
	2019	2020	2019	2020
Employees entitled to parental leave	5	2	12	8
Total number of employees who returned to work in the period of the report (after end of leave)	5	2	12	7*
Total number of employees who returned to work in the period of the report (after the end of leave) and were still employed for 12 months after returning to work	5	2	12	6**
Rate of return to work	100%	100%	100%	87,5%
Retention rate	-	0,4	-	0,5

* on the date of this report, one employee is still on parental leave ** and another presented their resignation.

GRI 403: HEALTH AND SAFETY AT WORK**GRI 403-2: Types of accidents and accident frequency rates, occupational diseases, days lost, absenteeism and number of deaths by accidents**

Within the scope of occupational medicine and in order to assess and maintain the physical fitness of the BEL Group's employees, in 2019 and 2020 the occupational health service carried out medical consultations (admission, periodic, occasional) and complementary diagnostic tests (carried out within the scope of the periodic consultations).

	2019	2020
 No. of Medical appointments (admissions)	145	71
No. of Medical examinations (periodic)	265	180*

* one of the medical examinations carried out was due to illness (return from long-term sick leave)

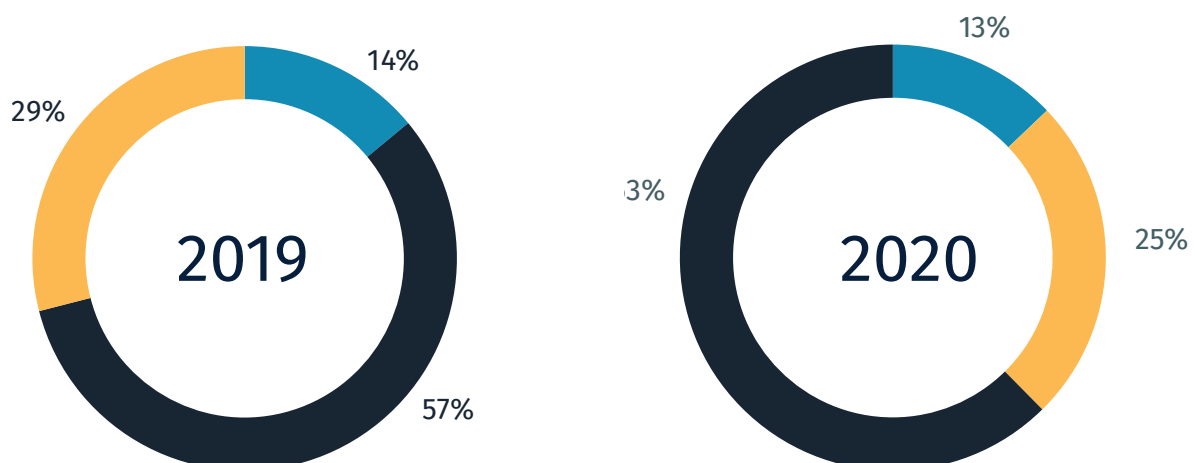
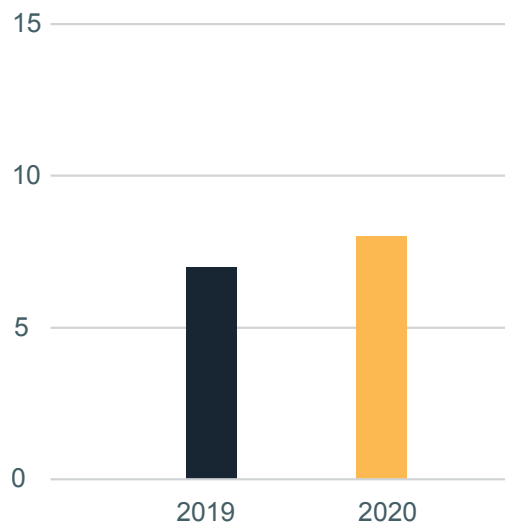


GRI 403-9: Diseases and accidents at work

We are concerned with ensuring the protection and promotion of health of all the Group's employees. We are aware that healthy working environments contribute to satisfaction and motivation, and impact on employee productivity and the sustainability of the Group.

In 2019 and 2020, we had a total of 7 and 8 accidents at work, respectively, most of which resulted in back injuries (57% - 2019; 63% - 2020). In 2020, one of the accidents occurred during the work-home-work commute.

Number of accidents at work



- Sprains/ Ligament ruptures
- Spine
- Entrapment Internal bruising and injuries

TRAINING AND EDUCATION

Training and education in organisations is a crucial element in ensuring the qualification of their human capital, and is an added value and differing factor in the market place.

For this reason, and in order to meet the legal requirements that call for the requirement of vocational and continuous training of the employees of any company, the BEL Group aims to permanently invest in the training of its staff.

In 2019-2020, two BEL Group employees successfully completed their PhDs and training was conducted in the areas of leadership, risk management, sustainability and cyber security and occupational health and safety, totalling 984 hours of training.

The implementation of a certified training plan appropriate to the reality of each company is underway, which will include about 120 hours of training per month. This plan begins in January 2021 and aims to train and develop the skills of our employees, in addition to promoting specific Occupational Health and Safety training.

GRI 405: DIVERSITY AND EQUAL OPPORTUNITY

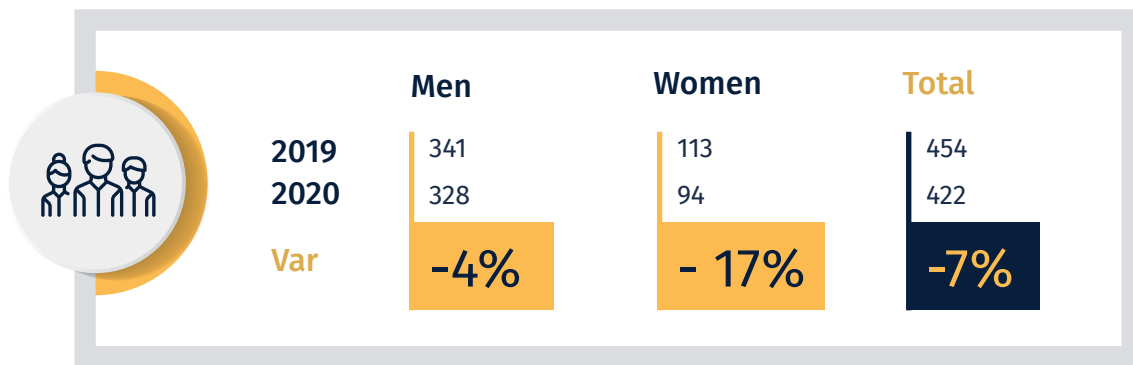
405-1: Diversity of governance bodies and employees

The BEL Group focuses on diversity in the management of its employees. Investing in an inclusive environment, based on equal opportunities and contributing to the diversity of experience and opinion, improving the environment and the Group's involvement.

Thus improving the Group's profitability and quality of service.

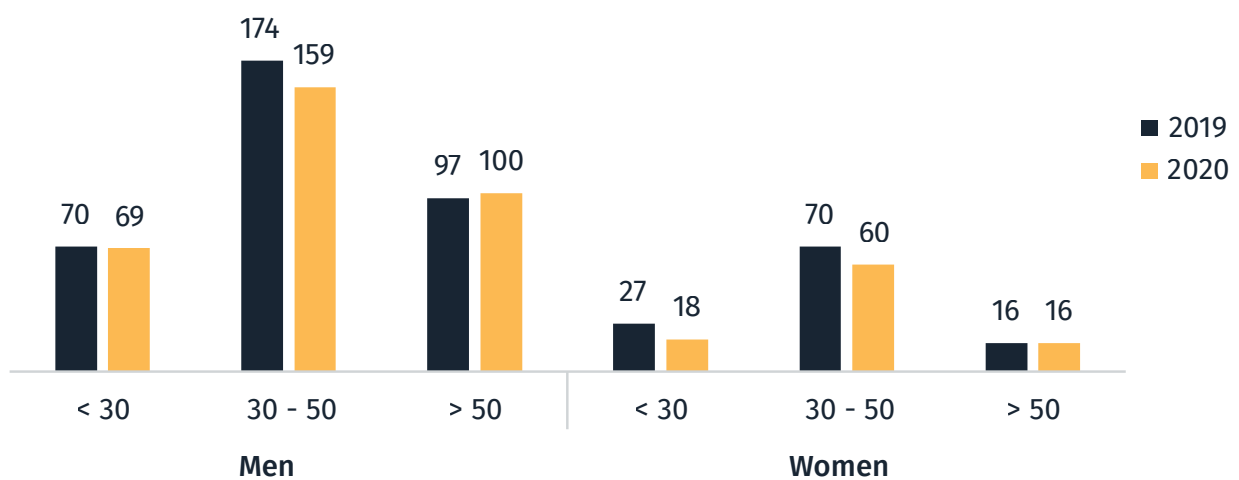
The number of employees decreased between the years 2019 and 2020, essentially in respect of female employees (-17%). This decrease in human resources is related to the closure of one of the Group's companies, due to the COVID-19 pandemic in 2020.

No. of employees (excluding the Board of Directors)

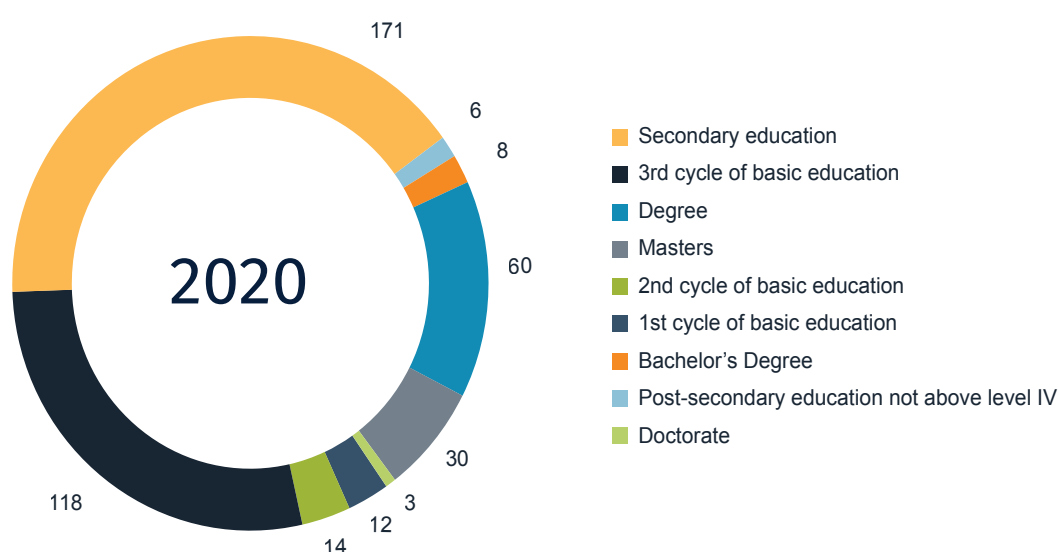


The age structure of the employees in 2019 and 2020 is mostly between 30 and 50 years old, with a predominance of males.

Number of employees by age (excluding the Board of Directors)

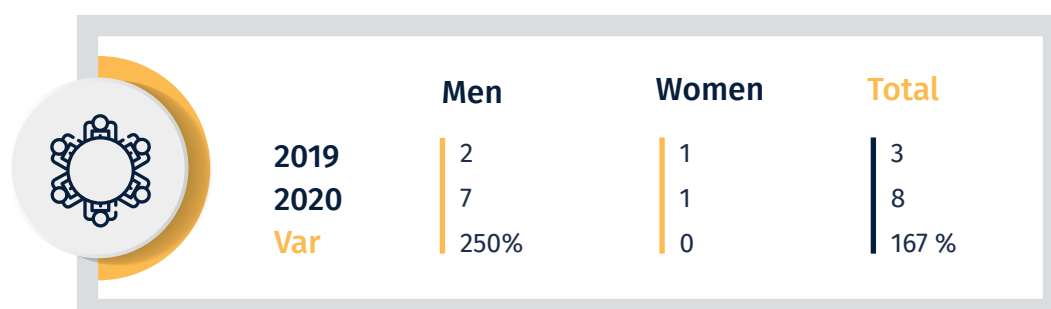


Academic qualifications (Excluding the Board of Directors)

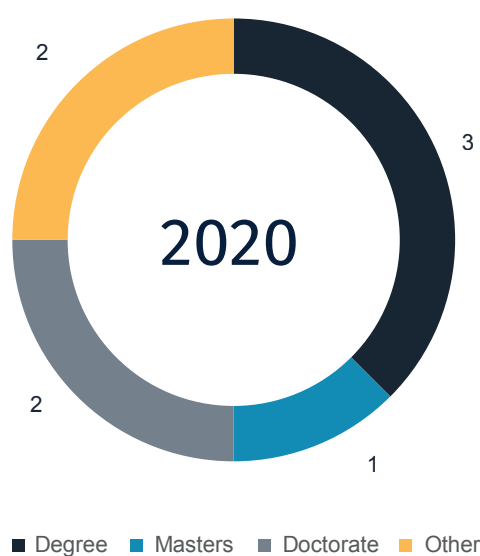


There are 8 members of the Board of Directors with higher education qualifications, 7 of whom are male and mostly aged between 30 and 50.

No. of employees in the Board of Director



Academic qualifications (Board of Directors)





5

**PARTNERSHIPS, SUPPORT
AND SOCIAL DYNAMICS**



5.1. Partnerships, support and social dynamics

The BEL Group supports institutions and social initiatives that contribute to the sustainable development of the population.

5.1.1. Partnerships

By supporting social, human and environmental causes we can create a fairer future, one that is more prosperous and with better living conditions for future generations. The BEL Group is therefore an active member of corporate responsibility organisations.



PLANETIERS

Sustainable online marketplace created by a team of young people seeking to bring together consumers, sellers, suppliers and customers on a single platform, thereby becoming a meeting point for all those who want to make their routines more eco-friendly.

BELMONTE PROJECT

The BEL Group, in partnership with Planetiers, is developing a project to build homes and communities in Belmonte that are completely aligned with principles of environmental sustainability. This project's mission is to be a benchmark in the way we live today, ensuring the comfort and quality of life of the residents, but without compromising the quality of life of future generations.

5.1.2. Institutional support



BUSINESS PACT AGAINST VIOLENCE

The BEL Group has signed the Business Pact Against Violence, which is part of a network of companies, in collaboration with the Office of the Secretary of State for Citizenship and Equality and the Commission for Citizenship and Gender Equality, with a view to mobilising emergency responses and supporting the work of the structures of the National Network for Support to Victims of Domestic Violence (RNAVVD).



UNIVERSIDADE NOVA SCHOOL OF BUSINESS & ECONOMICS

The BEL Group supports the Nova School of Business & Economics in Carcavelos, a university of national and international renown. This support from the BEL Group led to the naming of the university's only Outdoor Amphitheatre.



PATRON OF HONOUR OF THE BATTLE OF ALJUBARROTA FOUNDATION

The BEL Group is proud to be one of the Patrons of Honour of the Battle of Aljubarrota Foundation, a foundation constituted to preserve, value and publicise an important part of Portuguese cultural heritage, dedicated to the main historic battlefields of Portugal. This participation has made it possible to develop partnerships to enhance the value of the site of the battle with the aim of highlighting an important historical fact and ensuring that knowledge about it is passed on to future generations.



FRANCISCO SOARES DA SILVA

Following the work that has been carried out with regard to Social Responsibility and the Recovery of National Heritage, in 2018 the BEL Group acquired Francisco Soares da Silva S.A., a factory with more than 178 years of history.

Considered a "Living Museum", it is dedicated to the manufacture of numerous ribbons in various materials, and is the only manufacturer of the famous Moiré ribbons. With a view to the Recovery and Preservation of National Heritage, the Group has invested in the recovery of the last trimmings factory in Lisbon, whose history is intrinsically linked to the history of urban development of the Amoreiras area and the implementation of industries in this area.

Francisco Soares da Silva is one of the last examples of this development.



CRUZ VERMELHA PORTUGUESA

The BEL Group supported the Seia Delegation of the Portuguese Red Cross, a charitable organisation with a history dating back 153 years, by making a monetary donation towards the purchase of a new ambulance for the organisation.



ASSOCIAÇÃO FILHOS DO CORAÇÃO

The BEL Group is one of the partners of the Filhos do Coração Association, an association that was formed following TVI's "Grande Reportagem da TVI - Infância Traficada" (Trafficked Children) in 2007. Founded by the journalist Alexandra Borges, the foundation has rescued 93 children, 72 of whom are in its care at a shelter centre.



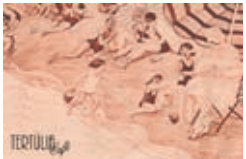
MERCEARIA SOCIAL DA PENHA DE FRANÇA

The BEL Group supported the Penha de França Social Grocery Store, whose main objective is to offer essential goods to senior citizens, local residents with motor challenges, and families from Penha de França, previously referred by the social welfare services.



AYLAN KURDI CARAVAN

The BEL Group lent its premises to Aylan Kurdi Caravan, a Portuguese movement set up to collect and transport over 65 tonnes of food to various refugee camps in Croatia and Serbia. In 2016, three truckloads of medicines, clothes and toys were sent, making it the largest private donation in all of Europe to date.



VIRGÍNIA VITORINO

The BEL Group supports culture and national heritage by investing in the building where Virgínia Vitorino, one of the most influential women in literature in the first half of the 20th century in Portugal, was born.

Virgínia Vitorino was born in Alcobaça, in 1895 and moved to Lisbon some years later. She stood out as a poet and playwright having published three books of poetry and six plays, with one of her books reaching twelve editions in Portugal and two in Brazil. She died in Lisbon in 1967, and a street is named after her in the city where she was born. BEL

5.1.3. Social initiatives

SUMMER CAMP

The BEL Group made several food donations to non-governmental organisations working with communities in need, including support to the Associação Sorriso Amigo and Externato Cooperativo da Benedita, to support needy families and the school community.



FOOD DISTRIBUTION

The BEL Group made several food donations to non-governmental organisations working with communities in need, including support to the Associação Sorriso Amigo and Externato Cooperativo da Benedita, to support needy families and the school community.



BAGOS D'OURO

The BEL Group provided school materials to several children and young people in the Douro region, through the Bagos d'Ouro association, in order to promote the education and social inclusion of those in need.



MOZAMBIQUE INITIATIVE

The BEL Group showed its solidarity with the people of Mozambique by donating clothes to the Portugal-Mozambique Association, following the passage of Cyclone Idai. The goods were collected and delivered to the Association.



CHRISTMAS INITIATIVE

We believe that the Christmas season is special for all of us. For this reason, the Group donated around 140 meals and 80 toys to the residents of Penha de França. Food hampers donated by BEL Group employees were also provided.



FIRES OF PEDRÓGÃO GRANDE AND LEIRIA

Following one of the biggest national tragedies that occurred in 2017 - the fires that broke out in Pedrógão Grande and Leiria and which spread to neighbouring municipalities, the BEL Group pulled together and supported local communities by donating 30,000 litres of water.



SUPPORT IN REGIONAL EVENTS

Apart from social causes, the BEL Group also supports a number of regional events, such as the "Beach 24h Spinning Tour Portugal", a spinning marathon held in São Martinho do Porto, and the "S. Bernardo cycling circuit" in Alcobaça.



SUPPORT FOR PARALYMPIC ATHLETE

The BEL Group is proud to support André Venda in the paralympic sport of handcycling. The former federated downhill mountain biker was suddenly unable to continue cycling and has taken up this new sport, reflecting his passion for the sport and the personal improvement he sets out to achieve every day.





ANNEXES

ANNEX I – Abbreviations and Acronyms

€	Euros
AIMI	Additional Municipal Property Tax
BCSD	Business Council for Sustainable Development
CERN	European Organization for Nuclear Research
CHIME	Copernicus Hyperspectral Imaging Mission
CIMR	Copernicus Imaging Microwave Radiometer
CO₂e	Carbon Dioxide Equivalent
COVID-19	Disease caused by the new coronavirus SARS-COV-2
DMR	Monthly Remuneration Statement
ESA	European Space Agency
ESG	Environmental, Social and Governance
ESO	European Southern Observatory
FCT	Workers' Compensation Funds
GEE	Greenhouse Gases
GPS	Management for Sustainability
GRI	Global Reporting Initiative
h	Hour
ha	Hectare
I&D	Research and Development
IEC	Special Excise Tax
IMI	Municipal Property Tax
IMT	Municipal Transfer Tax
IRC	Corporate Tax
ITER	International Thermonuclear Experimental Reactor
IUC	Road Tax

IS	Stamp Duty
IVA	Value Added Tax
kg	Kilogram
km	Kilometre
kWh	Kilowatt-hour
LSTM	Land Surface Temperature Monitoring
m€	Thousand Euros
M€	Million Euros
m³	Cubic metre
MJ	Megajoule
ODS	Sustainable Development Goals
OIT	International Labour Organization
OMS	World Health Organization
ONG	Non-Governmental Organisation
tep	Tonne Oil Equivalent
RNAVVD	National Network of Support for Victims of Domestic Violence
SARS-CoV-2	Severe Acute Respiratory Syndrome – Coronavirus 2
t	Tonne
TVI	Independent Television
Var	Variance

ANNEX II – Letter of Commitment - UN Global Compact



H.E. António Guterres
Secretary General
United Nations
New York, NY10017
USA

Carnaxide, 13 October 2020

Dear Mr. Secretary General,

I am pleased to confirm that the BEL S.A. Group supports the ten principles of the Global Compact on human rights, labour, environment and anti-corruption. With this communication, we express our intention to implement these principles. We are committed to making the Global Compact and its principles part of our company strategy, culture and day-to-day operations and to engaging in cooperative projects that promote the broader development objectives of the United Nations, in particular the Sustainable Development Goals. The BEL S.A. Group will make a clear statement of this commitment to stakeholders and the general public.

We recognise that a key requirement for participation in the Global Compact is the annual submission of a Communication on Progress (COP), outlining our company's efforts in implementing the ten principles as well as our support for the specialised Global Compact platform(s) which our company may participate at a future date. We support public accountability and transparency and therefore commit to report on progress within one year of joining the Global Compact and annually thereafter in accordance with the Global Compact COP policy. This includes:



- A statement signed by the Chief Executive Officer expressing our continued support for the Global Compact and renewing our ongoing commitment to the initiative and its principles. This document is separate from our initial letter of commitment to join the Global Compact.
- A description of the practical actions (i.e. disclosure of any relevant policies, procedures and activities) the company has undertaken (or intends to undertake) to implement the Global Compact principles in each of the four thematic areas (human rights, labour, environment, anti-corruption).
- A measurement of results (i.e. the extent to which targets/performance indicators have been met, or other qualitative or quantitative measures of results).

With our best regards,

Marco Belo Galinha

Chair of the Board of Directors of BEL S.A. Group



ANNEX V – List of Addresses

Active Aerogels, Lda

Parque Industrial de Taveiro, Lote 8
3045-508 Coimbra

Active Space Automation, Lda

Parque Industrial de Taveiro, Lote 8
3045-508 Coimbra

Active Space Technologies, S.A.

Parque Industrial de Taveiro, Lote 12
3045-508 Coimbra

Augusto Duarte Reis, S.A.

Rua Alfredo da Silva, nº 8, Bloco A/B, Armazém A
2610-018 Amadora

Aximage - Comunicação e Imagem, Lda

Rua Casal do Canas, nº 14-3A
2790-204 Carnaxide

Bel Distribuição, S.A.

Leiria
Rua da Cooperativa, nº 5
2415-002 Bidoeira de Cima

Turquel

Estrada Nacional, nº 8/6, 27
2460-808 Turquel

DLP Portugal, S.A.

Rua da Cooperativa nº 5A
2415-002 Bidoeira de Cima

Farol Hotel

Rua Casal do Canas, nº 14-3A
2790-204 Carnaxide

Flugraph - SGPS, S.A.

Rua Casal do Canas, nº 14-3A
2790-204 Carnaxide

Francisco Soares da Silva, S.A.

Travessa Fábrica dos Pentes, nº 4A
1250-020 Lisboa

Futurete - Indústria de Máquinas de Café, Lda

Charneca do Rio Seco – IC2, km 86.2
2460-818 Turquel

Global Notícias - Media Group, S.A.**Lisboa**

Rua Tomás da Fonseca, Torre E, 3º
1600-209 Lisboa

Porto

Edifício JN – Porto, Rua Gonçalo Cristóvão, nº 195 – 219
4049-011 Porto

Grupo Bel - R&D, Lda

Rua Casal do Canas, nº 14-3A
2790-204 Carnaxide

Leirivending - Comércio, Distribuição e Vending, S.A.

Rua da Cooperativa, nº 5
2415-002 Bidoeira de Cima

Metalúrgica Luso-Italiana, S.A.

Casal da Machada
2630-355 Arruda dos Vinhos

Mistério da Terra, S.A.

Rua Casal do Canas, nº 14-3A
2790-204 Carnaxide

Memorypack - Unipessoal, Lda

Rua Vieira da Silva, nº 45
1350-342 Lisboa

Propriurbe - Propriedades e Urbanizações, S.A

Rua Casal do Canas, nº 14-3A
2790-204 Carnaxide

Sociedade Agro-turística da Herdade do Rio Mourinho, S.A.

Estrada da Boca do Inferno, nº 7
2750-461 Cascais

SDT - Distribuição, Lda**Chamusca**

Quinta dos Arneiros de Cima, Lote 4/5
2140-011 Chamusca

Milharado

Rua da Zona Industrial, nº 4
2665-305 Milharado

Spiritamicis, Lda

Parque Industrial do Taveiro, Lote 8
3045-508, Taveiro

Urbilink - Mediação Imobiliária, Lda

Rua Casal do Canas, nº 14-3A
2790-204 Carnaxide



Independent Limited Reliability Assurance Report

To the Board of Directors of the
BEL Group, S.A.

Introduction

We were contracted by the BEL Group, S.A. to carry out an independent, limited assurance, verification of the information contained in the BEL Group's Sustainability Report 2019/2020, in accordance with the Global Reporting Initiative Standards (core option) and sector guides.

Responsibilities

The Board of Directors of the BEL Group is responsible for the preparation and dissemination of the information contained in the Sustainability Report, and also the definition of the assessment criteria and monitoring of the systems that support the results obtained. By reference to the terms agreed, our responsibility is to prepare an opinion on compliance, resulting from independent verification and strict confidentiality.

Scope

The independent verification was carried out based on the review assumptions in accordance with the principles of the ISAE 3000 (International Standard Assurance Engagements) and of the AA1000APS Accountability Principles Standard 2008 and taking into account what is defined in the guidelines of the Global Reporting Initiative (GRI Standards).

In order to obtain a sufficient and adequate understanding of the matters under analysis, we plan and apply procedures and techniques in an analysis by sampling for a limited reliability assurance work based on:

- (i) Interviews with the people in the BEL Group in charge of collecting and processing information for the Sustainability Report in order to understand the methodologies for organising the non-financial information and the matters included in the report;
- (ii) Verification of the existence of internal records leading to the implementation of policies on social responsibility;
- (iii) Review of the results obtained, and also of the respective calculations and limits, with regard to issues of materiality;
- (iv) Assessment of the level of adherence to the principles of inclusion, relevance and responsiveness, in accordance with standard AA1000APS 2008;
- (v) Assessment of the level of compliance regarding stakeholder engagement and the relevance of material topics in accordance with the GRI Standards;
- (vi) Confirmation that sufficient data is available to meet the GRI Standards requirements.

Telephone: +351 213 182 720 | Email: info@pkf.pt | www.pkf.pt

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**Conclusions**

Based on our work, nothing has come to our attention that leads us to believe that the systems, processes and procedures for collecting and processing information included in the BEL Group's Sustainability Report 2019/2020, as well as the reporting of the information, have not been properly and coherently prepared and do not comply with the Global Reporting Initiative Guidelines (standards, core option) and sectoral guides.

Lisbon, 25 November 2020

A handwritten signature in blue ink, appearing to read 'José de Sousa Santos'.

PKF & Associados, SROC, Lda.

Audit firm

Represented by

José de Sousa Santos (ROC no. 804 / CMVM no. 20160434)

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SUSTAINABILITY REPORT

2019/2020

Requests for clarification and suggestions on the current Report should be forwarded to:



Rute Carreto



Rua Casal do Canas, 14-3A,
2790-204 Carnaxide, Portugal



(+351) 211 339 057



sustentabilidade@grupobel.pt

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SUSTAINABILITY REPORT 2019/2020



Rua Casal do Canas, 14-3A,
2790-204 Carnaxide, Portugal



(+351) 211 339 057



(+351) 211 395 045



geral@grupobel.pt